



海吉亚医疗控股有限公司

Hygeia Healthcare Holdings Co., Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 6078

Environmental, Social and Governance Report

2024



2024 Environmental, Social and Governance Report

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2024 Environmental, Social and Governance Report

I. CHAIRMAN'S STATEMENT

Dear readers,

Thank you for your interest in the 2024 Environmental, Social and Governance Report (the “**ESG Report**”) of Hygeia Healthcare Holdings Co., Limited (the “**Company**” or “**Hygeia Healthcare**”). On behalf of the board of the Company (the “**Board**”), I am pleased to present the ESG Report of the Company together with its subsidiaries (the “**Group**”) for the year ended 31 December 2024.

Hygeia Healthcare has remained steadfast in its commitment to providing one-stop comprehensive treatment services for cancer patients since the Group started its business in 2009. We firmly believe that we are able to bring valuable medical resources to more patients in non-first-tier cities with our stringent quality control, advanced medical technologies, and patient-centred services. The year 2024 presented both opportunities and challenges for the global healthcare industry. In the face of the ever-evolving medical landscape, we uphold the corporate vision of “making healthcare services more accessible and affordable and making life healthier (讓醫療更溫暖，讓生命更健康)” and place patient welfare at the core of our business operations.

Over the past year, we achieved significant progress in enhancing medical service capabilities, applying technological innovations, and advancing green and sustainable development, contributing to the high-quality growth of the healthcare sector. We have actively promoted the decentralisation of medical resources by optimising our service network and strengthening regional medical capacities, enabling more patients to access convenient cancer treatment services. With breakthroughs in artificial intelligence and digital healthcare technologies, Hygeia Healthcare embraced industry advancements by introducing innovative solutions. Meanwhile, we continue to promote the construction of Smart Hospitals, optimising medical record systems and remote consultation platforms to deliver more efficient and accessible healthcare services.

In 2024, we further refined our Environmental, Social, and Governance (“**ESG**”) framework by enhancing our information disclosure mechanisms to ensure that stakeholders are well-informed of our latest progress in environmental protection, social responsibility, and corporate governance. As a core pillar of Hygeia Healthcare’s sustainable development, we adhere to high standards of corporate governance to ensure the transparency and compliance of our business operations. We strictly prohibit commercial bribery and require all employees to establish the values of “to be honest, to be practical, and to be credible”.

As a healthcare provider, we recognised that our impact extends beyond the quality of medical services to the broader well-being of society. Therefore, we actively participated in the “Healthy China Action” and organised numerous public welfare activities such as free medical consultations, cancer screenings, and health education seminars to raise public health awareness and disease prevention capabilities. We place great emphasis on employee well-being, striving to create a diverse, inclusive, and equitable working environment. We also offer professional development opportunities to enhance employees’ satisfaction and sense of belonging. Furthermore, we collaborate with governments, academic institutions, and local healthcare organisations to advance China’s oncology healthcare sector, ensuring that high-quality medical services benefit a wider population.

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Recognising the profound impact of environmental pollution and climate change on human health and the healthcare industry, Hygeia Healthcare actively responded to national policies by strengthening its efforts to reduce pollution and carbon emissions. To foster a more environmentally friendly and low-carbon healthcare environment, we have strengthened our energy-saving and emission reduction initiatives by optimising the energy efficiency of the medical equipment, enhancing operational efficiency and strengthening waste management in 2024. In addition, we referred to the International Financial Reporting Standard — Climate-related Disclosures (“**IFRS S2**”) issued by International Sustainability Standards Board (“**ISSB**”) to further improve our climate risk management mechanism and enhanced corporate resilience to climate change. In 2024, our overall performance in ESG gained the attention and recognition of various authoritative institutions.

Looking ahead, Hygeia Healthcare will adhere to its high-quality development strategy, deepen ESG governance framework, and integrate sustainable practices into daily operations. We will strengthen the construction of green healthcare by allocating more resources in climate change mitigation and low-carbon health initiatives. This approach also allows us to enhance corporate transparency and maintain effective communication with all stakeholders. We deeply believe that through our ongoing efforts, Hygeia Healthcare will achieve business growth while creating a far-reaching positive impact on society and the environment, contributing to the sustainable development of China's healthcare industry.

Chairman and Chief Executive Officer

Zhu Yiwen

March 27, 2025



Making healthcare services more accessible and affordable and making life healthier



II. ABOUT THE REPORT

In compliance with the requirement under the Environmental, Social and Governance Reporting Guide (“**ESG Guide**”) set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) under the principle of “comply or explain”, the Group is pleased to present the ESG Report for the year ended 31 December 2024 (“**FY2024**”), which demonstrates the Group’s approach and performance in terms of ESG management and corporate sustainable development for FY2024.

Boundary Setting

This ESG Report adopts the operational control approach to assess the impact of the Group’s operating entities on the society and environment in FY2024 and defines the scope of information disclosure based on the assessment result. The reporting boundary of this ESG Report covers the principal business operations of the Group, including hospital business¹ and other business. In line with the principle of Materiality, the disclosure scope of certain performance indicators of the Group is further explained in the relevant sections. For the details of the businesses of the Group, please refer to the 2024 Annual Report of the Group.

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The Group’s hospital business includes the operation of a network of 15 oncology-focused hospitals, namely Shanxian Hygeia Hospital Co., Ltd. (“**Shanxian Hygeia Hospital**”), Suzhou Canglang Hospital Co., Ltd. (“**Suzhou Canglang Hospital**”), Suzhou Yongding Hospital Co., Ltd. (“**Suzhou Yongding Hospital**”), Chongqing Hygeia Hospital Co., Ltd. (“**Chongqing Hygeia Hospital**”), Longyan Boai Hospital Co., Ltd. (“**Longyan Boai Hospital**”), Hezhou Guangji Hospital Co., Ltd. (“**Hezhou Guangji Hospital**”), Heze Hygeia Hospital Co., Ltd. (“**Heze Hygeia Hospital**”), Chengwu Hygeia Hospital Co., Ltd. (“**Chengwu Hygeia Hospital**”), Kaiyuan Jiehua Hospital Co., Ltd. (“**Kaiyuan Jiehua Hospital**”), Anqiu Hygeia Hospital Co., Ltd. (“**Anqiu Hygeia Hospital**”), Liaocheng Hygeia Hospital Co., Ltd. (“**Liaocheng Hygeia Hospital**”), Chang’an Hospital Co., Ltd. (“**Chang’an Hospital**”), Yixing Hygeia Hospital Co., Ltd. (“**Yixing Hygeia Hospital**”), Dezhou Hygeia Hospital Co., Ltd. (“**Dezhou Hygeia Hospital**”) and Qufu Chengdong Cancer Hospital Co., Ltd. (“**Qufu Chengdong Hospital**”).

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Reporting Principles

In accordance with the reporting principles outlined in the ESG Guide, this ESG Report has been prepared following the principles of materiality, quantitative, balance and consistency, systematically disclosing the Group's key ESG performance in FY2024.

Materiality

The Group upholds the principle of Materiality to reasonably define its reporting boundary and conducts materiality assessment to identify the most critical and relevant ESG issues for its business development. In FY2024, the Group maintained stable communication with its stakeholders and conducted an annual materiality assessment via an online survey to gather feedback on ESG-related issues. This process helped to understand stakeholders' concerns and expectations regarding sustainable development. The assessment results were reviewed by the Board and formed the foundation of the content of this ESG Report, which also provide a guidance for the Group to allocate resources and optimise the management system.

Quantitative

To enhance the transparency of ESG data and facilitate comparison, the Group applied the quantification principle to systematically collect and organise environmental and social performance based on key performance indicators (“**KPIs**”) such as emissions and resource use, and disclose the information in corresponding sections to provide a comprehensive overview of the Group's ESG performance in FY2024. The calculation methods, assumptions or conversion factors used are set out in the footnotes of relevant performance tables.

Balance

The Group upholds the principle of Balance to ensure an objective and fair presentation of its ESG performance. In FY2024, the Group transparently disclosed its sustainability performance for both outstanding achievements and areas for improvement. The Group also effectively classified, assessed and disclosed the potential risks and opportunities, ensuring that its stakeholders obtain accurate ESG information to support informed decision-making.

Consistency

The Group adopts a consistent approach to define the scope of the disclosure, account for and disclose its ESG performance, including greenhouse gas (“**GHG**”) emissions, following the reporting framework and recommended methods such as “How to prepare an ESG Report? Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange. In case of any significant changes in the disclosure scope, framework or methods used, clear explanations will be provided in the corresponding sections to facilitate the understanding of the readers and stakeholders.

Information Disclosure

The information disclosed in this ESG Report was gathered through various channels, including internal policies and data of the Group, feedback on the implementation of ESG practices in the Group, stakeholder surveys and other relevant information. A complete content index is available at the end of the ESG Report for readers' convenience to check its completeness.

The Group will publish the ESG Report for FY2024 on the website of the Stock Exchange (www.hkexnews.hk) and the Company' website (www.hygeia-group.com.cn) at the same time as its Annual Report is published. The ESG Report will be accessible under the “Investor Relations” section of the Company's website.

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This Report is prepared in both English and Chinese. Should there be any conflict or inconsistency, the Chinese version shall prevail.

III. SUSTAINABILITY MANAGEMENT

Since its establishment, the Group has adhered to the highest standards, leveraging advanced medical technologies and high-quality services to provide one-stop comprehensive treatment services for cancer patients in non-first-tier cities. As the global healthcare industry continues to develop, the Group has not only focused on advancing treatment technologies but also actively explored digital transformation and smart hospital initiatives to enhance diagnostic efficiency and expand healthcare accessibility. The Group continues to strengthen its corporate governance to ensure the stable operation of its management system. Under the leadership of the Board, the Group regularly reviews and improves its sustainability strategies to meet increasingly stringent ESG requirements.

To embed sustainability principles across the organisation, the Group has adopted a “top-down” management strategy, with the Board overseeing and guiding sustainability-related matters. The Board, comprising five executive directors and three independent non-executive directors, is responsible for leading the preparation of the annual ESG report and related disclosures, including approving the annual ESG report and monitoring the implementation of relevant policies. The Group provides ESG training to the Board each year to ensure the Board remains informed of the latest ESG developments. Additionally, the Board regularly reviews ESG-related risks and opportunities through internal meetings and communication with external experts, ensuring that the Group’s sustainability strategy aligns with the latest industry trends.

Responsibilities of the Board

To achieve long-term development, the Board, as the highest risk supervisor, is responsible for overseeing and guiding the Group to ensure that all employees fully understand the ESG visions and overall strategy, and the concept of sustainability is integrated into its daily operations and decision-making.

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The Board is dedicated to aligning the corporate vision with social and environmental responsibilities, fulfilling its duties through the following five key areas:

ESG risks

The Board oversees the assessment of environmental and social impacts in business operations and decision-making processes. Through materiality assessment and regular management reports, the Board identifies and evaluates the potential risks exposed to the Group in different timeframes. For the material risks, the Board reasonably adjusts resource allocation and issues instructions to control and minimise its impacts.

ESG policies

In response to the increasingly stringent regulatory environment and heightened market focus on sustainability, the Board keeps abreast of and deeply understands the latest ESG policy changes through training and internal meetings. This enables the Board to assess the potential impacts of the risks on the Group's business model and make informed strategic decisions.

ESG culture

To embed sustainability into daily operations, the Board not only formulates specific ESG policies and guidelines but also promotes a corporate culture that embraces sustainability through policy advocacy, training programmes, and internal incentive mechanisms, fostering engagement across the organisation.

ESG targets

The Board regularly reviews management reports to monitor the progress on ESG targets across business segments. Based on in-depth analysis of the business model, and with reference to national policies and industry standards, the Group has established tailored sustainability indicators and targets, such as GHG emissions monitoring mechanism, to comprehensively track sustainability performance of the Group.

ESG work

The Board continuously enhances the ESG governance framework and management approach to ensure smooth communication across all business levels and enhance the efficiency of ESG policy implementation. By strengthening internal collaboration and performance evaluation mechanisms, the Board ensures the effective execution of ESG initiatives.

The Board has established an ESG Committee to oversee and regularly review the Group's overall ESG strategy, policies, and performance. The ESG Committee reports to the Board to ensure alignment with evolving ESG objectives and standards. The Board assesses the Group's overall sustainability performance by reviewing progress on environmental targets. Additionally, the ESG Committee convenes at least twice a year to review the implementation of the Group's ESG vision and targets, analyse emerging ESG trends, and plan for future developments. To ensure effective execution of ESG strategies, the ESG Committee delegates specific responsibilities to dedicated ESG Working Group, which are tasked with implementing relevant initiatives. Furthermore, the Board and its Nomination Committee, Remuneration Committee, Audit Committee, and ESG Committee should take into consideration ESG-related issues when reviewing and directing strategies, important action plans, risk management policies, annual budgets and business plans, setting organisational performance targets, monitoring the implementation and execution thereof, and overseeing significant capital expenditures and acquisitions.

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The Group's management is responsible for executing the policies and development objectives issued by the Board, leading employees across business units to carry out routine work and integrate ESG initiatives into daily operations. The hospitals of the Group implement and promote various sustainability initiatives and continuously enhance management systems through regular reviews and internal assessments to ensure effective execution. To reinforce and encourage ESG practices, the Group has introduced incentive policies that incorporate ESG targets into the calculation of management's performance bonuses.

Environment: The hospitals of the Group enhance resource recycling and optimise energy consumption management to effectively reduce operational costs, thereby increasing net profit and contributing to higher performance-based bonuses for management.

Social: Contributions of medical staff and trained professionals in the field of research, such as publishing academic papers or receiving industry awards, are included in the annual performance evaluation of management, encouraging the improvement of medical professional competence.

The Group upholds the concept of sustainable development as its core by continuously refining its management framework to identify and assess sustainability-related risks, including risks associated with medical service quality and safety, supply chain management, patient satisfaction and talent development. Over the years, the Group remains committed to integrating sustainable business practices with ESG risk management, embedding them into its overall risk management system.

The Group has established an independent Audit Committee responsible for reviewing and providing independent advice on the effectiveness of internal control policies, financial management processes, and corporate risk management systems. The Internal Audit Department conducts regular special audits, proposes rectification opinions for identified issues, and tracks implementation to ensure improvements are effectively carried out.

Key Highlights

Environmental: The Board prioritises efficient use of resource and actively explores innovative technologies to achieve sustainable healthcare services. The Group adopts a standardised and modularised matrix-based management model, with General Logistics Department overseeing resource utilisation across all hospitals and subsidiaries of the Group, particularly focusing on utility expenses and energy consumption of large medical equipment. In addition, the Group has established strict medical waste management policies to ensure compliance with environmental regulations. To further enhance environmental management, a comprehensive data management system has been implemented to track environmental performance and optimise operational models accordingly. Furthermore, the Group has introduced employee incentive programmes to encourage active participation in energy conservation and emission reduction initiatives.

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- Social:** The Board emphasises employee well-being, occupational health and safety, talent development, and medical service quality. Recognising human capital as a key driver of sustainable development, the Group strives to foster a safe and inclusive workplace. Specialised health examinations are regularly provided for employees with special types of work to safeguard their physical and mental well-being. In addition, the Group offers long-term incentive schemes, such as share options, to strengthen employees' sense of belonging and engagement. To strengthen the professional skills and competence of the medical staff, the Hygeia Healthcare Teaching and Researching Institute offers regular training programs to improve their professionalism, driving development and innovation in healthcare services.
- Governance:** In terms of corporate governance, the Group focuses on strengthening supply chain resilience and mitigating corruption risks. Measures such as unified bidding process, supply chain risk management, and prioritising environmentally friendly procurement has been adopted to ensure the stability and sustainability of the supply chain. Furthermore, the Group's hospitals have established transparent and fair pricing mechanism to eliminate corruption and bribery risks within the value chain at its source, ensuring regulatory compliance and market fairness.

Looking ahead, the Group remains committed to green transformation by leveraging innovative technologies to significantly enhance energy efficiency and optimise resource utilisation, thereby establishing a benchmark for sustainable development in the healthcare industry. Meanwhile, the Group will expand the coverage of its public welfare medical services by strengthening initiatives such as free medical consultation and free screenings in communities, while exploring solutions such as telemedicine and smart healthcare technologies to improve healthcare accessibility and equity. Furthermore, the Group will continue to align with international best practices, building an efficient decision-making system while reinforcing compliance management and transparency as a listed company. These efforts will ensure the Group maintains its competitive advantage in the global sustainability landscape, creating long-term value for shareholders, employees, patients, and the society.

IV. STAKEHOLDER ENGAGEMENT

The Group firmly believes that the sustainable development of corporate is linked to close communication and collaboration with stakeholders. To this end, the Group has developed open and transparent channels to engage with stakeholders through various means. By actively sharing its development strategies, major decisions and latest progress, the Group ensures that stakeholders are well informed about the Group's directions while also providing a platform for them to express their expectations and concerns. This two-way interaction not only enhances the Group's insights into market trends but also helps identify emerging risks and opportunities, further strengthening its resilience and competitiveness in this dynamic environment.

The Group has established a dedicated Doctor-Patient Relationship Office with a structured patient reception and feedback system, ensuring that patient suggestions are effectively communicated to promote continuous improvements in healthcare service quality. With a patient-centric approach, the Group is committed to optimising service experiences, ensuring efficient allocation of medical resources, and further enhancing patient satisfaction. Regarding internal management, the Group attached great importance to the career development and engagement of employees. Regular employee satisfaction surveys are conducted, and an effective feedback mechanism has been established to ensure that employee suggestions are incorporated into the decision-making process.

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To deepen investor engagement, the Group's Investor Relations Department organises multiple investor roadshows annually and arranges on-site reverse roadshows, including hospital visits, allowing investors to have a clear understanding of the Group's strategic plans and business development. In addition, the Group actively participates in international and regional industry forums, sharing innovative business models and best practices within the healthcare sector while contributing to the formulation of industry standards, thereby driving the development of healthcare industry.

Type of Stakeholders	Expectations and Concerns	Communication and Response
Patients and customers	<ul style="list-style-type: none"> — High-quality medical services and techniques — Product safety and risk control — Information and privacy protection — Satisfying the needs of patients 	<ul style="list-style-type: none"> — Improving service and product quality — Strengthening the quality control mechanism — Improving information security management — Conducting patient satisfaction surveys and tracking feedback
Employees	<ul style="list-style-type: none"> — Healthy and safe working environment — Protection of legal rights and interests — Employee compensation and benefits — Development prospect and training programme — Enhancing ESG publicity to raise green awareness 	<ul style="list-style-type: none"> — Strengthening safety supervision — Complying with laws and regulations — Optimising the remuneration and welfare system — Establishing the professional training mechanism — Written comments and responses
Investors/ shareholders	<ul style="list-style-type: none"> — Return on investment — Corporate governance — Steady operation — Information disclosure 	<ul style="list-style-type: none"> — Improving profitability — Publishing corporate governance reports and related announcements on a regular basis — Strengthening risk control — General meetings and official website of the Group

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Type of Stakeholders	Expectations and Concerns	Communication and Response
Government and regulatory authorities	<ul style="list-style-type: none"> — Compliance in the course of operation — Integrity construction — Responsible marketing 	<ul style="list-style-type: none"> — Complying with local laws and regulations and being subject to supervision — Optimising internal control system — Adhering to compliance publicity
Suppliers and hospital partners	<ul style="list-style-type: none"> — Fair and open procurement — Win-win cooperation among upstream and downstream players — Supply chain risk management — ESG due diligence and responsible investment 	<ul style="list-style-type: none"> — Tender invitation — Supplier satisfaction surveys, telephone discussions, face-to-face meetings, and on-site surveys — Standardised supplier management — Industry seminars
Community	<ul style="list-style-type: none"> — Participating in community activities and social welfare activities — Protecting the community environment — Promoting inclusive medical services 	<ul style="list-style-type: none"> — Carrying out public welfare activities — Practising green operation — Providing professional medical services
Industry associations	<ul style="list-style-type: none"> — Promoting the industry development and progress — Fulfilling environmental and social responsibilities — Enhancing the Group's reputation and patients' trust 	<ul style="list-style-type: none"> — Seminars — Standard formulation — Questionnaires or online engagement

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Case Sharing — Hygeia Healthcare Successfully Held its 2023 Annual General Meeting in Xi'an

On June 28 2024, Hygeia Healthcare successfully convened its 2023 Annual General Meeting in Xi'an. In compliance with the Rules Governing the Listing of Securities on the Stock Exchange, shareholders and representatives present at the meeting duly approved seven resolutions by poll, including reviewing the consolidated financial statements, the directors' report and the auditors' report, re-electing certain directors, authorising the Board to determine the remunerations of directors and appointing auditors. In addition, the directors and management of the Company engaged in in-depth discussions with shareholder representatives on topics related to the Group's development strategy, and shareholders' representatives expressed their expectations for the Company's development prospects.

Case Sharing — Hygeia Healthcare Received Prestigious Recognition

In December 2024, the Group was honoured with the "Most Popular Southbound Stock Connect Company*" at the award ceremony of the "9th Global Investment Carnival" hosted by GuruClub. Since its establishment, Hygeia Healthcare has consistently adhered to high standards of corporate governance, striving to enhance medical services quality and operational management. By actively addressing investor concerns and delivering stable business growth as well as outstanding market performance, the Group has earned widespread recognition and trust.

Materiality Assessment

The Group conducts materiality assessments by undertaking annual stakeholder surveys and internal audits to identify issues and priorities of mutual concern to the Group and its stakeholders. In FY2024, the Group engaged an external consultant to design and conduct the materiality assessment, inviting its key stakeholder representatives to complete a survey questionnaire. Participants rated and provided feedback on a series of ESG issues. After collecting and analysing all responses, the Group identified the issues that are most relevant and have significant impacts on its business activities and plotted the results on a materiality matrix. The results were reviewed and endorsed by the Board as the Group's materiality assessment results for FY2024. Based on stakeholder feedback and the materiality assessment results, the Group's management defined the key points disclosed in this ESG report, which are disclosed in various sections.

The Group ensures that all material ESG issues are thoroughly considered and managed through the process of identification, prioritisation and validation. This approach allows the Group to effectively address and disclose these issues in accordance with their materiality.

(1) Identification

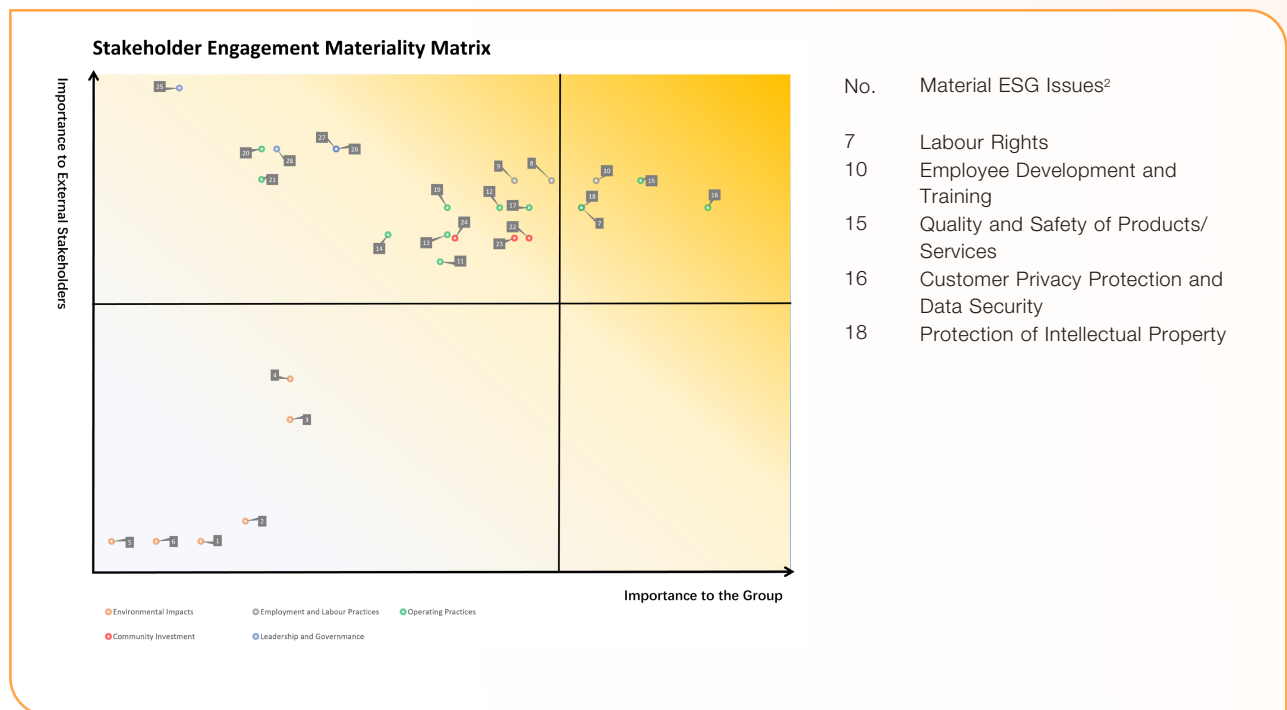
With reference to the ESG Guide and internationally recognised reporting frameworks, the Group has identified 28 sustainability issues that are relevant to its business, taking into account global sustainability trends. Material issues primarily fall under five key aspects, including environmental impacts, employment and labour practices, operating practices, community investment, and leadership and governance.

* Translation for identification purpose only

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(2) **Prioritisation**

The Group invited internal and external stakeholder representatives to participate in the survey, which include the Group's internal management and employees of each business segment, as well as external representatives, including patients, suppliers and professional organisations. The Group analysed and prioritised the ESG issues based on the scoring results, and mapped on the materiality matrix to present the material ESG issues that received the most attention in a visual way.



- 2 Other less important issues include: 1. Greenhouse Gas Emissions; 2. Energy Management; 3. Water Resource and Wastewater Management; 4. Solid Waste Management; 5. Mitigation of and Adaptation to Climate Change; 6. Renewable and Clean Energy; 8. Employee Remuneration Conditions and Benefit Policy; 9. Occupational Health and Safety; 11. Green Procurement; 12. Sound Communication with Suppliers; 13. Environmental and Social Risks Management of Supply Chain; 14. Supply Chain Resilience to External Risks; 17. Marketing and Promotion; 19. Labelling Issues Related to Products/Services; 20. Business Ethics and Anti-corruption; 21. Internal Grievance Mechanism; 22. Participation in Charitable Activities; 23. Promoting Local Employment; 24. Supporting Local Economic Development; 25. Adaptability and Resilience of Business Models to Environmental, Social, Political and Economic Risks and Opportunities; 26. Response to and Management of Changes in Legal and Regulatory Environment (Legal Compliance Management); 27. Capabilities of Emergency and Risk Response; 28. Systematic Risk Management (e.g. financial crisis)

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(3) Validation

The results of the materiality assessment were submitted to the Board for further review and approval, ensuring that the findings reflect stakeholder concerns regarding ESG-related matters. This process provides clear guidance for the Group in developing specific management policies and measures to address these priorities effectively.

The Group gathers the opinions of stakeholders and responses in respect of the Group's management approaches and performances for such issues:

Labour Rights

The Group believes that respecting and protecting employees' labour rights not only fosters sustainable development but also enhances employees' sense of belonging and loyalty, thereby promoting harmonious labour relations. The Group complies with applicable laws and regulations, including the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) to safeguard employees' labour rights. This includes regulate requirements on recruitment and promotion processes, compensation, working hours and rest period. The Group is committed to creating a fair and respectful working environment, actively promoting the principle of equal opportunity and eliminating all forms of discrimination. Furthermore, the Group encourages employees to share their suggestions for improvement and provides effective communication channels to ensure that their voices are heard and addressed. For more details, please refer to sections headed **B.1 Employment**.

Employee Development and Training

As a key driver of corporate development, the Group places greater emphasis on the growth and development of its employees. Through continuous optimisation of internal systems such as the "Staff Remuneration System" (「員工薪酬制度」) and "Staff Welfare System" (「員工福利制度」), the Group is committed to providing employees with competitive remuneration and ample opportunities for professional growth. To further support employees' career development, Hygeia Healthcare Teaching and Researching Institute provides on-the-job training to equip employees with enhanced professional skills, management capabilities, and leadership competencies, aiming to elevate the overall quality of the employees. For more details, please refer to sections headed **B.3 Development and Training**.

Quality and Safety of Medical Products and Services

Since its establishment, the Group has adhered to its mission of "Making healthcare services more accessible and affordable and making life healthier", placing the needs of patients first. As such, the Group has consistently strengthened quality control over medical services and products by implementing the "Administrative Measures on Work of the Quality Control Committee" (「質量控制委員會工作管理辦法」) and the "Medical Safety (Adverse) Incident Management System" (「醫療安全(不良)事件管理制度」). These efforts are aimed at building an efficient medical quality management and control system. The Group has also established a Quality Control Committee to rigorously control the quality of medications and medical services across all hospitals of the Group. Through service feedback and customer satisfaction surveys, the Group continues to improve its service standards. Please refer to the section headed **B.6 Product Responsibility** for more details.

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Patient Privacy Protection and Data Security

The Group adheres to relevant laws, rules and regulations, respecting patients' rights and protecting their privacy and data security. In line with the Group's data security management principles and standards, all hospitals of the Group implement strict encryption and access control measures for sensitive personal information. Dedicated departments and personnel for medical records management are in place to ensure the proper handling of patient information. Beyond optimising the information security management system, the Group reinforces patient data protection by signing internal confidentiality agreements and strengthening staff awareness of data protection. Please refer to the section headed **Patients' Privacy and Information Security Management System under B.6 Product Responsibility** for more details.

Protection of Intellectual Property

To ensure a fair business environment, the Group values intellectual property rights in the field of medical research and complies with the requirements of the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and the Enterprise Intellectual Property Management (《企業知識產權管理規範》). These commitments enable the Group to safeguard its intellectual property while respecting the intellectual property rights of others, thereby fostering the healthy development of the medical sector. Please refer to the section headed **Product service innovation and intellectual property rights under B.6 Product Responsibility** for more details.

Stakeholders Feedback

In pursuit of excellence, the Group values and welcomes stakeholder feedback on the Group's ESG reporting, management and performance, particularly on the ESG issues that are listed as the most important in the Group's materiality assessment. Readers are welcome to contact the Group via the following:

Address: 16 Floor, Building 1, Fuyuan Zhidi Square, 38 Yuanshen Road, Pudong New Area, Shanghai
E-mail address: IR@hygeia-group.com.cn

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V. ENVIRONMENTAL SUSTAINABILITY

Promoting low-carbon development is an important landmark of the Group's sustainability concepts and practices, as well as a critical factor in maintaining high-quality growth. Guided by the goals of achieving carbon peak and carbon neutrality, the Group adheres to the principle of "Prioritising ecological and green development" to actively drive low-carbon transformation. In addition to optimising resource efficiency to minimise waste generation, the Group actively explores green building practices and energy-saving technologies, striving to build a low-carbon industrial chain.

In FY2024, the Group has strengthened its efforts in environmental protection management to mitigate the environmental impacts of its operations through emission control, energy management, and low-carbon healthcare development. The Group complied with the environmental laws and regulations of the People's Republic of China (the "PRC") during daily operation, including but not limited to:

- Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》);
- Law of the People's Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》);
- Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》);
- Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》);
- Regulations on the Safety and Protection of Radioisotopes and Radiation Devices (《放射性同位素與射線裝置安全和防護條例》);
- Law of the People's Republic of China on Prevention and Control of Radioactive Pollution (《中華人民共和國放射性污染防治法》);
- Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》);
- Classification and Management Directory of Environmental Impact Assessment of Construction Projects (《建設項目環境保護分類管理名錄》);
- Discharge Standard of Water Pollutants for Medical Organizations (《醫療機構水污染物排放標準》);
- Regulations on the Administration of Medical Wastes (《醫療廢物管理條例》);
- Odor Pollutant Emission Standard (《惡臭污染物排放標準》);
- Provisions on the Administration of Radiological Diagnosis and Treatment (《放射診療管理規定》); and
- Standard for Pollution Control on Medical Waste Treatment and Disposal (《醫療廢物處理處置污染控制標準》).

This section mainly discloses the Group's policies, practices and quantitative data in relation to emissions, use of resources, environment and natural resources and climate change for FY2024.

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A.1 Emissions

In FY2024, the Group complied with and did not violate any laws and regulations that had significant impacts on the Group during daily operation, including air and GHG emissions, discharge of pollutants into water and land, discharge of hazardous and non-hazardous wastes and noise. Adhering to the concept of “lucid waters and lush mountains are invaluable assets”, the Group has formulated and implemented internal policies and measures, such as the “Medical Waste Management System” (「醫療廢物管理制度」) and the “Hospital Sewage Management System” (「醫院污水管理制度」), to standardise management processes, ensuring that wastewater discharge, waste disposal, and medical radiation source handling comply with national and local environmental regulations. In addition, the hospitals of the Group have established dedicated departments and task forces responsible for supervising, managing, and regularly monitoring the environmental impacts of the Group’s operations in accordance with regulatory requirements. Specifically, under the guidance of local environmental and public security departments, hospital offices and general affairs departments supervise the treatment of medical waste and air emissions in accordance with relevant standards.

Given the nature of Group’s business, the air emissions of the Group, including sulphur oxides (“SO_x”), nitrogen oxides (“NO_x”) and particulate matter (“PM”), mainly arose from the use of self-owned business vehicles and the use of natural gas by the hospitals. In FY2024, the Group generated 17.9 kg of SO_x, 1,570.0 kg of NO_x and 251.7 kg of PM, respectively. The Group’s GHG emissions include Scope 1 emissions (direct emissions) from fossil fuel combustion, Scope 2 emissions (energy indirect emissions) from purchased electricity, and Scope 3 emissions (other indirect emissions) from business travel and the treatment of paper and water resources. The total GHG emissions of the Group in FY2024 were 44,563.3 tonnes carbon dioxide equivalent (“tCO₂e”), with an intensity of approximately 0.06 tCO₂e per square meter.

In addition, the Group generated a total of 7,487.9 tonnes of solid waste in FY2024, in which 1,150.1 tonnes were medical waste and other hazardous solid waste. The Group discharged a total of 1,076,090.0 m³ of wastewater. Table 1 below summarises the Group’s total emissions for FY2024.

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Table 1 — Total Emissions of the Group by Category in FY2024^{6, 7, 8}

Category of Emissions	KPIs	Unit	Emissions in FY2024	Intensity in FY2024 (Unit/m ²) ¹
Air Emissions²	SO _x	kg	17.9	2.4×10 ⁻⁶
	NO _x	kg	1,570.0	2.1×10 ⁻³
	PM	kg	251.7	3.4×10 ⁻⁴
GHG Emissions	Scope 1 ³ (Direct Emissions)	tCO ₂ e	3,438.9	4.6×10 ⁻³
	Scope 2 ⁴ (Energy Indirect Emissions)	tCO ₂ e	40,434.4	5.4×10 ⁻²
	Scope 3 ⁵ (Other Indirect Emissions)	tCO ₂ e	717.7	9.6×10 ⁻⁴
	GHG Reduction from Planting Trees	tCO ₂ e	27.7	—
	Total Emissions (Scope 1, 2 and 3)	tCO ₂ e	44,563.3	5.9×10 ⁻²
Solid Waste and Wastewater	General Non-hazardous Solid Waste	tonnes	6,337.7	8.5×10 ⁻³
	Medical and Other Hazardous Solid Waste	tonnes	1,150.1	1.5×10 ⁻³
	Wastewater (General Non-hazardous Domestic Wastewater and Medical Wastewater)	m ³	1,076,090.0	1.4

1. The emission intensity for FY2024 was calculated by dividing the amount of air, GHG or other emissions generated by the Group in FY2024 by the weighted average gross floor area of the Group in FY2024;
2. The Group's air emissions only included air pollutants from the exhaust gas emitted by the Group during the use of its business vehicles and stationary combustion and heat supply during the operation in FY2024;
3. The Group's Scope 1 (Direct Emissions) included only the GHG emissions arose from the consumption of fossil fuels for its business vehicles and the emissions generated from the use of natural gas and the process of heat supply;
4. The Group's Scope 2 (Energy Indirect Emissions) included only the GHG emissions arose from the consumption of purchased electricity;
5. The Group's Scope 3 (Other Indirect Emissions) included only the GHG emissions arose from paper waste disposed at landfills, electricity used for processing fresh water and sewage by government departments, and the GHG emissions generated from employees' business air travel;
6. The scope of environmental data collection covers the operating premises of and the use of business vehicles by Shanxian Hygeia Hospital, Suzhou Canglang Hospital, Suzhou Yongding Hospital, Chongqing Hygeia Hospital, Longyan Boai Hospital, Hezhou Guangji Hospital, Heze Hygeia Hospital, Chengwu Hygeia Hospital, Kaiyuan Jiehua Hospital, Anqiu Hygeia Hospital, Liaocheng Hygeia Hospital, Chang'an Hospital, Yixing Hygeia Hospital, Dezhou Hygeia Hospital and Qufu Chengdong Hospital. The methodology used in the GHG emissions reporting above is based on the "How to prepare an ESG Report? — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange;
7. As Chang'an Hospital and Yixing Hygeia Hospital, which were acquired by the Group in FY2023 have been fully consolidated throughout FY2024, this table includes the full year operating data for these two hospitals; and
8. The Group's newly constructed Dezhou Hygeia Hospital and the recently acquired Qufu Chengdong Hospital were officially included in the disclosure scope for FY2024. This table covers the emissions from Dezhou Hygeia Hospital from May to December 2024 and the emissions of Qufu Chengdong Hospital for the entire year of 2024.

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Air Emissions

The air emissions generated by the Group originate from the exhaust gas emitted by vehicles and stationary combustion during the operations. In FY2024, the Group mainly consumed diesel and gasoline as the power source for vehicles, while natural gas was used for boiler operation, staff canteens and heating in hospitals. Compared with that of the financial year ended 31 December 2023 (“FY2023”), the intensity of SO_x, NO_x and PM emission decreased by 13%, 23% and 16% respectively.

The Group actively responds to national energy conservation and emission reduction policies, continuously implementing low-carbon and environmentally friendly measures to further reduce emissions from vehicle usage. The Group has established and enforced relevant management systems to strictly monitor the use of business vehicles. In respect of emission control, air emissions generated by the Group’s sewage treatment stations are treated with activated carbon adsorption before being discharged. Additionally, the Group engages external professional agencies to conduct quarterly inspections of its boiler and wastewater station emissions to ensure compliance with national standards. To further reduce air emissions, the Group prioritises the use of cleaner energy sources, such as natural gas for winter heating. An environmental inspection team has been set up to conduct regular safety checks on natural gas boilers.

GHG Emissions

In FY2024, the Group’s GHG emissions mainly came from the use of business vehicles, boiler operations, and electricity purchased. To better understand carbon emissions across its value chain, the Group enhanced its analysis and accounting of Scope 3 emissions in FY2024. By reviewing value chain activities and conducting industry research, the Group identified the following Scope 3 emission categories that are closely related to its business operations:

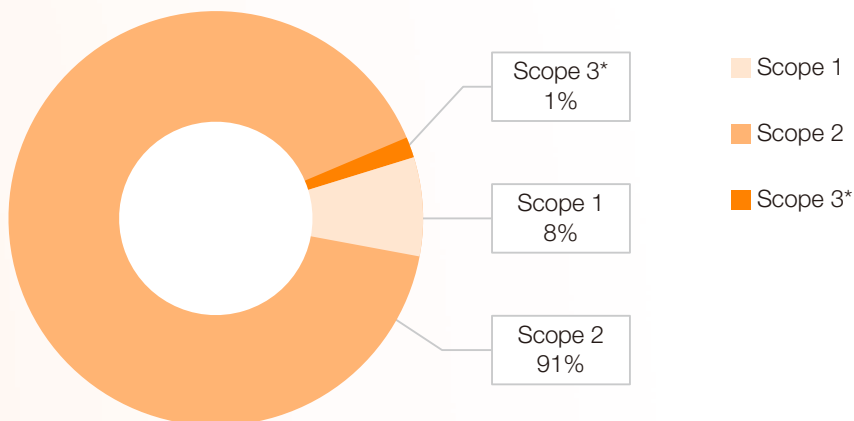
- Category 1: Purchased goods and services (medical consumables)
- Category 2: Capital goods (large medical equipment)
- Category 3: Fuel-and energy-related activities (not included in Scope 1 and Scope 2 emissions)
- Category 4: Upstream transportation and distribution
- Category 5: Waste generated in operations
- Category 6: Business travel

The Group adopted a cautious approach, carefully assessing emissions from value chain activities and accounting the above Scope 3 categories in accordance with the Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). Based on the trial data for FY2024, the Group’s total Scope 3 emissions amounted to approximately 13,563.2 tCO₂e, covering the six categories mentioned above. As 2024 marked the Group’s first comprehensive Scope 3 accounting exercise, the trial data has not been formally included in the performance table to ensure consistency and stability. The Group will continue to refine its data collection and accounting methods in the next year to enhance the reliability of Scope 3 emission data, laying a solid foundation for developing strategic objectives in the future.

The Group’s GHG emission patterns in FY2024 remained consistent with that of FY2023. The Group’s GHG emissions continued to be dominated by Scope 2 emissions from the consumption of purchased electricity, which accounted for 91% of its total GHG emissions.

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GHG Emission Pattern in FY2024



* Scope 3 emissions mentioned here are consistent with the Scope 3 emission figure in Table 1, covering only the GHG emissions resulting from paper waste disposed at landfills, electricity used for processing fresh water and sewage by government departments, and the GHG emissions generated from employees' business air travel.

The Group is committed to becoming a leader in low-carbon transformation within the healthcare industry, actively promoting energy-saving and emission-reduction initiatives to contribute to the "Dual Carbon" goals. The Group aims to drive comprehensive low-carbon development through initiatives in energy management, medical resource utilisation, logistics and transportation, and digital transformation.

In terms of energy management, the Group promotes green travel and encourages drivers to adopt fuel-efficient driving habits to reduce unnecessary fuel consumption. Meanwhile, the Group plans to gradually replace high energy-consuming vehicles with new energy vehicles that are more environmentally friendly and efficient, striving to improve fleet energy efficiency and reduce carbon emissions. The Group also optimise energy use in air conditioning, lighting, and medical equipment, prioritising the procurement of energy-efficient and eco-friendly devices, and actively exploring the application of renewable energy to reduce reliance on traditional fossil fuels.

Recognising the significant impact of value chain emissions on its overall carbon footprint, the Group is actively promoting green supply chain management by prioritising the procurement of low-carbon medical supplies and reducing the use of disposable materials through digital transformation. The Group also encourages employees and patients to participate in environmental initiatives, raising public awareness of carbon reduction through education and training, and working together to build a more sustainable healthcare system.

The Group's General Logistics Department oversees and manages energy and resource usage across its hospitals. To further advance its low-carbon strategy and drive the healthcare industry toward a greener future, the Group has implemented multiple internal initiatives. Relevant policies and practices will be further explained in the subsection headed "Energy Resources" below.

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Wastewater

In FY2024, the wastewater discharged by the Group mainly consisted of domestic and medical wastewater generated during its operations. To ensure compliance with environmental standards, the Group's hospitals have established the sewage treatment stations in accordance with national regulations and technical standards, and have obtained the pollutant discharge permits. To further strengthen wastewater management, the Group follows standards such as the Regulations on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》), Measures for Administration of the Permit for Discharging Urban Sewage into Drainage Pipelines (《城鎮污水排入排水管網許可管理辦法》), Technical Specifications for Hospital Sewage Treatment (《醫院污水處理工程技術規範》), Discharge Standard of Water Pollutants for Medical Organisation (《醫療機構水污染物排放標準(GB 18466-2005)》) and Wastewater Quality Standards for Discharge to Municipal Sewers (《污水排入城鎮下水道水質標準(GB/T31962-2015)》) to conduct scientific and standardised treatment of wastewater. The wastewater treatment process covers multiple critical steps, including pre-treatment, primary intensive treatment, secondary treatment, simple biochemical treatment, and disinfection treatment, ensuring that the treated wastewater meets discharge standards. In addition, the Group collaborates with professional external agencies to conduct strict water quality testing before discharging wastewater into municipal pipe network, ensuring compliance with national and local discharge standards. Each hospital's sewage treatment station is equipped with flow meters for continuous monitoring of discharge volumes, and data is connected to the Environmental Bureau.

The intensity of domestic and medical wastewater discharged in FY2024 decreased by 21% compared to FY2023. As the amount of wastewater mainly depends on the amount of water consumption, the Group has actively promoted water-saving measures and encouraged employees to improve water use efficiency. The Group has implemented a series of policies and specific measures to enhance water efficiency and reduce unnecessary waste. Specific measures will be further explained in the subsection headed "Use of Water" below.

Solid Waste

The solid waste generated by the Group was mainly medical waste arose from healthcare activities and non-hazardous waste from daily operations. To safeguard public health and protect the ecological environment, the Group categorises medical waste generated during operations into five types in accordance with the Medical Waste Classification Catalogue (《醫療廢物分類目錄》), including infectious waste, damaged waste, pathological waste, pharmaceutical waste and chemical waste. Each category is collected and managed according to specific requirements. To regulate the process of medical waste collection and management, each hospital of the Group has sets up a dedicated leading group for waste management, which is responsible for developing detailed medical waste handling procedures and emergency plans covering the storage, collection, handover, transportation, recycling, and disposal of medical waste, ensuring the safety and harmlessness of medical waste treatment. In FY2024, the intensity of medical and other hazardous solid waste generated by the Group dropped 15% compared with the previous year.

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Medical Wastes Treatment Process

- **Storage:** Medical waste is categorised and placed in packaging bags or containers that meet the requirements. Each container is labelled with standardised warning signs, clearly indicating the type of waste.
- **Collection:** The collection and transportation personnel follow scheduled times and routes to weigh and collect medical waste from various departments.
- **Handover:** Each department shall hand over the medical wastes to the collection and transportation personnel, with both parties signing on the registration book to ensure accountability.
- **Transportation:** The collection and transportation personnel shall check whether the labels, seals, and warning signs on containers or packaging meet the requirements, and then transport the waste to the temporary storage place according to the designated routes.
- **Recycling and Disposal:**
 - All medical waste is handed over to qualified party for harmless and scientific treatment.
 - The hospital cleans and disinfects the temporary storage place, including the ground and the transportation tools, using ultraviolet light to ensure safety and prevent contamination throughout the process.

Classified medical waste, including discarded activated carbon and sludge, is uniformly collected and disposed of by qualified external agencies. The Group has adopted the following measures to select and supervise these external partners:

- Require waste treatment agencies to provide valid permits issued by local governments or environmental authorities, along with relevant professional qualifications.
- Clarify waste treatment requirements in contracts, covering the collection, transportation, treatment, reporting and compliance, and standardise the responsibilities and obligations of both parties.
- Require engaged external agencies to provide regular reports detailing the types, quantities, and treatment methods of waste for effective monitoring.

To ensure employee safety, the Infection Management Department of the hospitals provide systematic training for all staff involved in medical waste handling. Training covers relevant laws and regulations, professional operations, safety precautions, and emergency response procedures. Meanwhile, the Group continues to explore feasible solutions to reduce medical waste generation, such as promoting plastic-reduced packaging to minimise waste at the source.

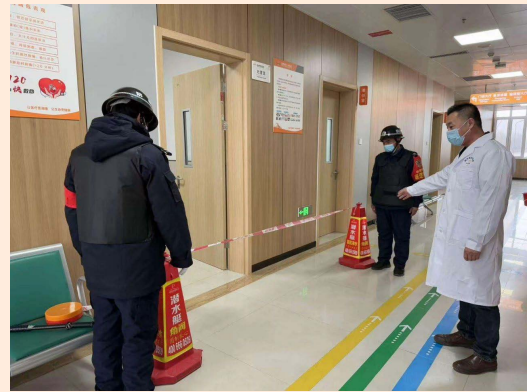
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The non-hazardous solid waste generated by the Group mainly comes from the daily operations of its hospitals, including paper, plastic, glass, and metal. Embracing the concept of circular economy, the Group encourages employees to reduce, reuse, and recycle general waste so as to optimise resource utilisation. In addition to setting categorised waste bins, the Group provides guidance on the proper handling of recyclable waste through bulletin board postings, electronic devices and other means. General waste is uniformly managed by the designated persons of the Group's respective hospitals, which is then collected at designated points and handled by external agencies. During FY2024, the emission intensity of non-hazardous solid waste decreased by approximately 31% as compared to FY2023, fully demonstrating the Group's commitment to sustainable development.

In FY2024, the Group recycled approximately 333.1 tonnes of waste, including approximately 169.9 tonnes of plastic, 161.8 tonnes of glass and 1.4 tonnes of other types of waste.

Case Sharing-Dezhou Hygeia Hospital Conducted Emergency Drill for Medical Waste Leakage

In December 2024, the Infection Management Department of Dezhou Hygeia Hospital, in collaboration with the Medical Affairs Department, Nursing Department, and General Affairs Department, organised an emergency drill for accidental medical waste leakage. This initiative aimed to strengthen awareness of medical waste safety management, enhance personnel training, and refine the hospital's emergency response procedures. Through this approach, the Group aims to prevent personal injuries and social hazards that may arise from accidental medical waste leakage incidents.



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Medical Radiation

To safeguard the health and well-being of employees, patients, and the public, all of the Group's hospital complied with the Law of the People's Republic of China on Prevention and Control of Radioactive Pollution (《中華人民共和國放射性污染防治法》), the Regulations on the Safety and Protection of Radioisotopes and Radiation Devices (《放射性同位素與射線裝置安全和防護條例》), the Provisions on the Administration of Radiological Diagnosis and Treatment (《放射診療管理規定》) and other applicable laws, regulation and regulatory requirements, aiming to strengthen radiation monitoring and protection in all sites with medical radiation. Under the supervision and guidance of local environmental and public security departments, each hospital of the Group conducts pre-assessment, control effect evaluation and environmental impact assessment of radiation occupational disease hazards for the sites with large radioactive equipment to prevent, control, and eliminate occupational hazards. This approach ensures that protective measures meet legal requirements. For instance, radiation facilities are equipped with walls of adequate thickness, lead doors, and lead screens to effectively isolate radiation.

The Group has also established a comprehensive internal management system, including "Periodic Equipment Inspection Plan" (「設備周期性檢測方案」) which mandates regular testing and evaluation of radiation facilities to strictly control radiation pollution risks. Each hospital has developed emergency plans and actions on radioactive sources to refine emergency procedures.

In terms of radioactive waste management, the Group's hospitals strictly follow national and local regulations, prioritising waste reduction strategies to minimise the radioactive waste generation at the source. For different types of radioactive waste, such as solid, gaseous, and liquid forms, the Group categorises and safely disposes of them based on their nuclide types, half-life period, physical and chemical properties of the nuclide. This ensures that waste management meets environmental standards and minimises the impact on the surrounding environment.

A.2 Use of Resources

In FY2024, the main resources consumed by the Group were electricity, diesel, gasoline, natural gas and water. In addition to using solar energy to supply part of the hot water, the Group is actively expanding the application of renewable energy by requiring self-built hospitals to install solar panels thereby promoting green transformation and accelerating the development of energy-saving operations.

In response to the requirements of 14th Five Year Plan: Energy Conservation Emissions Reduction Work Plan (《「十四五」節能減排綜合工作方案》), the Group implemented a series of measures in FY2024 to improve resource efficiency and avoid waste and unnecessary consumption. While developing hospitals and upgrading infrastructure, the Group also emphasised resource conservation, striving to create low-carbon and environmentally friendly projects. The Group's operations only involve the use of a small amount of packaging materials, therefore relevant matters are deemed not material to the Group, thus not disclosed in this ESG report. Table 2 below illustrates the Group's consumption of different resources in FY2024.

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Table 2 — Total Consumption of Key Resources by the Group in FY2024^{6, 7}

Use of Resources	KPIs	Unit	Total Amount in FY2024 ¹	Intensity in FY2024 (Unit/m ²) ²
Non-renewable Energy³	Electricity	kWh'000	66,275.0	0.1
	Diesel	kWh'000 (liter)	1,075.3	1.4×10 ⁻³
			(100,467.0)	(0.1)
	Gasoline	kWh'000 (liter)	1,380.7	1.8×10 ⁻³
			(142,470.0)	(0.2)
	Natural Gas	kWh'000 (m ³)	11,552.8	1.5×10 ⁻²
			(1,066,407.8)	(1.4)
	Heat Supply	kWh'000 (m ³)	4,464.6	6.0×10 ⁻³
			(412,113.3)	(0.5)
	Total	kWh'000	84,748.3	0.1
Renewable Energy⁴	Solar Energy	kWh'000	100.0	1.3×10 ⁻⁴
Water	Water	m ³	1,293,590.0	1.7
Others⁵	Paper	tonnes	57.9	7.7×10 ⁻⁵

1. The energy consumption in FY2024 covers the resources consumed by the operating premises of and the use of business vehicles by Shanxian Hygeia Hospital, Suzhou Canglang Hospital, Suzhou Yongding Hospital, Chongqing Hygeia Hospital, Longyan Boai Hospital, Hezhou Guangji Hospital, Heze Hygeia Hospital, Chengwu Hygeia Hospital, Kaiyuan Jiehua Hospital, Anqiu Hygeia Hospital, Liaocheng Hygeia Hospital, Chang'an Hospital, Yixing Hygeia Hospital, Dezhou Hygeia Hospital and Qufu Chengdong Hospital;
2. The resource consumption intensity for FY2024 is calculated by dividing the amount of resources consumed by the Group in FY2024 by the weighted average gross floor area of the Group in FY2024;
3. The unit conversion of energy data is based on the Energy Data Handbook (能源數據手冊) issued by the International Energy Agency and the conversion factor of total calorific value in "How to prepare an ESG Report? — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange;
4. The Group used solar energy for part of the hot water supply of Hezhou Guangji Hospital in FY2024;
5. As the reconstruction projects were fully completed and put into operations in the FY2023, the Group did not consume significant consumption of construction raw materials in FY2024;
6. As Chang'an Hospital and Yixing Hygeia Hospital, which were acquired by the Group in FY2023 have been fully consolidated throughout FY2024, this table includes the full year operating data for these two hospitals; and
7. The Group's newly constructed Dezhou Hygeia Hospital and the recently acquired Qufu Chengdong Hospital were officially included in the disclosure scope for FY2024. This table covers the emissions from Dezhou Hygeia Hospital from May to December 2024 and the emissions of Qufu Chengdong Hospital for the entire year of 2024.

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Energy Resources

In FY2024, the electricity consumption of the Group mainly came from the daily operations of the hospitals, covering lighting system, air conditioning system, power system, and equipment of each business unit. Regarding fossil fuel consumption, natural gas was mainly used for boilers and heating, while diesel and gasoline were primarily consumed by business vehicles. With the continuous promotion of green initiatives, the intensity of diesel and gasoline consumption decreased significantly by 33% and 38% compared to FY2023.

To build a sustainable and low-carbon operational model, the Group has established and implemented a series of energy management systems, including the “Management System for Procurement and Use of Office Supplies in Hospitals” (「醫院辦公用品採購及領用管理制度」) and the “Management Measures for Strengthening Electricity Conservation and Controlling Energy Consumption to Eliminate Wastes” (「關於加強節約用電控制能耗杜絕浪費管理辦法」) and other regulations. In addition, the Group requires each hospital to set annual energy-saving targets and implementation plans based on their specific conditions, while regulate the procurement and use of office supplies and other resources.

Formulating standard systems	— Regulate the procurement process and use of office supplies through establishing rigorous system to reduce waste, and introducing eco-friendly materials to replace traditional products, promoting the concept of green office.
	— Each hospital is required to develop annual work plans and set up energy-saving targets. The logistics department conducts monthly inspections to monitor the implementation of energy-saving measures across departments to ensure the effective execution.
Reducing waste of resources	— Strictly implement fleet maintenance plans to ensure the optimal functioning of the vehicle and explore the application of new energy vehicles and alternative energy sources.
	— Prioritise the procurement of energy-efficient equipment and control the temperatures of air-conditioning and elevator operating time.
	— Maximise the use of natural light and adopt sensory lighting to avoid unnecessary electricity consumption.
	— Introduce water circulation system and regularly clean pipelines to ensure smooth water flow and achieve the best performance in water conservation.
	— Establish resource recycling points to strengthen waste classification management and promote recycling.
	— Office supplies shall be applied for, registered, compared and analysed on a regular basis to control their consumption throughout the hospital.
	— Conduct dynamic inspections by logistics and security personnel to eliminate energy waste behaviour.
Enhance publicity of green awareness	— Organise monthly meetings for energy conservation to discuss improvement measures and enhance energy-saving awareness among all staff.
	— Promote energy-saving concepts through various channels such as daily management of departments and hospital meetings, and conduct regular training on energy conservation practices to foster a green culture with full participation.

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Use of Water

The Group's water consumption primarily stems from daily drinking water for patients, their families and employees, as well as medical water usage and water for centralised air conditioning operations. In FY2024, the Group did not face any issues in sourcing water that is fit for its purpose. During the year under review, the intensity of the Group's water consumption decreased by 11% compared with the previous year, which was mainly attributed to the Group's active promotion of water-saving measures and sustainable practices.

As a critical natural resource, water plays a vital role in supporting the daily operations and business activities of the Group's hospitals. As the global water crisis intensifies, the Group adheres to the principles outlined in the 14th Five-Year Plan for the Construction of a Water Saving Society (《「十四五」節水型社會建設規劃》), actively implementing water-saving management measures and continuously promoting water conservation awareness among all employees. Each hospital has formulated water-saving management systems, policies, and targets based on its operational conditions, with the general duty office responsible for daily inspections of public areas and departments to ensure the execution of water conservation measures. During the year under review, the Group applied the "3R principles — reduce, reuse and recycle" and implemented the following measures:

- Regularly conduct leakage inspections and maintenance on faucets and connections in the water supply system;
- Install water-saving devices, such as sensor faucets, to minimise unnecessary water waste;
- Adopt technologies to enhance water efficiency, including flow controllers, low flow flushing and rainwater recycling systems;
- Educate all employees on responsible water usage and organise water-saving practice training; and
- Establish a water-saving progress tracking mechanism and motivate continuous improvement through data analysis and sharing of achievements.

Paper

Paper consumed by the Group is mainly used for administrative work. In FY2024, the Group continued to promote the concepts of paperless and automated office operations, advocating for green and low-carbon business practices. During year under review, the Group further improved and launched practices and measures related to paper conservation, including:

- Encourage the use of digital tools such as email for document storage, internal communication, and information dissemination;
- Post paper-saving reminders in prominent office areas to remind staff to avoid unnecessary printing;
- Set duplex photocopying as the default mode for network printers;
- Prioritise the procurement of eco-friendly paper and encourage the reuse of non-confidential documents;

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- Fully implement electronic medical records and electronic office approval system to reduce the use of paper documents; and
- Encourage patients to use electronic means to obtain invoices and other document.

In FY2024, the Group recycled a total of 1,196.5 kg of paper, demonstrating its commitment to resource conservation and environmental protection. Moving forward, the Group will continue to deepen its green office practices, further reducing its environmental footprint in daily operations.

A.3 Environment and Natural Resources

Throughout the years, the Group has always conducted its business in an environmentally responsible manner, adhering to applicable laws and regulations while striving to promote sustainable development and responsible corporate governance. To achieve this goal, the Group regularly conducts risk identification and assessments to comprehensively analyse the potential environmental and natural resource impacts of its operations. Based on these assessments, the Group develops scientific and systematic solutions to improve its environmental management strategies.

In FY2024, the environmental impacts of the Group's operations mainly focused on energy consumption and the disposal of solid waste and wastewater. To effectively manage these impacts, the Group has strengthened its monitoring and management of emissions and resource consumption. Each hospital has also established and improved energy-saving management systems by recording, tracking, analysing and summarising energy-saving performance based on environment-related indicators. In addition, the Group promotes accountability systems to guide and assess environmental impact and energy-saving management efforts of each department, ensuring efficient resource utilisation and the implementation of environmental protection measures. To strictly control medical waste and wastewater discharge, the Group assigns dedicated personnel to monitor related treatment processes, ensuring compliance with national policies and industry standards. Meanwhile, the hospitals of the Group have formed inspection teams to conduct occasional visits and inspections across departments, so as to identify and rectify waste behaviours in a timely manner.

In response to the requirements of the Work Plan to Advance Energy Conservation, Carbon Reduction in Construction Sector (《加快推動建築領域節能降碳工作方案》), the Group is committed to integrating green building concepts into the construction of new hospitals. This includes installing solar panels, optimising space usage to maximise natural lighting, and adopting environmentally friendly construction solutions during construction process to reduce carbon emissions and environmental impacts.

The Group complies with national and local government environmental regulations, monitoring and controlling the construction processes of new hospital projects, with the primary goal of avoiding environmental impacts. For those environmental impacts that are unavoidable, the Group has also developed a series of mitigation measures, including but not limited to:

- Prioritise the use of low-carbon and environmentally friendly construction materials, while monitoring and managing resource consumption;
- Develop comprehensive waste management plans to promote waste recycling and reuse;
- Protect the ecological environment in the surrounding areas through tree planting, wildlife conservation, and other measures to maintain biodiversity; and

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- Conduct environmental monitoring of construction sites, implement dust control measures, install noise barriers, and arrange reasonable construction time.

Environmental Impact Management

- Waste disposal:
 - o Waste bins are placed at construction sites to collect domestic waste, which is then transported by garbage truck to external agencies for treatment.
 - o Conduct regular inspections to ensure tidiness of the waste disposal areas and implement waste classification to improve resource recycling.
- Sewage treatment:
 - o Wastewater from construction sites is discharged into three-stage septic tank, while waste oil from canteen is treated by a special oil separator before being discharged into the three-stage septic tank.
 - o Sewage from the septic tank is uniformly treated by qualified external agencies.
- Noise control:
 - o Reasonable schedule construction time to avoid noisy operations during nighttime or early morning.
 - o Install noise barrier around noise sources and use sound-absorbing materials on equipment to effectively reduce vibration and noise pollution.
 - o Actively respond to local community feedback and adjust construction plans to minimise impacts on surrounding residents.
- Dust control:
 - o Set up enclosed barriers and install atomisation and spraying facilities at construction sites.
 - o Slags are transported with enclosed and covered vehicles, and vehicles and pavements are washed with spray water.
 - o Cover bare soil with geotextiles and use wet excavation methods to minimise dust during earthworks.
 - o Mixing, cutting and paint spraying in the open air are strictly forbidden, and special flue gas recovery devices are equipped for on-site welding work.
 - o Clean up construction waste and dust in a timely manner according to the progress of construction to avoid dust dispersion.

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In this critical year of achieving the targets in “14th Five-Year Plan”, the Group has adopted target-oriented strategies and fulfil its sustainable development practices by setting up environmental performance indicators and continuously tracking the progress. Looking ahead, the Group will actively respond to national policies and collaborate with business partners to drive the green and low-carbon transformation of the healthcare industry.

Targets and Actions

Aspect	Target	Plan and Action Highlights
GHG Emissions	Taking FY2021 as the baseline year, to reduce the intensity of Scope 1 and Scope 2 GHG emissions by 25% by 2030	<ul style="list-style-type: none"> ➤ Promote the application of renewable energy to reduce reliance on fossil fuel ➤ Conduct energy conservation and environmental education to raise awareness among all employees and encourage them to participate in relevant activities ➤ Ensure transparent and efficient energy consumption management through energy usage monitoring and inspection
Use of Water Resources	Taking FY2021 as the baseline year, to reduce water use intensity by 25% by 2030	<ul style="list-style-type: none"> ➤ Enhance management of water usage equipment and conduct regular inspections and leakage tests ➤ Promote rainwater harvesting systems to increase the recycling and reuse of water resources ➤ Provide all staff with education on responsible water usage and training on water conservation practices
Energy Efficiency	Taking FY2021 as the baseline year, to reduce total energy consumption intensity by 25% by 2030	<ul style="list-style-type: none"> ➤ Expand the application of renewable energy to reduce reliance on fossil fuel ➤ Encourage energy-saving habits of employees through training and promotional activities ➤ Explore renewable energy technologies and applications to assess its feasibility ➤ Upgrade or place energy-intensive equipment to reduce energy waste ➤ Encourage employees to adopt low-carbon transportation options, such as public transportation
Waste Management	Taking FY2021 as the baseline year, to reduce the intensity of general non-hazardous solid waste emission by 20% by 2030	<ul style="list-style-type: none"> ➤ Refine waste management accountability system and clarify the responsibilities of each department and individual, while strengthening oversight of external waste treatment agencies

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A.4 Climate Change

In 2024, the global decarbonisation process entered a critical phase. The 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) was held in Baku, Azerbaijan, in November 2024, making progress on climate financing targets and funding arrangements. China has consistently placed great importance on addressing climate change, regarding this commitment as an intrinsic requirement for achieving its sustainable development and a responsibility to building a global community with a shared future. Guided by national policies, the Group strictly abides by the red line of ecological protection, safeguarding the bottom line of environmental quality and lifting the top line of resource utilisation. While delivering high-quality services, the Group also actively promotes environmental protection and emission reduction initiatives, promoting business growth and sustainable development.

In FY2024, the Group further enhanced its management of climate-related risks and opportunities with reference to the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and IFRS S2 standards, as a transition to future full compliance with the new climate requirements of the Stock Exchange.

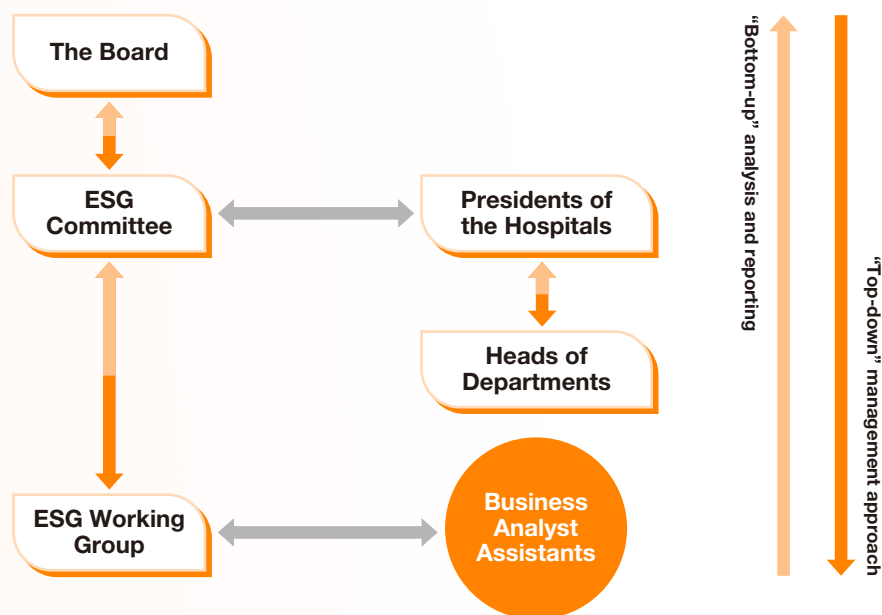
Governance

The Group has adopted a climate governance framework that aligns with its ESG governance approach to ensure that climate-related risks are effectively monitored. The Board, as the highest level of decision-making, is responsible for overseeing all climate related matters. To support climate action, the Group has established ESG Committee to assist the Board in continuously monitoring and reviewing climate-related risks and opportunities, ensuring these issues are integrated in the Group's strategy. ESG Committee is tasked with evaluating, managing, and overseeing internal climate-related policies, plans, and performance, holding meetings at least twice a year to assess and report on the effectiveness of climate strategies and measures.

To further advance climate management, the Group has implemented a tiered execution mechanism. As the executive unit, the ESG Working Group is responsible for coordinating climate-related works across business departments, ensuring the effective implementation of climate policies and action plans. The ESG Working Group regularly communicates with various departments to ensure the accuracy and transparency of climate data. The ESG Working Group analyse the potential impacts of climate risks on the Group's business operations, providing support for the management's decision-making. Based on historical environmental data submitted by the ESG Working Group, the implementation and progress of ESG targets, and the latest industry requirements, the Board and its committees integrate climate-related risks and opportunities into the Group's business strategy and objectives.

The presidents of hospitals maintain regular communication with the ESG Committee to report on the progress of targets, and delegate specific responsibilities to each department. The business analyst assistants are assigned to follow up on the performance and collaborate with the ESG Working Group. In addition to special meetings, the president and business analyst assistants hold monthly meetings to review the energy consumption and resource usage, and put forward recommendations for improvement in response to emerging issues. The heads of department are responsible for implementing specific climate risk mitigation and adaptation measures.

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The Group provides specialised training to members responsible for climate monitoring to ensure they are fully equipped with climate management competency and could effectively implement related policies. Additionally, the Group enhances staff training across all levels to ensure a comprehensive understanding of climate-related concepts and industry best practices. Given the complexity of climate change, the Group actively collaborates with external professional agency to improve the quality and transparency of climate-related disclosures. To motivate the effective implementation of environmental initiatives, the Group has incorporated environmental performance indicators into employee compensation. Specifically, for senior management, such as headquarters leaders and the presidents of hospitals, their compensation is tied to the progress of hospitals' medium and long-term environmental targets. For back office and general employees, their compensation is related to specific improvements in environmental indicators and short-term targets.

Through these comprehensive measures, the Group has not only strengthened its climate governance framework but also actively engaged employees in combating climate change to ensure the full implementation of climate actions. Looking ahead, the Group aims to gradually develop specialised control measures and procedures to manage climate-related risks and opportunities.

Strategy

In FY2024, the Group conducted a comprehensive review and update of climate-related risks and opportunities associated with its operations. Based on different time horizons (short-term, medium-term, and long-term), the Group systematically identified and summarised the impacts of climate-related physical risks, transition risks, and potential opportunities on its business operations. The specific analysis is presented in the table below to clearly illustrate the effects of climate change on the Group's strategy and operations.

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Type of Risk/ Opportunity		Analysis on Impact	Transition Plans
Physical risks	Acute Physical Risk — Increased frequency and severity of extreme weather events	<ul style="list-style-type: none"> • Bring short-term (one year) to medium-term (three to five years) impacts on hospital facilities, such as disruptions in construction progress or delays in hospital construction. • Affect the stability of supply chain transportation and the timely delivery of materials. • Lead to higher operational cost due to facility maintenance and increased energy consumption. In addition, extreme weather events may result in unstable patient volumes, which may pose challenges to the Group's business operations and resource allocation. 	<ul style="list-style-type: none"> • Optimise existing and in-progress constructions, including providing protective slopes with deceleration belts at the garage entrances and roads to prevent rainwater from flowing into the garages, and completing protective slope treatment during the construction of hospital sewage station. • Develop extreme weather emergency plans to ensure the continuity of medical services. • Maintain stable cooperation with multiple suppliers to avoid reliance on a single supplier and ensure adequate storage of critical medical supplies. • Adopt energy-efficient equipment and optimise operational processes to reduce resource consumption and corresponding operational costs.
	Chronic Physical Risk — Rise of average temperature	<ul style="list-style-type: none"> • Rising average temperatures may intensify the demand for use of air-conditioning and cooling systems in hospitals, increasing operational pressure and electricity consumption. • Extreme high temperatures may adversely affect public health, posing challenges to the operations of the Group's hospitals. 	<ul style="list-style-type: none"> • Conduct routine checks and maintenance of cooling systems, especially during peak power consumption periods in summer to eliminate potential safety hazards. • Promote health education to increase awareness of high-temperature health risks in surrounding communities and guide the public to take appropriate protective measures.

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Type of Risk/ Opportunity		Analysis on Impact	Transition Plans
Transition risks	Policy and Legal Risk — Rising prices of GHG emissions	<ul style="list-style-type: none"> The national carbon emissions trading market has been operating steadily since its launch, initially targeting key emission units in the power generation industry. Future policy requirements on carbon emissions from the healthcare sector may have long-term (ten years) impacts on the Group's operations, resulting in higher operating costs in energy consumption and transportation. 	<ul style="list-style-type: none"> Proactively comply with the national regulatory requirements and improve understanding and compliance by preparing climate-related disclosures in advance. While ensuring business activities, the Group is fully advancing its green and low-carbon transformation, strategically planning carbon assets, and exploring clean energy solutions to offset its carbon footprint.
	Policy and Legal Risk — Fluctuations in energy prices	<ul style="list-style-type: none"> It is expected that energy prices may fluctuate with the introduction of more stringent carbon regulations and energy policies in the future. As a corporate relying on traditional energy sources, this may lead to higher energy costs and operating costs. 	<ul style="list-style-type: none"> Diversify energy sources, especially increasing investment in renewable energy (e.g. solar energy, wind energy, etc.) to reduce reliance on traditional fossil fuels.
	Reputation Risk — Stakeholders' concerns about the Group's low carbon development	<ul style="list-style-type: none"> As global concern about climate issues intensifies, stakeholders expect the Group to take proactive measures to address climate change and enhance the transparency of its disclosures. 	<ul style="list-style-type: none"> In FY2024, the Group further improved its climate disclosures and enhanced data collection process for GHG emissions, strengthening Scope 3 emissions accounting. These measures help the Group prepare for full compliance with the new climate requirements of Stock Exchange and lay the foundation for a more efficient low-carbon transformation.
Opportunity	Resource efficiency	<ul style="list-style-type: none"> In actively addressing and adapting to climate change, the Group recognises that improving resource efficiency not only can effectively reduce its carbon footprint but also minimise resource wastage, thereby lowering operational costs. In addition, as the expectation of the society on corporate environmental responsibility is gradually rising, the Group's efforts on resource efficiency will help to enhance its brand image, thereby strengthening its market competitiveness. 	<ul style="list-style-type: none"> The Group will reduce carbon emissions while lowering energy expenses by installing energy-saving equipment, promoting building energy management systems and introducing renewable energy. The Group will build a robust waste classification and recycling system to achieve resource circularity, while collaborating closely with suppliers to optimise supply chain management.

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Financial Impacts of Climate-related Risks and Opportunities

Based on the material climate-related risks and opportunities identified, the Group has analysed and summarised their potential financial impacts on the Group's business operations. As a transitional disclosure, this ESG report only covers the qualitative financial impact analysis of climate risks and opportunities. As the Group continues to deepen its understanding of climate change, the Group will progressively enhance its financial impact analysis and further refine its climate-related disclosures to ensure alignment with international best practices and regulatory requirements.

Type of Risk/Opportunity		Financial Impact Analysis
Physical risks	Acute Physical Risk — Increased frequency and severity of extreme weather events	<p>Current financial impacts: In FY2024, this risk did not affect the Group's asset values or liabilities.</p> <p>Anticipated financial impacts: Due to increased infrastructure investments and the allocation of resources to proactively address climate change, the Group anticipates that this risk may lead to an increase in related expenses in the future.</p>
	Chronic Physical Risk — Rise of average temperature	<p>Current financial impacts: In FY2024, this risk did not affect the Group's asset values, liabilities and expenses.</p> <p>Anticipated financial impacts: The Group anticipates that this risk may lead to increased annual energy-related expenses in the future.</p>

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Type of Risk/Opportunity		Financial Impact Analysis
Transition risks	Policy and Legal Risk — Rising prices of GHG emissions	<p>Current financial impacts: In FY2024, this risk did not affect the Group's asset values, liabilities and expenses.</p> <p>Anticipated financial impacts: In the short term, the Group's operating costs will increase due to the purchase of carbon credits and the expansion of green initiatives. However, as the Group's negotiation capability in acquiring carbon credits or other environmentally friendly financial products matures in the future, the impact on operational expenses will be effectively managed, and it will not affect the Group's overall profitability.</p>
	Policy and Legal Risk — Fluctuations in energy prices	<p>Current financial impacts: In FY2024, this risk did not affect the Group's asset values, liabilities and expenses.</p> <p>Anticipated financial impacts: In the short term, rising energy prices will lead to an increase in the Group's energy-related expenses, but as the Group will actively seek low-cost energy alternatives, this risk will not have a significant financial impact on the Group in the long term.</p>
	Reputation Risk — Stakeholders' concerns about the Group's low carbon development	<p>Current financial impacts: In FY2024, this risk did not affect the Group's asset values, liabilities and expenses.</p> <p>Anticipated financial impacts: In the short term, the Group's operational expenses will increase due to the upgrade of energy-efficient equipment, including energy-saving lighting and sensor faucets. However, in the long term, with the steady implementation of energy saving and emission reduction measures, the related operational expenses will gradually decrease.</p>
Opportunity	Resource efficiency	<p>Current financial impacts: In FY2024, this opportunity has not yet had a significant impact on the Group's asset values, liabilities and expenses.</p> <p>Anticipated financial impacts: The Group's operating costs are expected to decrease gradually in the future as a result of the implementation of environmental protection initiatives and the improvement in resource efficiency.</p>

Risk Management*Risk and Opportunity Identification and Assessment*

In FY2024, the Group conducted a comprehensive review of climate-related risks and opportunities relevant to its operations based on the likelihood and level of impact of climate risks and opportunities. This process involved policy research, benchmarking against industry peers, and consulting external experts.

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Regarding physical risks, the Group recognises the significant challenges posed by extreme weather events (acute physical risks) and rising global average temperatures (chronic physical risks) to its operational facilities, supply chain stability, and employee safety. The Group has proactively implemented adaptation measures to mitigate potential impacts. In terms of transition risks, as climate-related policies and regulations become increasingly stringent, the Group closely monitors the requirements on carbon pricing and energy consumption regulations. Meanwhile, as stakeholders' expectations for low-carbon transition continue to increase, the associated reputation risk will have a profound impact on the Group's business operations and market competitiveness.

Notably, through its efforts to address and adapt to climate change, the Group has identified resource efficiency as a key climate-related opportunity that will bring substantial positive impacts. As such, the Group is committed to further strengthening initiatives in this area to drive sustainable growth and long-term value creation.

Given the nature of the Group's business, the likelihood and impact of risks related to low-carbon products and services are relatively low. Therefore, relevant risks were not classified as material in the climate risk identification and assessment. However, the Group will continue to monitor the evolving landscape of climate change and its impacts, and adjust its strategies in a timely manner in response to emerging trends.

Risk Monitoring

The Group has implemented a comprehensive climate risk management system. The Audit Committee provides independent advice on the effectiveness of internal control policies, financial management procedures and risk management systems, including climate-related risks. In addition, the Group maintains open and consistent communication with internal and external stakeholders to stay informed of their concerns regarding climate issues. To effectively manage climate-related risks, the Group takes climate factors into consideration when setting its business strategies. For instance, when selecting contractors for self-built hospitals and choosing raw materials for construction, the Group takes climate impact as one of the evaluation criteria and prioritises the solutions with lower carbon footprint. In addition, to enhance the management of Scope 3 emissions, the Group evaluates the ESG performance of upstream suppliers and actively engages with its business partners to promote sustainability targets.

At the Group's monthly business analysis meetings of the General Logistics Department, a comparative assessment is conducted across hospitals, focusing on the indicators such as energy supply, energy consumption and emissions. This enables employees clearly understand the challenges posed by climate change to hospital operations. In addition, the hospitals of the Group actively learn from best practices adopted by leading healthcare institutions, using them as references to improve their performance.

Metrics and Targets

The Group has established environmental targets covering GHG emissions, water and energy consumption, and waste management to better assess and monitor material climate risks and opportunities. Adopting a prudent approach to sustainable development, the Group remains cautious about setting new climate targets at this stage. Instead, the Group will focus on targets in key areas, improving data monitoring and allocating resources to achieve existing targets.

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Leveraging a robust governance structure and clear division of responsibilities, the Group will continue to allocate resources towards climate management, ensuring the effective implementation of its strategic initiatives. Climate-related targets will be reviewed regularly and adjusted in response to industry trends, regulatory developments, and technological advancements to ensure the foresight and feasibility of its climate strategy.

The Group remains committed to enhancing its management of climate-related risks and opportunities. Looking ahead, the Group will conduct more in-depth climate scenario analysis and financial impact analysis to gain a deeper understanding of the implications of climate change on its business. In addition, the Group will offer more detailed climate-related training to its employees to promote the knowledge of climate change, ensuring that every employee understands and actively participates in the Group's climate response actions. These training initiatives will be continuously monitored and evaluated by the ESG Committee to ensure their effectiveness and ongoing improvement.

VI. SOCIAL SUSTAINABILITY

Employment and Labour Practices

B.1 Employment

The Group recognises its employees as the core driving force for corporate growth and development. Upholding a people-oriented philosophy, the Group is committed to continuously optimising the working environment and fostering a positive, inclusive, and supportive corporate culture. Meanwhile, the Group provides diverse career development opportunities for its employees, encouraging them to explore their potential in professional skills and leadership, achieving mutual growth for both individuals and the organisation. As of 31 December 2024, the Group had a total of 8,169 full-time employees, including 2,431 males and 5,738 females, all located in Mainland China. In addition, the Group had a total of 510 part-time employees in FY2024.

Table 3 — Total Number of Full-time Employees of the Group by Gender, Age and Position in FY2024^{1, 2}

Unit: Number of Employees		Age Group				Total
Gender		30 or below	31 to 40	41 to 50	51 or above	
Male		715	769	518	429	2,431
Female		2,557	2,241	675	265	5,738
Total		3,272	3,010	1,193	694	8,169

Position				Total
General Employees	Middle Management	Senior Management and Directors		
7,022	1,044	103		8,169

- The employment-related information is based on the employment contracts entered into between the Group and its employees, which were obtained from the Human Resources Department of the Group. The methodology used for the above employment data is based on "How to prepare an ESG Report? — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange; and
- This table only includes data on the Group's full-time employees for FY2024. The Group also had a total of 510 part-time employees in FY2024, and the relevant information was not included in this table.

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Legal Compliance

Since its establishment, the Group has adhered to the applicable employment laws and regulations, continuously reviewing and updating its employment policies to ensure compliance. In FY2024, the Group complied with relevant laws and regulations, including the following:

- Labour Law of the People's Republic of China (《中華人民共和國勞動法》);
- Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》);
- Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》);
- Employment Promotion Law of the People's Republic of China (《中華人民共和國就業促進法》); and
- Provisions on Minimum Wages (《最低工資規定》).

The Group's Human Resources ("HR") Department is responsible for regularly reviewing and updating internal employment policies while ensuring their effective implementation. The Group has put forward the following specific requirements to all employees:

- Comply with laws, regulations, administrative rules and regulations, as well as the Group's internal rules and labour discipline;
- Regulate labour safety and hygiene, operating procedures and work processes;
- Safeguard the Group's property, uphold professional ethics, and demonstrate professional attitude; and
- Actively participate in training activities organised by the Group to enhance awareness and strengthen professional skills.

The Group communicates and reinforces its policies through multiple channels, including employee handbook, internal website, bulletin boards, staff meetings, and study seminars. All employees are required to thoroughly study these policies to fully understand the rules and regulations formulated by the Group.

Recruitment and Promotion

The Group recognises that attracting and retaining talents is the key to maintaining competitive advantage in the industry. To this end, the Group continuously strengthens its workforce through internal cultivation and external recruitment. Each hospital of the Group manages its recruitment process and conclude employment contracts with its employees. All hospitals of the Group adhere to the principle of "Equal Competition", selecting candidates based on professional skills, performance, and work experience to ensure that the most suitable candidates are recruited.

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To maintain the professional standards of medical staff, the Group has established a rigorous recruitment process, including thorough verification of candidates' identification, graduation certificate, practising certificate, qualification certificate and professional title certificate to ensure the authenticity and validity of the documents. Medical professionals must obtain medical-related qualification certificates and professional title certificates before taking up their positions. For medical specialists engaged in multi-site practice, the Group implements an employment system, requiring them to complete the necessary multi-site practice registration in accordance with legal requirements. The Group closely monitors the qualification registration and filing records of its employees to ensure compliance with regulatory standards, thereby safeguarding the lawful and orderly operation of its hospitals.

To regulate the recruitment process, the Group has established a four-step procedure, including recruitment plan formulation, recruitment information release, candidate selection and candidate employment.

- I. Recruitment plan:** The heads of departments formulate annual recruitment plans based on their needs. The hiring department shall fill out a "recruitment application form" for new position, which is reviewed and signed by the heads of the departments before submission to the Chief Executive Officer for approval. Upon approval, the HR Department is responsible for organising recruitment, screening and hiring process according to the specific requirements of the department.
- II. Recruitment information:** The HR Department determines suitable recruitment channels based on position, headcounts and qualification requirements. The recruitment channels include internal referral, internal promotion, recruitment through the media, open recruitment and headhunting.
- III. Candidate selection:** The HR Department conducts a preliminary screening of all applications to remove the applications that fail to meet the required criteria. Qualified candidates are then submitted to the relevant departments for further review. The HR Department will notify the candidates passing the review process to attend the first-round interview and arrange a second-round interview for qualified candidates. Results of the second-round interview are divided into "hired", "not hired" and "transfer to another position".
- IV. Candidate employment:** The HR Department submits the resume and "interview record" of the shortlisted candidates for final approval. Once approved, the "employment notification" will be delivered to the candidates and a "new employee on-board notification" will be sent to notify the relevant departments to prepare for the reception of the new employee.

For staff promotion, the Group has implemented a "dual-channel promotion" mechanism, offering eligible employees promotion opportunities based on their work performance, personal development potential, professional qualifications, and service years. To promptly recognise the performance of each employee, the Group conducts annual performance and competency assessments for all employees. This process helps identify outstanding talents to establish a multi-tiered talent pool comprising reserve talents, middle-level cadres and senior talents, to support the Group's future growth and leadership development. In addition, the Group adopts internal job rotation mechanism to enhance the overall competence of its employees and foster collaboration across departments.

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In FY2024, the Group further strengthened its efforts in attracting and nurturing talents in the oncology field, with a total of 791 medical professionals successfully promoted to a higher level of professional titles. This achievement reflects the Group's long-term commitment to professional development and its emphasis on outstanding talents.

Case Sharing — Chang'an Hospital was Awarded the Title of "Talent Service Centre"

In October 2024, Chang'an Hospital was recognised as "Talent Service Centre*" by the Organisation Department of the Xi'an Municipal Committee. As one of Xi'an's talent exchange and service projects, the title of "Talent Service Centre" is awarded to institutions that play a representative, influential, and demonstrative role in talent development. This honour underscores the Group's efforts in talent acquisition, service, and development, reinforcing its commitment to advancing the medical sector and regional talent growth.



Compensation and Dismissal

The Group formulates its remuneration policies in accordance with the relevant laws and regulations of the local jurisdictions, and each hospital assesses the remuneration standards based on factors such as the job duties, qualifications and position. To maintain the competitiveness and fairness of the remuneration system in the market, the Group conducts regular market benchmarking surveys, refining its remuneration structure based on the regional conditions to enhance both external market competitiveness and internal fairness.

For performance management, the Group establishes annual performance appraisal standards and systems for each hospital and business departments based on the business nature and position type of employees. Performance appraisals are conducted at the end of each year according to the annual performance of its business operations. In specific, the Group undertakes comprehensive performance appraisals of employees at different levels based on indicators such as job content, work performance, competency, work attitude and professionalism. with results directly linked to year-end bonus and promotions. In addition, the Group offers option incentives for its core and outstanding employees as part of its retention strategy.

* Translation for identification purpose only

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The Group strictly prohibits any form of unfair and illegitimate dismissal and has established a set of internal policies to regulate the procedures for employee dismissal. For those whose work performance fails to meet standards, the Group will send a warning, clearly pointing out the problem with suggestions for improvement. For employees who seriously violate the Group's employment policies or repetitively make the same mistakes, the Group will terminate their employment contracts in accordance with relevant national regulations and the Group's internal rules, ensuring that the entire process is legitimate and compliant.

In FY2024, the total employee turnover rate of the Group was approximately 14.9%.

Table 4 — Employee Turnover Rate of the Group by Gender, Age and Geographical Location in FY2024^{1, 2}

Unit: Employee Turnover Gender	Age Group				Total
	30 or below	31 to 40	41 to 50	51 or above	
Male	164	89	66	113	432
Turnover Rate of Male Employees (%)	22.9%	11.6%	12.7%	26.3%	17.8%
Female	439	166	87	93	785
Turnover Rate of Female Employees (%)	17.2%	7.4%	12.9%	35.1%	13.7%
Total	603	255	153	206	1,217
Total Employee Turnover Rate (%)	18.4%	8.5%	12.8%	29.7%	14.9%

Geographical Location		
Region	Employee Turnover	Employee Turnover Rate (%)

Mainland China	1,217	14.9%
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- The turnover data is based on the employment contracts entered into between the Group and its employees, which were obtained from the Human Resources Department of the Group. The methodology used for the above turnover data is based on "How to prepare an ESG Report? — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange; and
- This table only includes data on the Group's full-time employees for FY2024. The Group also had a total of 510 part-time employees in FY2024, and the relevant information was not included in this table.

Working Hours and Rest Period

The Group complies with the local employment laws and regulations, including the Provisions of the State Council on Working Hours of Employees (《國務院關於職工工作時間的規定》), to manage employee attendance and rest periods, safeguarding their legal rights and interests. In addition to basic paid annual leave and statutory holidays, employees are also granted supplementary paid leave benefits, such as marriage leave, maternity leave and compassionate leave.

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Equal Opportunities and Anti-Discrimination

Equality and inclusion form the cornerstone of the Group's corporate culture and serve as a key strategy for attracting, retaining, and motivating outstanding talents. The Group is committed to fostering a working environment that values equality and mutual respect to ensure that all employees could realise their personal values under fair conditions. Adhering to principles of fairness and justice, the Group ensure that all decisions relating to recruitment, selection, training and promotion opportunities, dismissal and retirement are made based on factors irrespective of the employees' age, gender, marital status, pregnancy status, family status, disability, race, skin colour, ancestry, national or ethnic origin, nationality, religion, or any other non-work-related factors.

In addition, the Group has zero tolerance for any forms of discrimination, harassment, bullying or abuse. Employees are encouraged to report any potential discrimination to the HR Department, supported by relevant evidence. Upon receiving a report, the HR Department will conduct a thorough investigation, record the process and outcome of the incident. Any violation of the equal opportunities policy will be subject to disciplinary action. Through these measures, the Group upholds its commitment to protecting employee dignity and rights, fostering mutual growth for both individuals and the organisation.

Other Welfare and Benefits

To fully protect employees' basic rights and interests, the Group provides employees with social insurance and housing provident fund contributions in accordance with the relevant national laws and regulations. Meanwhile, the Group pays attention to the physical and mental health as well as well-being of its employees by providing them with a wide range of welfare measures, including annual physical examination, benefits for holidays and festivals, and subsidies for transportation, meals and communications. Furthermore, the Group actively organises diverse activities such as birthday celebrations and departmental gatherings to enhance employee happiness and foster a sense of belonging, cultivating a caring and vibrant corporate culture.

Case Sharing — Yixing Hygeia Hospital Organises Employee Birthday Celebrations

To strengthen team cohesion and foster a warm, supportive working environment, Yixing Hygeia Hospital regularly organises bi-monthly employee birthday celebrations to express its sincere appreciation for their dedication. In addition to sharing birthday cakes, the hospitals also planned various interactive games and heartwarming sharing sessions during the celebrations. Moving forward, the Group will continue to promote such caring initiatives, ensuring every employee feels a strong sense of belonging and happiness and devote themselves to their work with greater enthusiasm.



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Case Sharing — “5.12 International Nurses Day” Celebrations Across Group Hospitals

In celebration of the International Nurses' Day, the hospitals of the Group organised a variety of celebratory activities to recognise the dedication and contributions of nursing staff.

In specific, Liaocheng Hygeia Hospital, Shanxian Hygeia Hospital, and Suzhou Canglang Hospital held oath-taking ceremonies and award ceremonies, presenting certificates to employees who made outstanding contributions.



Longyan Boai Hospital and Chongqing Hygeia Hospital launched special events featuring festive gifts for nursing staff and awarded banners as well as certificates to outstanding departments and individuals. Yixing Hygeia Hospital also held its first Nurses' Congress in FY2024 to further showcase the professional spirit of its nursing teams.



Heze Hygeia Hospital and Chengwu Hygeia Hospital attached great importance to the well-being of its employees and held a fun sports day on Nurses' Day to enhance the teamwork spirit among departments.



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In FY2024, the Group complied with relevant laws and regulations on remuneration and dismissal, recruitment and promotion, working hours, holidays, equal opportunities, diversity, antidiscrimination, benefits and other treatments, and other relevant laws and regulations that have a significant impact on the Group. The Group has always been maintaining good relationships and effective communication with its employees. As of the end of 2024, the Group had not encountered any strikes or labour disputes with its employees that had or might have a significant impact on the Group's business.

B.2 Health and Safety

The health and safety of employees is always an important aspect of the Group's corporate management, directly impacting the well-being of employees and sustainable operations of the Group. To this end, the Group places great emphasis on the health of its employees and is committed to creating a healthy, safe and stable working environment for all employees. During the year under review, the Group complied with the requirements of relevant laws, regulations, and standard requirements in China, including:

- Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》);
- Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》);
- Regulation on Work-Related Injury Insurance (《工傷保險條例》);
- Law of the People's Republic of China on Prevention and Treatment of Infectious Diseases (《中華人民共和國傳染病防治法》);
- Administrative Measures for Hospital Infection (《醫院感染管理辦法》);
- Regulation on the Administration of Medical Institutions (《醫療機構管理條例》);
- Regulation on Preparedness for and Response to Emergent Public Health Hazards (《突發公共衛生事件應急條例》); and
- Specification of Hand Hygiene for Healthcare Workers (《醫務人員手衛生規範》).

To ensure the health and safety of employees in the workplace, the Group strictly implemented a series of internal health and safety policies in 2024, including the "Management System for Occupational Health and Safety Protection of Medical Personnel" (「醫務人員職業健康安全防護管理制度」), the "Health Management System for Radiation Workers" (「輻射工作人員健康管理制」) and the "Procedures on Handling Occupational Respiratory Exposure" (「呼吸道職業暴露後的處置流程」).

The Group arranges comprehensive physical examinations for all employees at least once a year to promptly identify and prevent potential health issues. In addition, in view of the potential health risks during work, the Group provides necessary vaccination to enhance employees' resistance to specific pathogens. To ensure the safety of employees in daily operations, the Group provides its employees with adequate essential protective tools such as isolation gowns, uniforms, masks, gloves, and face shields according to working requirements. For those engaged in or involved in radiation work, special measures have been adopted at each hospital to protect them from radiation injury.

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➤ *Training and certificate management*

All personnel engaged in or involved in radiation work are required to attend the radiation safety training at or above the intermediate level organised by nationally designated training institutions, covering risk assessment, protective measures, and emergency procedures. Relevant personnel should obtain the Certificate of Radiation Workers before commencing their work. The Certificate of Radiation Workers is reviewed annually, and the radiation workers should apply for retraining after exceeding the four-year training expiry date.

➤ *Personal radiation dose monitoring*

The Group requires the relevant radiation workers to undergo personal radiation dose monitoring. To comply with the requirements of the national environmental protection supervision authorities, relevant workers must wear personal dosimeters and dose alarms during operations, along with protective gear such as lead clothing, lead caps, lead aprons, lead gloves and lead glasses. To ensure the accuracy of monitoring, the Group engages with external agencies to issue employee radiation exposure reports every quarter, strictly controlling the annual maximum dose to be lower than the national standard of 5mGy.

➤ *Personal radiation dose files*

The Group has established specialised personal radiation dose profiles for all employees engaged in radiation work, recording in detail their basic information, job position, dose monitoring results and other key information. All records are centrally managed and securely archived by the Administration and HR Departments until the radiation worker reaches the age of 75 or has stopped radiation work for 30 years.

➤ *Radiation-related physical examination*

The Group requires all employees involved in radiation work to take professional physical examinations provided by the authorised radiological health institutions each year. The Group will conduct a comprehensive assessment based on the examination reports to decide if it is appropriate for them to continue their work.

In FY2024, all radiation workers in the Group's hospitals have completed the physical examination.

To ensure the effective execution of protective measures, the Group has clearly defined the specific responsibilities of each department in radiation protection work, including:

- The Technical Department provides protection methods and technical support against radiation, and arranges training to relevant staff for regulating their practices;
- The Production Department is responsible for the procurement and management of radiation protective equipment, staff deployment, on-site work coordination and organisation and personal dosage statistics of radiation workers;
- The Inspection Department verifies and conducts metrological testing of radiation protection equipment to ensure accuracy and reliability;
- The Administration and HR Departments conduct risk assessments, develops training plans, manages radiation allowance statistics, and maintains health records for radiation workers; and

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- The Finance Department handles payment settlements for radiation protection equipment and disburses monthly radiation allowances.

The Group acknowledges that safety training plays an integral role in enhancing the overall safety awareness and practices of its employees. As such, the Group requires the medical division, nursing division and nosocomial infection division of each hospital to organise occupational health and safety training monthly. In addition to the monthly training on occupational health and safety, the Group's hospitals also launched training on production safety inspections and fire safety in FY2024 to further enhance the safety awareness of its staff.

Case Sharing — Shanxian Hygeia Hospital Conducted Fire Safety Training

In December 2024, Shanxian Hygeia Hospital collaborated with the local Fire and Rescue Bureau to conduct fire safety training for over 200 staff members. The training covered essential knowledge including fire prevention measures, emergency response procedures, and the proper use of firefighting equipment. In addition, the hospital organised practical evacuation drills and fire extinguishing exercises to further enhance employees' fire safety awareness and emergency response capabilities.



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Case Sharing — Heze Hygeia Hospital Launched Workplace Safety Inspection

To strengthen workplace safety and ensure the personal safety of all staff and patients, Heze Hygeia Hospital carried out a comprehensive safety inspection in January 2024. The inspection focused on key areas including fire safety management, hazardous chemical safety management, psychotropic and narcotic drugs management, medical safety protocols, staff safety education and training.



The Group's occupational health and safety policy applies to all staff of the Research, Development and Manufacturing Department at the headquarters, as well as radiation-related workers and clinical staff of each hospital of the Group. The responsibilities of the different departments are clearly defined as follows:

- The Group's System Department organises and oversees training programmes and physical examination for the members of the Research, Development and Manufacturing Department at the Group's headquarters. The Administration and HR Departments maintain all related records, provides necessary support, and regularly reports progress to the director of the Research, Development and Manufacturing Department.
- Each hospital's Administration and HR Departments lead and supervise the relevant training and physical examination for the radiation workers and reports directly to the president of the hospital.
- The Medical Affairs and Nursing Department at all hospitals are responsible for monitoring the health and safety protection, organising relevant training for clinical staff who have close contact with patients and reporting to the president of the hospital.

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Table 5 — Number and Rate of Work-related Fatalities of the Group in the Past Three Financial Years¹

Year	FY2024	FY2023	FY2022
Number of work-related fatalities	0	0	0
Rate of work-related fatalities (calculated per 100 workers)	0	0	0

1. Data of work-related fatalities was obtained from the HR Department of the Group. The methodology adopted for the work-related fatalities reported above was based on “How to Prepare an ESG Report? — Appendix 3: Reporting Guidance on Social KPIs” issued by the Stock Exchange.

In FY2024, the Group had a total of 24 work-related accidents, with 25 employees injured and 899 working days lost due to work-related injuries. To further enhance workplace safety, the Group has conducted thorough investigations into the causes of the accidents and formulate corresponding rectification measures. The Group is committed to strengthening monitoring of operational risks and hazards associated with its business operations to prevent the recurrence of similar accidents. In FY2024, the Group did not violate any relevant laws and regulations in relation to providing a safe working environment and protecting its employees from occupational hazards that have a significant impact on the Group.

B.3 Development and Training

The Group has always been committed to employee development and has allocated resources to conduct various training activities. By establishing a comprehensive employee training system and on-the-job training programmes, the Group ensures that every employee has the opportunity to enhance their professional skills, thereby improving their career competencies. This further elevates the overall quality of the Group’s medical services, achieving a win-win situation for both employees and the Group.

To further cultivate all rounded professionals, the Group founded the Hygeia Healthcare Teaching and Researching Institute in 2021, responsible for coordinating the development of training system and the implementation of employee support programmes. The Institute has set up an Academic Committee, composed of both internally selected experts and externally hired experts, ensuring that training courses are both specialised and practical. The Institute offers two main categories of courses: professional courses and management courses. The professional courses cover areas such as clinical medicine, medical technology, oncology MDT, nursing, and pharmacy, catering to the diverse professional development needs of employees. Management courses focus on business analysis and leadership development, equipping employees with essential management skills. To ensure course quality and effectiveness, the Institute, in collaboration with the Group’s HR Department, evaluates course quality based on attendance records, employee engagement, and monthly and year-end reviews.

Furthermore, to refine talent development planning and management mechanisms, the Group has formulated and implemented the “Hygeia Healthcare Teaching and Researching Institute Plans” (「海吉亞醫療教學研究院方案」) and the “Assessment, Evaluation and Recruitment System for Senior Management of Hospitals” (「醫院高管考評及聘用制度」). These initiatives provide an objective and fair evaluation framework for assessing the value creation and performance of senior hospital management, ensuring the fairness of value distribution and providing reference for appointment and promotion decisions.

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In FY2024, the Group provided a total of 246,883.5 hours of vocational training to 7,919 employees, striving to build a professional team with outstanding quality and capability. Beyond systematic training, the Group actively encourages employees to participate in professional competitions, allowing them to enhance their professional skills and broaden their horizons through practical exercises, and exchange best practices and innovative insights with top professionals. In the future, the Group will further improve its training system and provide more diverse learning opportunities to support the joint growth of employees and hospitals, contributing to the high-quality development of healthcare services.

Table 6 — The Number and Percentage of the Group's Full-time Employees Trained by Gender and Position Type in FY2024^{1, 2}

Total number of full-time employees trained	7,919
Total number of full-time employees as of the end of the year	8,169
Percentage of full-time employees trained	97%

Unit: Number of employees	Position			Total
	General Employees	Middle Management	Senior Management and Directors	
Gender				
Male	1,836	457	73	2,366
Percentage of full-time male employees trained	23.2%	5.8%	0.9%	30%
Female	4,936	587	30	5,553
Percentage of full-time female employees trained	62.3%	7.4%	0.4%	70%
Total number of full-time employees trained	6,772	1,044	103	7,919
Percentage of total full-time employees trained	85.5%	13.2%	1.3%	97%

- Employee training data is obtained from the Group's HR Department. Training refers to the vocational training attended by the Group's employees in FY2024. The methodology used to report the above number and percentage of employees trained is based on the "How to prepare an ESG Report? — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange; and
- This table only includes training data on the Group's full-time employees for FY2024. The Group also had a total of 510 part-time employees in FY2024, and the relevant information was not included in this table.

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Table 7 — The Training Hours per the Group's Full-time Employee by Gender and Position Type in FY2024^{1, 2}

Unit: Hour	Position			Total
	General Employees	Middle Management	Senior Management and Directors	
Gender				
Male	60,478.0	11,454.0	516.0	72,448.0
Average training hours for full-time male employees	31.8	25.1	7.1	29.8
Female	159,149.5	14,998.0	288.0	174,435.5
Average training hours for full-time female employees	31.1	25.6	9.6	30.4
Total	219,627.5	26,452.0	804.0	246,883.5
Average training hours	31.3	25.3	7.8	30.2

1. Employee training data is obtained from the Group's HR Department. The methodology used to report the above training hours per employee is based on the "How to prepare an ESG Report? — Appendix 3: Reporting Guidance on Social KPIs" issued by the Stock Exchange; and
2. This table only includes training data on the Group's full-time employees for FY2024. The Group also had a total of 510 part-time employees in FY2024, and the relevant information was not included in this table.

Case Sharing — Yixing Hygeia Hospital Launched Orientation Training Programme for New Employees

The Group has established a structured framework for onboarding training, requiring its hospitals to provide orientation training for newly recruited staff. For instance, in October 2024, Yixing Hygeia Hospital organised a three-day onboarding programme for over 50 new employees. The training was designed by various functional departments and covered key areas such as Hospital Overview and Development History, Corporate Culture, Medical Laws and Regulations, and Service Standards. This training aimed to help new employees fully understand the core values of the hospital, adapt to the new working environment and integrate into the team rapidly.



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Case Sharing — Suzhou Yongding Hospital Organised Several Training Sessions

To continuously enhance employees' professional competencies, Suzhou Yongding Hospital organised multiple large-scale training sessions throughout FY2024. In May 2024, the hospital hosted a specialised workshop on "Exploring the Application and Progress of Integrative Traditional Chinese and Western Medicine in Stroke Rehabilitation*". Renowned experts were invited to share their insights, contributing to the continuous improvement of the hospital's traditional Chinese medicine rehabilitation services. In June 2024, the hospital launched an educational programme on "Safety Management and Quality Improvement in Oncology Departments of Primary Hospitals*", inviting well-known experts and scholars to give technical guidance and lectures, providing a platform for academic exchanges among university members.

Case Sharing — Hezhou Guangji Hospital's Emergency Medical Team Triumphs in Provincial Competitions

In September 2024, the emergency medical team of Hezhou Guangji Hospital demonstrated outstanding performance in two prestigious provincial competitions, securing remarkable achievements. The team first participated in the Emergency Critical Care Case Competition, where they won the Second Prize with its solid professional knowledge and extensive clinical experience, standing out from the competing teams. The team also won the Third Prize in the Emergency Simulation Rescue Competition with its excellent response skills and teamwork spirit.



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B.4 Labour Standards

In FY2024, the Group complied with the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and other relevant labour laws and regulations in China. The Group strictly prohibits illegal employment of child labour, underage workers and forced labour. To uphold these commitments, the Group has implemented a series of measures to regulate its recruitment and employment processes, including:

- Require all candidates to present valid identification documents issued by officials, such as identity cards or passports, which are rigorously reviewed to verify their age.
- Maintains detailed personnel records of employees, including proof of age (copy of identity card) and date of joining the company. The HR Department conducts a systematic review of these records every six months.
- During the recruitment process, the HR Department conducts due diligence on shortlisted candidates with their consent. Based on the information that candidates provide, a telephone survey will be conducted, and the results will be included in the recruitment reference criteria.
- The HR Department organises employee engagement meetings every six months for new employees, employees who have been with the Group for three years, and those with the Group for five years to understand their recent situation and prevent forced labour.

The Group also reinforces internal education promotion by conducting training every six months, focusing on the prevention of child and forced labour. Furthermore, the Group has a clear policy prohibiting compulsory overtime and ensures that compensatory leave is provided for employees who work overtime, thereby safeguarding their legal rights and interests.

Under the supervision of the HR Department, the Group ensures that the relevant policies and practices remain aligned with the laws and regulations related to preventing child labour and forced labour. Once the Group identifies any violation of labour standards or recruiting children or forced labour, the Group will take immediate action to cease the behaviour and impose strict disciplinary measures on the responsible parties. For those who have caused severe consequences, committed such acts repeatedly, or committed a crime, the Group will report the case to judicial authorities to investigate for criminal responsibilities of the relevant responsible personnel under the applicable laws and regulations.

In FY2024, the Group did not violate any relevant laws and regulations in relation to preventing child and forced labour that have a significant impact on the Group.

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OPERATING PRACTICES**B.5. Supply Chain Management**

In FY2024, the Group complied with the Medicinal Product Administration Law of the People's Republic of China (《中華人民共和國藥品管理法》), the Good Supply Practice for Pharmaceutical Products (《藥品經營質量管理規範》) and other applicable laws and regulations, and formulated internal policies such as the “Drug Procurement Management System” (「藥品採購管理制度」), the “Supplier Management System” (「供應商管理制度」) and the “Supplier Management Procedures” (「供方管理程序」) to regulate the supplier admission and evaluation process, maintaining a stable and efficient supply chain.

Supplier Admission

Given the nature of the Group's business, the suppliers of the Group primarily include those of pharmaceuticals and medical consumables, raw materials for radiotherapy equipment, construction projects and information technology systems. The Group has developed stringent selection criteria for different categories of suppliers, assessing their business and production qualifications while comprehensively evaluating product quality, pricing, corporate reputation, and delivery time.

To mitigate social and environmental risks in supply chain management, the Group also conducts background checks on suppliers regarding labour lawsuits, environmental penalties and other aspects during the admission process. This ensures that all selected suppliers meet the Group's requirements in terms of compliance and fulfilment of responsibilities. For instance, the Group strictly manages the qualification of medical device suppliers under the Supplier Management System, including:

1. Suppliers are required to provide relevant supporting documents to prove their legal business qualifications, including Manufacturing License or Operation License for Medical Devices, Business License and Quality Management System Questionnaire.
2. Suppliers must submit medical device registration certificates and product compliance certificates to ensure the legality of procured products.
3. Suppliers are required to provide identification documents to verify their legal qualification.
4. The Procurement Department collects all supplier qualification materials, which must be reviewed and approved by the Quality Management Department before purchasing. The Quality Management Department also conducts quality assessments on supplier deliveries and determines whether to continue collaboration based on evaluation results.
5. The Quality Management Department maintains supplier quality records and conducts ongoing monitoring of supply performance. All relevant records are retained for a minimum of three years for audit and review purposes.

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Supplier Evaluation

The Group has established a solid supplier evaluation and management system, maintaining a list of qualified suppliers. Throughout different stages of project execution and contract execution, the Group conducts regular audits and dynamic assessments of suppliers, evaluating product quality, price levels, service capabilities, and staff allocation. Based on the latest evaluation results, suppliers are divided into four levels, namely level A, level B, level C and level D. Specifically, suppliers with level A are recognised as excellent partners preferred by the Group, whereas suppliers with level D are deemed unqualified and will be prohibited from participating in any bidding or cooperation projects for two years. Any future bidding by Level D suppliers requires a re-qualification review and re-evaluation.

In addition, the Group has set up Supplier Code of Conduct, which implements a clear disciplinary mechanism for violations occurring during the bidding and contract execution process. Any supplier that has serious violations will be blacklisted and prohibited from any cooperation relationship with the Group, thereby ensuring supply chain transparency and ethical business practices. This stringent management system not only facilitates the selection of high-quality suppliers but also promotes responsible business practices among supply chain partners, maintaining excellent collaboration standards and upholding the Group's corporate reputation.

Green Procurement Principles

By conducting Scope 3 emissions accounting, the Group has recognised the profound impacts of supply chain activities on its carbon footprint. As a result, the Group not only focuses on managing emissions from its own operations but also extends its efforts across the entire value chain, collaborating with business partners to collectively reduce carbon emission.

During the procurement process, the Group integrates environmental considerations into decision-making on a compliance basis. The Group take "low carbon" as a key indicator and gives priority to purchasing sustainable products, especially traditional Chinese medicine. In addition, the Group requires its hospitals to prioritise local suppliers whenever feasible to mitigate the environmental impact of transportation. Furthermore, environmental factors are taken into account at all stages of supplier selection, product evaluation, order review, product acceptance, quality inspection and usage assessment. The Group also inspirates the principles of local sourcing, quality priority, price priority and ISO14001 Environmental Management System qualification into its procurement standards.

In FY2024, the Group collaborated with a total of 784 suppliers, which were all located in Mainland China. By continuously optimising supply chain management, the Group has further consolidated its supplier resources and centralised its procurement volume, thereby improving its procurement efficiency and securing competitive pricing advantages. The aforementioned supply chain management policies and supplier selection management policies apply to all of the Group's suppliers, which are implemented by the procurement team and monitored by the Laboratory Department. To further enhance the environmental performance of its supply chain, the Group the Group has set out its green procurement policy in the new procurement contracts, requiring suppliers to comply with the relevant environment requirements.

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B.6 Product Responsibility

As a leading medical group specialising in oncology, the Group is committed to providing comprehensive, life-cycle medical services to cancer patients through cutting-edge medical technologies, stringent quality control, and patient-centred services. In FY2024, while adhering to national healthcare laws, medical regulations, and clinical standards, the Group continued to explore innovative oncology treatment models to deliver higher-quality and more holistic medical experiences. Guided by its vision of “making healthcare services more accessible and affordable and making life healthier”, the Group not only provides medical services but also pays attention to patients’ quality of life and mental health. By offering psychological support and rehabilitation therapies, the Group help patients cope better with treatment challenges.

In FY2024, the Group complied with relevant laws and regulations of the PRC in respect of health and safety, advertising, labelling and privacy matters of the medical products and services provided, including but not limited to:

- Law of the People’s Republic of China on the Promotion of Basic Medical and Health Care (《中華人民共和國基本醫療衛生與健康促進法》);
- Law on Doctors of the People’s Republic of China (《中華人民共和國醫師法》);
- Medicinal Product Administration Law of the People’s Republic of China (《中華人民共和國藥品管理法》);
- Regulations on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》);
- Regulation on the Administration of Medical Institutions (《醫療機構管理條例》);
- Regulations on the Handling of Medical Accidents (《醫療事故處理條例》);
- Regulation on the Prevention and Handling of Medical Disputes (《醫療糾紛預防和處理條例》);
- Provisions on the Administration of Radiological Diagnosis and Treatment (《放射診療管理規定》);
- Measures for the Administration of Medical Quality (《醫療質量管理辦法》);
- Measures for Complaint Management of Medical Institutions (《醫療機構投訴管理辦法》); and
- Measures for Supervision and Administration of Drugs of Medical Institutions (《醫療機構藥品監督管理辦法》).

The Group has formulated and implemented the “Administrative Measures on Work of the Quality Control Committee” (「質量控制委員會工作管理辦法」), the “Medical Safety (Adverse) Incident Management System” (「醫療安全(不良)事件管理制度」), the “Drug Traceability and Management System” (「藥品追蹤溯源管理制度」), the “Medical Accident Handling Mechanism and Contingency Plan” (「醫療事故處理機制及應急預案」) and other internal regulations to enhance medical quality control, medical incident handling and pharmaceutical quality management, ensuring patient safety and high-quality healthcare services.

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Medical Products and Services Quality

The Group upholds a “patient-centred” service philosophy and regards patient satisfaction as a key indicator of service quality. To achieve this goal, the Group has established a Quality Control Committee responsible for developing uniform quality control standards and evaluation systems. The Quality Control Committee has set up professional sub-committees in medical, nursing and nosocomial infection control departments, which regularly conduct self-assessments across hospitals and monitor rectification of relevant departments. In addition, the Group’s satisfaction survey team conduct satisfaction surveys on new patients several times a week, collecting real-time feedback to improve service processes and continuously enhance patient satisfaction.

To further strengthen quality management, each hospital of the Group has formed eight quality control committees, covering critical areas such as medical quality, pharmaceutical affairs management, and blood transfusion management. A two-tier quality control mechanism at hospital and departmental level has been implemented, supported by a series of scientific protocols and policies to ensure the quality and safety of healthcare services in all aspects. In FY2024, the Group’s Quality Control Committee arranged for an expert team to conduct two on-site inspections. The Group has integrated self-assessment and on-site inspections into performance evaluations. This approach incentivises hospitals to continuously optimise operational workflows and enhance service quality.

Case Study — Hygeia Healthcare Conducted Interim Medical Inspection in 2024

In June 2024, the Group’s Medical Inspection Team conducted in-depth interim inspections across all hospitals of the Group. The expert team focused on five key areas: hospital administration, medical care, nursing, infection control, and patient satisfaction. Through methods such as listening to reports, document reviews, theoretical and practical assessments, and on-site satisfaction surveys, the team comprehensively evaluated each hospital’s overall management standards and the implementation effectiveness of core protocols across departments. All hospitals of the Group actively addressed the feedback provided by the inspection team, further strengthening hospital management and refining quality management systems.



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The Group has established internal policies and regulations to ensure stringent control over drug safety, covering key aspects such as track and trace of drugs, inspection and storage of drugs, and drug safety management.

- **Track and trace of drugs:** The hospitals are required to conduct strict qualification reviews of pharmaceutical suppliers. An advanced management system has been adopted to record the key information of drug, including the name, registration certificate number or record voucher number, specification and model, date of manufacture and manufacturer. Meanwhile, the hospitals also maintain real-time electronic data exchange with the pharmaceutical manufacturers, ensuring achieve the tracing and tracking of drugs from production to patient use.
- **Inspection and storage of drugs:** A thorough inspection is conducted to verify product specifications, outer packaging, and transportation conditions of the delivered drugs. The delivery can only be accepted after the inspection results are qualified. Accepted drugs are stored in designated areas based on their characteristics, with specific storage measures to protect the drug from light, poor ventilation, moisture, and insects. The inventory is regularly reviewed, and drugs approaching expiry dates are promptly negotiated for return or exchange with suppliers. Drugs approaching expiry dates shall be removed from the shelves and disposed of by qualified external agencies.
- **Drug safety management:** A comprehensive monitoring and reporting mechanism for adverse drug reactions has been established, which requires all hospitals proactively collect, record, and report the relevant cases of adverse drug reactions. The Group conducts in-depth analysis and evaluation of the reports and formulates corresponding preventive measures to minimise recurrence of similar incidents.

The Group recognises that patient safety is the cornerstone of healthcare services and the foundation of medical quality management. To effectively address potential medical adverse events, the Group has implemented stringent emergency response policies, including the “Medical Safety (Adverse) Incident Management System” (「醫療安全(不良)事件管理機制」), which clearly defines the types, levels and reporting procedures of medical adverse incidents. This system also set requirements to regulate on-site handling, physical evidence preservation and follow-up measures after the occurrence of medical incident to safeguard the rights of both patients and medical staff. In addition, the Group has enforced the Drug Recall Management System to hierarchically recall the sold drugs with identified safety hazards in accordance with the prescribed procedures. Relevant departments are responsible for collecting and managing recall information and issuing recall notices. All recalled drugs are systematically recorded and disposed of in compliance with regulations to ensure public medication safety.

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Case Sharing — Chongqing Hygeia Hospital was Accredited as the First “Drug Clinical Trial Centre” in Chongqing High-tech Zone

In July 2024, with the full support of the Biomedical Innovation Development Service Centre in Chongqing High-tech Zone, Chongqing Hygeia Hospital successfully passed the Good Clinical Practice (GCP) filing certification, becoming the first medical institution in Chongqing High-tech Zone to achieve this accreditation. This achievement not only represents a significant milestone in the Group’s clinical research capabilities but also strengthens the high-quality development of pharmaceutical innovations in the High-tech Zone.

*Management on Labels and Advertisement*

Adhering to the attitude of being responsible for patients, the Group complies with the Provisions on the Administration of Pharmaceutical Directions and Labels (《藥品說明書和標籤管理規定》) and other relevant PRC regulations to strictly regulate the instruction and introduction of the medicine. For promotional activities, the Group operates in line with the Medicinal Product Administration Law of the People’s Republic of China (《中華人民共和國藥品管理法》), the Measures for the Administration of Medical Advertisements (《醫療廣告管理辦法》) and other relevant laws and regulations. Under the supervision and guidance of drug regulatory authorities, all promotional activities are carried out with the principles of truthfulness and accuracy. Each hospital of the Group has a dedicated business expansion department responsible for planning and organising promotional initiatives, including health lectures, community free clinic, and disease prevention promotion. All material used for promotional purposes must undergo rigorous internal review before public release to guarantee the legality and professionalism of all promotional content.

Suggestion and Complaints

The Group values patient feedback as a critical driver for improving healthcare service quality. The Group adheres to the Measures for Complaint Management of Medical Institutions (《醫療機構投訴管理辦法》), the Regulation on the Prevention and Handling of Medical Disputes (《醫療糾紛預防和處理條例》) and other laws and regulations and implements internal policies such as the “Reception and Handling Process System of Patient Complaints” (「患者投訴接待處理流程制度」) to establish transparent and efficient communication channels.

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Adhering to the attitude of “seeking truth from facts”, the Group promptly investigates and addresses all complaints according to the specific contents of complaints.

- For complaints that can be resolved on-site, the hospital is required to promptly identify the facts with rectification actions taken immediately.
- General complaints requiring further verification should be processed within three working days, with feedback provided to the complainant.
- For complicated complaints, a thorough review should be conducted within seven working days, followed by feedback to the complainant.
- For disputes involving multiple departments, the hospital is required to coordinate all parties and handle the complaints within ten working days, providing a detailed feedback and solution to the complainant.

Handling Process of Medical Dispute Complaint:

1. Complaint Received: Upon receiving a complaint, the responsible department shall communicate with the complainant in accordance with the Handling Mechanism of Medical Complaints and guide the complainant to report the real condition to the Office of Doctor-Patient Relations when necessary.
2. Soothe and Counsel: For the complainants who are unwilling to approach the Office of Doctor-Patient Relations, reception staff should provide patient and professional guidance and transfer their complaints to the Office of Doctor-Patient Relations.
3. Filling: After listening to the complainant's opinions, reception staff carefully verify the relevant information and fill in the “Complaint Record” to keep a complete record for subsequent investigation.
4. Follow-up and Feedback: Relevant departments are required to investigate, verify and handle the complaint, with updates and final resolutions communicated promptly to the complainant.

After properly handling complaints, the Group requires its hospitals to formulate improvement plans and implement rectification measures to address the root cause of the issues. All hospitals are required to regularly record and report medical disputes and complaints to the Group's Quality Control Committee. The Complaints and Disputes Team summarises and analyses the relevant complaints, and organises case sharing and experience summary activities to further optimise the medical services system and enhance service quality. the Group's satisfaction survey team conducts quarterly satisfaction assessments for its hospitals to ensure continuous improvement in service standards.

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Case Sharing — Chang'an Hospital Continued to Improve Patient Satisfaction

Since joining Hygeia Healthcare in September 2023, Chang'an Hospital has actively responded to the Group's requirements by incorporating patient satisfaction into its performance appraisal system with quarterly random inspections. To gain comprehensive insights into patient feedback, Chang'an Hospital collects patient opinions through multiple channels, including telephone follow-ups, on-site interviews, and mailbox of the present. QR codes for online feedback are also prominently displayed in public areas, providing patients with a convenient way to submit their opinions. As of September 2024, patient satisfaction rate of Chang'an Hospital has increased to 98%, with the number of complaints decreasing by 64% as compared with the previous period.

During the year under review, the Group did not record any significant adverse medical events. In FY2024, the Group received 143 complaints and 83 medical disputes regarding its hospitals, primarily focusing on doctor-patient communication and medical services. All complaints have been appropriately addressed. To tackle these challenges at source, the Group regularly organises training sessions on doctor-patient communication skills, patient satisfaction, and professional knowledge enhancement, while also selecting relevant personnel to participate in academic seminars and advanced training programmes. The Group firmly believes that every complaint presents an opportunity for improvement. By continuously refining processes and enhancing service quality, the Group is committed to providing higher-quality and more patient-centric medical services.

Patients' Privacy

As a core organisation providing medical services, the Group recognises its responsibility to respect and strictly protect the privacy of its patients. The Group complies with the laws and regulations such as the Information Security Technology — Personal Information Security Specification (《信息安全技術個人信息安全規範》) and Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》). With reference to industry best practices, the Group has formulated and implemented a series of internal policies, including the "Data Information Security System" (「數據信息安全制度」), the "Database Security Management Regulations" (「數據庫安全管理規範」) and the "Hospital Confidentiality System" (「醫院保密制度」), providing a solid institutional framework for hospital data security management. Hospitals of the Group have established dedicated departments and personnel to regulate the management of patients' medical records according to the Regulations on Medical Records Management by Medical Institutions (《醫療機構病歷管理規定》).

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Regularly update the management system

The Group periodically reviews and updates information security management policies to align with the latest security requirements. The Group also strengthens its information management by strictly prohibiting unauthorised access to patient privacy and electronic medical records from internal or external personnel. All access requests must be approved by the hospital head or executive director in charge to ensure the legality and security of data usage.

Confidentiality agreements

All employees are required to sign “Information Security Confidentiality Agreement” (「信息安全保密協議」) and must strictly adhere to the Group’s “Confidentiality System” (「保密制度」). Clear requirements and obligations help prevent and mitigate the risks of data leakage incidents.

Daily inspection

The Group conducts regular inspections of database systems and data storage facilities in server room across all hospitals to ensure the security of system data and its physical environment.

Information security training

Employees are required to complete training in computer operation and maintenance, information system security, and confidentiality, and obtain the “Qualification Certificate” before assuming their positions. Employees should also regularly participate in security education seminars and information security training sessions after onboarding to continuously enhance the awareness and capability in data protection.

Information Security Management System

To better safeguard patient privacy, the Group places great emphasis on information security and data protection, ensuring the reliability of hospital information systems through a multi-layered and comprehensive management framework. Each hospital of the Group strictly manages system authority and passwords of its information system to ensure that internal HIS system and the external public network of each hospital are physically separated. Furthermore, all USB ports on internal network devices are disabled to prevent unauthorised data transfers and effectively mitigate the risk of data leakage.

To ensure data integrity, the Group performs daily local and offsite backups of system data, alongside regular data recovery tests. To further enhance the security and defence capability of the information system, the information department of the Group conducts annual data recovery drills across its hospitals and engages external professional agencies to perform annual audits of the information department of hospitals. The Group strengthens its information security management in three major directions, namely authority management, database management and password management. Currently, some hospitals of the Group have successfully obtained the certification of the national information security level protection III. In the future, the Group will continue to optimise its information security mechanisms, reinforcing data protection and patient privacy.

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Authority Management:

- System access authority is assigned based on job positions and the scope of data that can be accessed by employees is strictly limited.
- Employee system accounts are promptly disabled upon resignation, with regular reviews of existing system accounts to prevent unauthorised access or privilege abuse.

Database Management:

- The database servers are operated independently and maintained by designated personnel.
- Regular review the administrator's operation logs at the system application level and database level and regularly improve the security configuration of the operating system.

Password Management:

- Establish a strict password approval and authorisation process for unified management of passwords.
- Set requirements for the complexity and length of system passwords, specify the maximum lifespan of passwords, and prohibit the use of the restored password storage function.

Product Service Innovation and Intellectual Property Rights

To maintain its competitiveness in the industry, the Group actively expanded its technological innovations in FY2024 by exploring applications of "Internet and Medical Care" and telemedicine, continuously enhancing diagnostic efficiency and treatment solutions. During the year under view, the Group achieved technical breakthroughs in oncology treatment, publishing a total of 214 research papers in international journals (such as SCI) and national journals on oncology and other disciplines. These accomplishments highlight the Group's strong capabilities in professional research, promoting the advancements of the healthcare industry.

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Case Sharing — Chang'an Hospital Hosted a Special Academic Conference on Multi-Disciplinary Treatment (MDT) entitled "Forum on Quality Development and Service Model Innovation in Oncology"

In June 2024, Chang'an Hospital hosted a Special Academic Conference on MDT entitled "Forum on Quality Development and Service Model Innovation in Oncology", inviting experts to discuss the concepts and innovations in oncology MDT. The forum featured specialised academic lectures, sharing the latest advancements in oncology treatment and clinical experiences.



Featuring the MDT model, Chang'an Hospital is committed to providing patients with the best treatment solutions by combining the resources of outstanding experts from all over the country and equipping them with internationally advanced treatment facilities. Currently, Chang'an Hospital has achieved online operation of the whole process of MDT consultation, overcoming geographical barriers to provide remote diagnosis and treatment plans for patients.



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While actively pursuing innovation, the Group also recognises the importance of intellectual property protection. The Group complies with relevant laws and regulations, including the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and the Enterprise Intellectual Property Management (《企業知識產權管理規範》). In addition, the Group has formulated and implemented internal policies to safeguard the application and maintenance of patents, trademarks, copyrights, and other intellectual property rights. The Group actively applies for intellectual property rights for new logos, labels, product designs or technologies developed by the Group with support from professional legal advisors. The Group requires its internal legal personnel to regularly review the status of intellectual property rights to prevent infringement. All employees of the Group are required to protect commercial secrets and other proprietary intellectual properties.

To promote the positive development of the medical field, the Group not only protects its own intellectual property but also respects the intellectual property rights of others. The hospitals of the Group have designed and implemented relevant measures to prevent academic misconduct, creating a fair and transparent academic environment.

- Clearly define the standards in academic research and publication, requiring all staff to avoid false reporting of research results, plagiarism, and academic fraud.
- The Academic Committee is responsible for reviewing and supervising research projects, ensuring compliance with legal requirements and ethical standards while maintaining strict oversight of research outcomes.
- Provide employees with training on the Code of Academic Ethics and Guidelines, helping them understand the serious consequences of academic misconduct and equipping them with the knowledge to safeguard their research achievements.

In FY2024, the Group had no recalls on sold products and did not violate any laws and regulations in relation to health and safety, advertising, labelling, and privacy matters of its products and services that have a significant impact on the Group.

B.7 Anti-corruption

As a leader in the healthcare industry, the Group maintains the highest ethical standards, takes integrity and compliance as its core values, and resolutely combats any form of corruption. In FY2024, the Group complied with the anti-corruption and bribery laws and regulations of the PRC and operating regions, including Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》) and Interim Provisions on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》). The Group has also strengthened its commitment to creating a transparent and fair business environment by implementing the "Anti-Corruption and Anti-Bribery Letter of Commitment" (「反腐敗、反賄賂承諾書」) and other internal rules and regulations.

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The Group requires all employees to follow the principles of law-abiding and integrity and strictly forbid commercial bribery and offering or accepting other improper benefits. New employees are required to sign an anti-corruption confirmation, which explicitly forbids involvement in financial impropriety, unethical practices and fraudulent activities, while clearly outlining the consequences of corruption and fraud. The HR Department is responsible for overseeing the implementation of these policies to ensure the system is properly enforced.

The Group has formulated a whistleblowing policy to develop compliant whistleblowing channels for both internal and external parties, including hotline, email and the internal complaint channels, allowing the Group's staff, business partners and other informed parties to report conduct compromising the Group's interest. The Group keeps whistleblowers and reporting information confidential and implement relevant protection measures. The internal audit department of the Group reports relevant work to the Audit Committee and then reports to the Board on an annual basis. In addition, the Group holds regular anti-corruption seminars and training to enhance the overall legal awareness and ethical standards within the Group. In FY2024, the Group held 18 anti-corruption training sessions with a total of 28 hours. A total of 883 general staff and 1,010 management and directors participated in the relevant training. These efforts helped deepen the understanding of commercial bribery and corruption, raising employees' awareness of preventive measures. In addition, the Group also provided training for the Board on preventing insider trading in listed companies, helping them fully understand the hazards of insider trading and its impacts on corporate reputation and market fairness, safeguarding the compliance and transparency of the Group's operations in the capital market.

To mitigate potential corruption risks in the supply chain, the Group issues a declaration on anti-corruption to business partners before engaging in any business dealings, clearly communicating its anti-corruption and anti-bribery policies. In addition, the Group requires its suppliers to sign contracts containing anti-bribery provisions to effectively reduce third-party corruption risks. If any suspected corrupt practices are identified, the Group will immediately report them to relevant regulatory institutions or law enforcement as deemed necessary by the management to maintain a positive and healthy business environment.

Table 8 — FY2024 Anti-corruption Training Information of the Group

Number of anti-corruption lecture/training (Unit: section(s))	Total number of hours of relevant lecture/training (Unit: hour(s))	Number of participating management personnel and directors (Unit: person(s))	Number of participating general employees (Unit: person(s))
18	28	1,010	883

In FY2024, the Group did not record any concluded legal cases regarding corrupt practices brought against the Group or its employees and did not violate any laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

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Community

B.8. Community Events Investments

Since its establishment, the Group has been actively fulfilling its corporate social responsibility and contributing to the health and sustainable development of the community. In FY2024, the Group focused on five key areas as part of its social responsibility strategy, namely promoting health education, caring for the underprivileged, carrying out medical public welfare activities, contributing to social services and promoting partnerships for access to healthcare. During the year under review, the Group organised over 1,900 community activities, including charity activities, health seminars, large-scale free clinic, and external medical support, further strengthening its connection with the community.

Promoting Health Education

To enhance public health literacy, the Group has continuously expanded its health education efforts by adopting diverse activity formats and innovative promotional strategies to disseminate health knowledge to a broader audience.

In FY2024, the Group integrated online and offline resources to create a holistic health education platform. Beyond hosting various health seminars and workshops, the Group leveraged social media and digital platforms to share practical health information and disease prevention tips. During the year under review, the hospitals of the Group organised disease prevention seminars for different diseases and conducted multiple specialised lectures on topics such as oncology prevention and treatment, contributing to the overall improvement of community health.

Moving forward, the Group will continue to broaden and deepen its health education initiatives, explore more innovative activity formats, and collaborate with professional institutions to launch more targeted health promotion programmes.

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Achievements

Case Sharing — Hygeia Healthcare Launched “Cancer Prevention and Treatment Awareness Week” Initiatives

During the 30th National Cancer Prevention and Treatment Awareness Week in 2024, the Group’s hospitals launched a series of engaging activities under the theme “Comprehensive Strategies for Scientific Cancer Prevention”, aiming to enhance public awareness of cancer prevention and treatment.

During the week, Chongqing Hygeia Hospital organised four specialised lectures and two free medical examinations to educate the public on fundamental cancer prevention knowledge and screening measures. The hospital also provided cancer screening and health consultation services. Among these activities, the 2024 Cancer Prevention Week Special Lecture and Social Event attracted over 300 participants, further strengthening the awareness and cancer prevention capabilities of the residents.



Shanxian Hygeia Hospital successfully hosted a grassroots academic conference on cancer prevention, inviting renowned experts to share the latest advancements in cancer diagnosis and treatment. The event drew over 200 healthcare professionals from Shandong Province and beyond, providing a valuable platform for learning and knowledge exchange among primary healthcare practitioners.



Hezhou Guangji Hospital and Anqiu Hygeia Hospital also actively supported the awareness week by organising multi-disciplinary expert teams to conduct free cancer screening and medical examinations for surrounding communities. In addition, specialists from the hospitals provided educational sessions on cancer causes, early symptoms, and diagnostic methods, raising public awareness of cancer prevention and treatment.



The Cancer Prevention and Treatment Awareness Week initiatives not only demonstrated Hygeia Healthcare’s professional leadership in the field of oncology prevention and treatment but also delivered practical healthcare services and support to local communities.

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Case Sharing — Dezhou Hygeia Hospital Conducted Public Health Lecture for “World Mental Health Day”

Dezhou Hygeia Hospital remains committed to public mental and physical well-being and launched a public health lecture on World Mental Health Day in 2024. Under the theme “Adolescent Mental Health”, the hospital conducted community outreach activities to raise awareness about mental well-being among young people. Through communication and interaction with professional psychologists, parents and adolescents gained a better understanding of the significance of mental health. During the event, the psychological consultation team provided free mental health consultations to another local community, so enabling more people to understand that mental health is as important as physical health. To expand the influence of the activities, the hospital leveraged digital platforms to launch a special World Mental Health Day awareness series, disseminating mental health knowledge through articles, infographics, and videos. This initiative allowed a broader audience to benefit from professional psychological insights, further promoting mental well-being within the community.

Case Sharing — Shanxian Hygeia Hospital Conducted an “Emergency First Aid in Schools” Awareness Lecture

To further enhance public awareness of emergency first aid and equip students with critical life-saving skills, Shanxian Hygeia Hospital was invited to conduct the “Emergency First Aid in Schools” Awareness Lecture at NO.5 Middle School of Shanxian in August 2024. During the training, medical experts from the Group introduced fundamental first aid principles and techniques, while emergency response professionals conducted live demonstrations of cardiopulmonary resuscitation (CPR) and chest compressions. Students were actively encouraged to participate in hands-on practice sessions under expert guidance. By combining theoretical knowledge with practical training, this initiative significantly strengthened students’ awareness of safety and emergency response skills, building a solid defence for campus safety.



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Caring for the Underprivileged

Guided by the service philosophy of “Making healthcare services more accessible and affordable and making life healthier”, the Group regards supporting underprivileged as a fundamental aspect of its corporate social responsibility. During the review year, the Group’s hospitals collaborated closely with organisations such as China Disabled Persons’ Federation to provide medical services and daily support to persons with disabilities, the elderly, and financially disadvantaged patients.

*Achievements*Case Sharing — Chengwu Hygeia Hospital Hosted Double Ninth Festival Activities for the Elderly

To promote the Chinese tradition of filial piety, Chengwu Hygeia Hospital organised a warm and touching event during the Double Ninth Festival. The hospital leadership visited the senior citizen residence to extend sincere holiday greetings to the elderly residents and express deep care for their health and lives. During the event, hospital staff distributed delicious fruits and cakes to each elder, allowing them to enjoy the delicious food while feeling the strong festive atmosphere and the warmth of society.

The event was filled with a vibrant atmosphere as hospital staff and the elderly spontaneously prepared interesting performances, showcasing the positive and optimistic spirit of the elderly. This heartwarming initiative not only conveyed festive blessings and care for the seniors but also served as a meaningful call to action, allowing more people to pay attention to elderly welfare and convey love and warmth.



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Case Sharing — Hezhou Guangji Hospital was Awarded the “Caring Enterprise for the Disabled” Title

Hezhou Guangji Hospital has been actively engaging in rehabilitation assistance, essential rehabilitation services, and health education for individuals with disabilities. During the year under review, the hospital had provided home-based rehabilitation assistance and screening services to over 1,000 individuals with clear rehabilitation needs, ensuring that they receive proper care while also promoting rehabilitation knowledge and awareness of relevant support policies.

In December 2024, Hezhou Guangji Hospital was honoured with the “Caring Enterprise for the Disabled” title by the Disabled Persons’ Federation of Pinggui District, Hezhou City, acknowledging its commitment to social responsibility and community service. Moving forward, the hospital will take this honour as an opportunity to further enhance its rehabilitation services for individuals with disabilities.

Case Sharing — The Orthopaedics Department of Shanxian Hygeia Hospital Organised a Hiking Activity for Patients

In November 2024, Shanxian Hygeia Hospital organised a meaningful hiking activity for over 50 patients who had undergone joint replacement surgery. Medical staff from multiple departments accompanied the participants throughout the activity, offering professional guidance and support. During the hike, patients encouraged each other, conquering each step with ease while sharing their recovery journeys and life insights. The event ended successfully with bright smiles and renewed confidence of the participants, demonstrating excellent medical technology and deep humanistic care from Shanxian Hygeia Hospital.



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Case Sharing — Dezhou Hygeia Hospital Conducted a Care Initiative for Retired Veterans

Dezhou Hygeia Hospital remains committed to the health and well-being of retired veterans, continuously enhancing its veteran care service system to provide them with comprehensive and considerate medical services.

In July 2024, the hospital invited a group of retired veterans to visit its dedicated veteran wards and provided a detailed introduction to its facilities and services. To further strengthen veteran support efforts, Mr. Zhao Chunxiang, a respected veteran community leader, was appointed as the supervisory coordinator, fostering communication between the hospital and veteran groups.



This commitment was recognised when the hospital was awarded the member unit of “Shandong Honorary Veterans Alliance” in December 2024. This honour not only affirms the hospital’s efforts but also inspires the Group to further enhance its quality services for retired veterans and fulfil its corporate social responsibility.



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Carrying Out Medical Public Welfare Activities

Conducting medical public welfare activities is a key component of the Group's corporate social responsibility efforts. The Group's commitment to public welfare is demonstrated through concrete actions that improve public health and promote equitable access to medical resources. In FY2024, the hospitals of the Group organised various public welfare activities, including free clinics, free medical examinations, and special hospital lines, delivering accessible healthcare services to residents. These initiatives not only contributed to improving overall public health but also fostered harmonious doctor-patient relationships.

During the year under review, the hospitals of the Group carried out monthly community volunteer services, offering free clinics to multiple communities which benefited thousands of residents. Looking ahead, the Group will continue to enhance its medical charity services and explore innovative approaches, such as leveraging digital platforms for online health consultations and telemedicine services, to further expand its service coverage.

Achievements

Case Sharing — Yixing Hygeia Hospital Organised a Large-Scale Free Clinic Event

In May 2024, Yixing Hygeia Hospital hosted a large-scale free clinic event under the theme "Integration and Development of New Energy, Renowned Doctors for Better Health*". The event brought together 24 experts and professors from top-tier hospitals in Shanghai, Nanjing, and Wuxi, covering multiple medical disciplines to meet the diverse healthcare needs of residents. The experts provided meticulous, compassionate, and professional services, which brought a warm experience to patients and earned widespread appreciation from the public. This initiative not only strengthened doctor-patient relationships but also allowed more residents to benefit from quality healthcare resources at the community level.



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Case Sharing — Longyan Boai Hospital Organised Large-Scale Free Clinic Event on Labour Day

As part of its commitment to giving back to society, Longyan Boai Hospital collaborated with a team of medical experts to launch the “Warmth from Hometown, Boai for Health*” large-scale free clinic event on Labour Day. Experts from various medical specialties patiently addressed the public’s health concerns, provided guidance on proper medication use, and shared home healthcare tips, allowing residents to experience professional and warm medical services.



At the event, the hospital displayed exhibition boards and distributed health brochures to raise public awareness about medical and healthcare knowledge, encouraging individuals to care for their own and their families’ well-being. Nurses also offered free blood pressure and blood sugar tests while advocating the important concepts of moderate exercise, healthy diet and regular medical examinations. Additionally, traditional Chinese medicine practices, including auricular acupuncture and mosquito repellent bags also attracted significant interest from residents.



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Case Sharing — Shanxian Hygeia Hospital Launched a Children's Health Care Initiative

In August 2024, Shanxian Hygeia Hospital, in collaboration with the Shanxian New Social Stratum Association, organised a free children's health consultation event. Medical specialists from paediatrics, dentistry, otolaryngology, and ophthalmology provided professional healthcare services to children in the local communities. Many parents expressed their appreciation, noting that the event not only allowed their children to receive expert medical care but also helped them gain valuable knowledge on scientific parenting. The Group remains committed to addressing children's health concerns and will continue working with communities and various social sectors to safeguard children's well-being.

**Contributing to Social Services**

In FY2024, the Group actively fulfilled its corporate social responsibility by organising a diverse range of public welfare initiatives across its hospitals. These activities aimed to spread care and compassion, demonstrating the high sense of responsibility and mission to the community. From blood donation, charitable donations to the hair donation programme specially designed for female oncology patients, each initiative reflected the Group's continuous concern and deep commitment to public health and social well-being. Through these efforts, the Group has contributed to fostering a harmonious and positive community.

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Achievements

Case Sharing — Blood Donation Activities Organised Across the Group's Hospitals

Blood donation is a sacred duty and honourable mission for every citizen. In FY2024, the Group's hospitals organised multiple blood donation activities. Heze Hygeia Hospital actively responded to the call for public welfare and organised a blood donation activity in August 2024. A total of 21 staff members enthusiastically participated, putting into practice the noble spirit of being a kind-hearted doctor, taking practical actions to show their selfless dedication and the noble spirit.



In June 2024, Dezhou Hygeia Hospital hosted a blood donation event on World Blood Donor Day. Under the guidance of professionals from the Dezhou Centre Blood Station, 15 qualified staff of the hospital participated in the blood donation in a scientific and safe manner, and the cumulative blood donation amounted to 5,600 ml.



In June 2024, Chang'an Hospital was invited to participate in Xi'an's 21st World Blood Donor Day publicity and commemoration activities as a representative of the outstanding organisations in the healthcare system. In recognition of its contributions, the hospital was awarded the "2023 Xi'an Outstanding Organisation for Group Blood Donation".



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Case Sharing — Heze Hygeia Hospital Organised the “One Day Donation” Activity

To promote the traditional virtue of generosity and kindness, Heze Hygeia Hospital successfully held the “One Day Donation” activity in August 2024. On the day of the event, the hospital’s leadership team took the lead in making donations, inspiring enthusiastic participation from all staff members. Looking ahead, Heze Hygeia Hospital will continue to pay attention to the charitable work, upholding its core mission and actively spreading positive energy to foster a culture of collective engagement and social responsibility.

Case Sharing — Chongqing Hygeia Hospital Launched Hair Donation Programme

In June 2024, Chongqing Hygeia Hospital launched a hair donation programme dedicated to supporting female cancer patients, attracting more than 20 participants. The donation process was meticulously planned, encompassing receiving and screening, disinfection, wig production, quality inspection and packaging, and finally delivered to those in need. Each strand of donated hair carried the care and best wishes from the donors, helping female cancer patients to gain their confidence and return to the society.



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Promoting Partnerships for Access to Healthcare

Innovation and collaboration are key driving forces for the advancement in the healthcare sector. In recent years, the Group has strengthened partnerships with domestic and international medical institutions, government agencies, and global partners to continuously enhance the quality of healthcare services, achieving significant achievements across multiple areas.

Through initiatives such as medical alliances and specialist networks, the Group has fostered resource sharing and talent development in collaboration with various healthcare institutions, further improving medical expertise and service quality. Furthermore, the Group actively explores international cooperation, leveraging its strengths in medical exchange to share advanced treatment concepts and methods. These efforts enable more patients to access convenient and efficient oncology healthcare services.

Achievements

Case Sharing — Shanxian Hygeia Hospital cooperated with Shanghai Jiaotong University School of Medicine Ruijin Hospital to Establish Infertility Medical Consortium

To further enhance expertise in infertility diagnosis and treatment, Ruijin Hospital and Shanxian Hygeia Hospital officially established an Infertility Medical Alliance in December 2024, with an unveiling ceremony held at Shanxian Hygeia Hospital. This collaboration brings significant opportunities for advancing medical technology in Shanxian, enabling a comprehensive upgrade of healthcare services through resource integration and process optimisation. The collaboration marks a new milestone for Shanxian Hygeia Hospital in the field of reproductive medicine, contributing positively to the construction of a healthy and harmonious society.



Case Sharing — Minister of Health in Papua New Guinea Visited Chongqing Hygeia Hospital

In December 2024, the Minister of Health in Papua New Guinea visited Chongqing Hygeia Hospital and had an in-depth communication on healthcare development and the application of advanced medical technologies. Both parties also discussed future collaboration opportunities in areas such as discipline construction, talent exchange, and investment development, laying a solid foundation for deeper healthcare cooperation. This visit not only showcased Chongqing Hygeia Hospital's international influence but also opened a new chapter in promoting global healthcare exchange and cooperation.



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Case Sharing — Liaocheng Hygeia Hospital and Traffic Police Bureau Strengthened “Police-Medical Collaboration”

To further enhance the road traffic accident rescue and assistance capacity, Traffic Police Bureau of Liaocheng Economic Development Zone and Liaocheng Hygeia Hospital held an in-depth communication on the Police-Medical Collaboration in December 2024. During the event, both parties refined the emergency rescue mechanism and explored improvements in rescue procedures, emergency response, and resource sharing. The advancement of this initiative not only strengthens collaboration between law enforcement and medical institutions but also lays a solid foundation for future cooperation in the healthcare sector, aiming to enhance public health and safety standards.



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VII. MAJOR HONORS AND AWARDS OF THE YEAR

As of January 1, 2025, the Group, its hospitals, and medical professionals have obtained the following honours and awards for their outstanding performance and professional excellence, including:

No.	Award*	Related Hospitals of the Group
1	Longyan City Xinluo District 2023 Annual Enterprise Labour Protection Compliance and Integrity Rating Class A	Longyan Boai Hospital
2	Longyan Red Cross “Star Member”	Longyan Boai Hospital
3	Advanced Military Entity	Longyan Boai Hospital
4	Caring Entity for the Disabled	Longyan Boai Hospital
5	2024 Outstanding Charity Entity for Flood Prevention and Disaster Relief	Longyan Boai Hospital
6	Second Prize in the Nursing Skills Competition	Longyan Boai Hospital
7	First Place in the 2nd Traditional Chinese Medicine Paediatric Massage Skills Competition (Clinical Division) of the China Association of Chinese Medicine	Longyan Boai Hospital
8	Second Prize in the Group Competition and Third Prize in the Individual Competition of the 5th Gusu District Emergency Rescue Skills Competition	Suzhou Canglang Hospital
9	Third Prize in “Decathlon” of 2024 Gusu District Civil Affairs and Health System Employee Safety Knowledge and Skills Competition	Suzhou Canglang Hospital
10	2024 Harmonious Labour Relations Entity in Gusu District, Suzhou City	Suzhou Canglang Hospital
11	Special Contribution Award	Chengwu Hygeia Hospital
12	2023 Peony Integrity Star Enterprise	Chengwu Hygeia Hospital
13	Medical Alliance Cooperation Entity	Chengwu Hygeia Hospital
14	“Excellent” Rating in the 2023 Municipal Designated Medical Institution Medical Insurance Agreement Assessment	Hezhou Guangji Hospital
15	2023 Advanced Entity for Monitoring Adverse Reaction Events of Drugs, Medical Devices and Cosmetics	Hezhou Guangji Hospital
16	One of the First Batch of Benchmark Hospitals for Social Medical Services in Western China	Hezhou Guangji Hospital, Chongqing Hygeia Hospital
17	Third Prize in the “MKM Cup 2024 Pharmaceutical Service Skills Competition” of Hezhou, Guangxi Division	Hezhou Guangji Hospital
18	Third Prize in the Group Competition of Hezhou Traditional Chinese Medicine Medical Record Writing Vocational Skills Competition	Hezhou Guangji Hospital
19	Caring Entity for the Disabled	Hezhou Guangji Hospital
20	Third Prize for “Innovative Efficiency-Enhancing Best Practice Case”	Liaocheng Hygeia Hospital
21	Yixing City Advanced Collective in Veterans Affairs and Dual Support Work	Yixing Hygeia Hospital
22	Donation Certificate for “Apricot Forest Spring Warmth” Public Welfare Fund	Yixing Hygeia Hospital
23	Corporate Contribution Award	Heze Hygeia Hospital

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No.	Award	Related Hospitals of the Group
24	Advanced Entity of Grassroots Party Building Work	Heze Hygeia Hospital
25	Advanced Entity of Sanitary City Construction	Heze Hygeia Hospital
26	Excellent Hospital President	Heze Hygeia Hospital
27	2023 Outstanding Demonstration Hospital	Heze Hygeia Hospital
28	Excellence Award in Quality Nursing Service Case Competition of National Social Medical Care	Shanxian Hygeia Hospital
29	First Prize in the 2024 County-Wide Nursing Theory and Skills Competition Group Competition	Shanxian Hygeia Hospital
30	Outstanding Demonstration Hospital, Outstanding Specialty Departments in Cardiology, Oncology and Ophthalmology	Shanxian Hygeia Hospital
31	Child-Friendly Enterprise in Heze City	Shanxian Hygeia Hospital
32	Outstanding Collective in Municipal Infectious Disease Reporting and Public Health Emergency Management	Shanxian Hygeia Hospital
33	2023 Contribution Award for Economic Development	Shanxian Hygeia Hospital
34	Municipal Outstanding Entity in Internal Security and Safeguarding Work	Shanxian Hygeia Hospital
35	Second Prize of Science and Technology Award in Heze City	Shanxian Hygeia Hospital
36	Outstanding Physician in Heze City	Shanxian Hygeia Hospital
37	Second Prize in Individual Competition and First Prize in Group Competition for Intravenous Indwelling Needle on 2024 County-Wide Nursing Theory and Skills Competition	Shanxian Hygeia Hospital
38	President Zhang Hongfei Awarded "Chongqing May 1st Labour Medals"	Chongqing Hygeia Hospital
39	National Drug Clinical Trial Centre	Chongqing Hygeia Hospital
40	"Army-supporting Enterprises"	Chongqing Hygeia Hospital
41	"Wu Zhaoxian (吳棹仙) Heritage Studio"	Chongqing Hygeia Hospital
42	Ranked First in the Overall Nurse Performance and Physician Team Theory Scores in Chongqing High-tech District "Three Basics and Three Strictness" Competition	Chongqing Hygeia Hospital
43	Bone and Trauma Centre Inpatient Department and General Surgery Department Awarded 2024 "Excellence in Nursing Ward" in Chongqing High-tech District	Chongqing Hygeia Hospital
44	2024 "Outstanding Nurse" and "Outstanding Physician in Chongqing High-tech District	Chongqing Hygeia Hospital
45	Integrated Sports-Medicine Pilot Entity	Chongqing Hygeia Hospital
46	2024 Chongqing City and County "Leading Talent" (1 recipient)	Chongqing Hygeia Hospital
47	Chongqing Municipal Labour Capacity Appraisal Experts (11 recipients)	Chongqing Hygeia Hospital
48	Third Prize in Traditional Chinese and Western Medicine Integration Nursing Innovative Practice Sharing Workshop and Difficult Cases Nursing Effectiveness Demonstration Competition of Chongqing Nursing Association	Chongqing Hygeia Hospital
49	Second Prize in "Chronic Disease Continuity of Care Case" Competition and Excellent Award in 2nd Cardiovascular Disease Challenging Case Competition of Chongqing Social Medical Institutions Association	Chongqing Hygeia Hospital

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No.	Award	Related Hospitals of the Group
50	7 Physicians Awarded in 2024 High-tech Zone "Top 100 Medical Cases"	Chongqing Hygeia Hospital
51	5 Employees won awards in High-tech Zone Scientific Research Video Competition	Chongqing Hygeia Hospital
52	Third Prize in Yubei District Metabolic Diseases Health Science Popularisation Competition	Chongqing Hygeia Hospital
53	Civilised Entity in Wujiang District	Suzhou Yongding Hospital
54	2023 Large Taxpayer in Wujiang District	Suzhou Yongding Hospital
55	2024 Outstanding Party Affairs Worker of East Taihu Lake Resort (Taihu New City)	Suzhou Yongding Hospital

VIII. HIGHLIGHTS OF PARTICIPATED INDUSTRY ASSOCIATIONS

As of December 31, 2024, the Group, its hospitals and medical professionals actively participated in more than 350 industry associations, demonstrating Hygeia Healthcare's extensive influence and professional contributions in the industry. Below are highlights of key industry associations:

No.	Name of Society and Association*	Level or Position of Membership	Related Hospitals of the Group
1	The 7th Orthopaedic Professional Committee of Guangxi Integrative Medicine Association	Committee member	Hezhou Guangji Hospital
2	The 2nd Critical Care Ultrasound Professional Committee of Guangxi Medical Doctor Association	Committee member	Hezhou Guangji Hospital
3	The 1st Digestive Endoscopy Professional Committee of Guangxi Non-government Medical Institutions Association	Vice chairman	Hezhou Guangji Hospital
4	The 2nd Medical Record Management Professional Committee of Guangxi Hospital Association	Committee member	Hezhou Guangji Hospital
5	Traditional Chinese Medicine Emergency Branch of Guangxi Medical Doctor Association	Standing committee member	Hezhou Guangji Hospital
6	China Emergency Medicine Alliance City and County Collaborative High-Quality Development Committee	Committee member	Hezhou Guangji Hospital
7	The 3rd Committee of the Hematology Branch of China Association of Chinese Medicine	Committee member	Suzhou Canglang Hospital
8	The 1st Hematology Professional Committee of Jiangsu Social Medical Institutions Association	Committee member	Suzhou Canglang Hospital
9	The 1st Haematological Oncology Professional Committee of Suzhou Anti-Cancer Association	Committee member	Suzhou Canglang Hospital
10	Medical Guidance Professional Committee of Chinese Aging Well Association	Standing committee member	Suzhou Canglang Hospital

* Translation for identification purpose only

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No.	Name of Society and Association	Level or Position of Membership	Related Hospitals of the Group
11	Public Education Group in Pain Rehabilitation Professional Committee of Chinese Association of Rehabilitation Medicine	Committee member	Suzhou Canglang Hospital
12	The 1st Committee of the Radiology Branch of Jiangsu Social Medical Institutions Association	Committee member	Suzhou Canglang Hospital
13	The 1st Haematological Oncology Youth Committee Suzhou Anti-Cancer Association	Committee member	Suzhou Canglang Hospital
14	Military Orthopaedics, General Surgery, and Microsurgery Professional Committee	Vice chairman	Chang'an Hospital
15	Psychiatry and Mental Health Professional Committee of Chinese Research Hospital Association	Chairman	Chang'an Hospital
16	Expert Committee of China Branch of the International Union of Angiology	Committee member	Chang'an Hospital
17	Precision Medicine and MDT Digestive Professional Committee of China Research Hospital Association	Committee member	Chang'an Hospital
18	Cardiovascular Professional Committee of Shaanxi Association of Rehabilitation Medicine	Vice chairman	Chang'an Hospital
19	Shaanxi Province Endocrinology Professional Quality Control Expert Group	Expert	Chang'an Hospital
20	Nephrology Professional Committee of Shaanxi Non-government Medical Institutions Association	Vice chairman	Chang'an Hospital
21	Minimally Invasive Obstetrics and Paediatrics Respiratory Intervention Group of China Maternal and Child Health Association	Committee member	Chang'an Hospital
22	Anesthesiology Branch of Shaanxi Non-government Medical Institutions Association	Vice chairman	Chang'an Hospital
23	Nasopharyngeal Cancer Working Committee of Chinese Society of Clinical Oncology	Standing committee member	Chang'an Hospital
24	Colorectal and Anorectal Professional Committee of Jiangsu Association of Integrative Medicine	Committee member	Yixing Hygeia Hospital
25	Materials Professional Committee of Jiangsu Stomatological Association	Committee member	Yixing Hygeia Hospital
26	The 3rd Anesthesiology Professional Committee of Chinese Non-government Medical Institutions Association	Committee member	Chongqing Hygeia Hospital
27	Radiotherapy and Oncology Treatment Branch of Chongqing Medical Association	Committee member	Chongqing Hygeia Hospital
28	Electrocardiography Branch of Chongqing Social Medical Institutions Association	Committee member	Chongqing Hygeia Hospital
29	Youth Committee of Emergency Medicine Branch of Chongqing Medical Association	Committee member	Chongqing Hygeia Hospital

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No.	Name of Society and Association	Level or Position of Membership	Related Hospitals of the Group
30	Neuroscience Committee of Chongqing Social Medical Institutions Association	Standing committee member	Chongqing Hygeia Hospital
31	Lung Cancer Group of the 2nd MDT Oncology Branch of Chongqing Medical Association	Committee member	Chongqing Hygeia Hospital
32	The 1st Operating Room Equipment Committee of Chongqing Nursing Association	Vice chairman	Chongqing Hygeia Hospital
33	Internal Medicine Branch of Social Medical Institutions Association	Chairman	Chongqing Hygeia Hospital
34	Cardiovascular Branch of Social Medical Institutions Association	Vice chairman	Chongqing Hygeia Hospital
35	Chinese Non-government Medical Institutions Association	Committee member	Chongqing Hygeia Hospital
36	Emergency Group of Traumatology Professional Committee of Chongqing Medical Association	Committee member	Chongqing Hygeia Hospital
37	Orthopaedics Branch of Chongqing Social Medical Institutions Association	Vice chairman and Youth committee member	Chongqing Hygeia Hospital
38	The 2nd Board Meeting of Medical Humanities Branch of Chinese Bethune Spirit Research Association	Executive director	Chongqing Hygeia Hospital
39	Life Education Committee and Intravenous Infusion Nursing Committee of Chongqing Nursing Association	Vice chairman	Chongqing Hygeia Hospital
40	Life Care Professional Committee of Chongqing Integrative Medicine Association	Standing committee member	Chongqing Hygeia Hospital
41	The Radiation Technology Committee of Western Radiation Therapy Oncology Association	Committee member	Chongqing Hygeia Hospital
42	Ischemic Stroke Branch of Chongqing Stroke Association	Committee member	Chongqing Hygeia Hospital
43	The 2nd Neuroscience Professional Committee of Chongqing Social Medical Institutions Association	Committee member	Chongqing Hygeia Hospital
44	Chongqing Neuroscience Association	Director	Chongqing Hygeia Hospital
45	Neurosurgery Committee of Chongqing Social Medical Institutions Association	Vice chairman	Chongqing Hygeia Hospital
46	Traditional Chinese Medicine Geriatric Medicine Branch of Jiangsu Geriatrics Society	Committee member	Suzhou Yongding Hospital
47	Integrative Medicine Stroke Prevention and Treatment Professional Committee of Jiangsu Research Hospital Association	Committee member	Suzhou Yongding Hospital
48	The Grassroots Group of Radiology Committee of Jiangsu Medical Association	Committee member	Suzhou Yongding Hospital
49	Private Hospital Subcommittee Branch of Jiangsu Province Hospital Association	Committee member	Suzhou Yongding Hospital

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No.	Name of Society and Association	Level or Position of Membership	Related Hospitals of the Group
50	Infection and Inflammation Professional Committee of Jiangsu Research Hospital Association	Committee member	Suzhou Yongding Hospital
51	Infectious Diseases Group of Hematology Branch of Jiangsu Medical Association	Committee member	Suzhou Yongding Hospital
52	The 4th Hematology Immunology Professional Committee of Jiangsu Society for Immunology	Committee member	Suzhou Yongding Hospital
53	Gastroenterology Society of Jiangsu Medical Association	Member	Suzhou Yongding Hospital
54	Neurosurgery Branch and Respiratory Disorders Professional Committee of Jiangsu Social Medical Institutions Association	Committee member	Suzhou Yongding Hospital
55	Anesthesiology Branch of Jiangsu Non-government Medical Institutions Association	Committee member	Suzhou Yongding Hospital
56	Traditional Chinese Medicine Rehabilitation Branch of Jiangsu Association of Rehabilitation Medicine	Committee member	Suzhou Yongding Hospital
57	Physical Therapy Professional Committee of Jiangsu Association of Rehabilitation Medicine	Standing committee member	Suzhou Yongding Hospital
58	Nursing Management Professional Committee of Non-government Medical Institutions of Jiangsu Nursing Association	Committee member	Suzhou Yongding Hospital
59	Expert Committee of Jiangsu Institution of Cancer Research Alliance	Committee member	Suzhou Yongding Hospital
60	Radiation and Immunology Professional Committee of Jiangsu Society for Immunology	Committee member	Suzhou Yongding Hospital

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IX. REPORTING DISCLOSURE INDEX

INDEX OF THE ESG REPORTING GUIDE OF THE STOCK EXCHANGE

Aspects	ESG Indicators	Descriptions	Sections	Pages
A. Environmental				
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. <i>Note:</i> Air emissions include NO _x , So _x , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Emissions	16
	KPI A1.1	The types of emissions and respective emissions data.	Emissions	18
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions	18
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions	18
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions	18
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions, Environment and Natural Resources	30
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions, Environment and Natural Resources	21, 30

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Aspects	ESG Indicators	Descriptions	Sections	Pages
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note:</i> Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Use of Resources	24
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources	25
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources	25
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources, Environment and Natural Resources	30
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources, Environment and Natural Resources	27, 30
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources	24
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment and Natural Resources	28
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and Natural Resources	28–30
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change	31
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change	33, 34

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Aspects	ESG Indicators	Descriptions	Sections	Pages
B. Social				
Employment and Labour Practices				
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment and Labour Practices	38
	KPI B1.1	Total workforce by gender, employment type (for example, full-or parttime), age group and geographical region.	Employment and Labour Practices	38
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment and Labour Practices	42
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Employment and Labour Practices	45
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employment and Labour Practices	49
	KPI B2.2	Lost days due to work injury.	Employment and Labour Practices	49
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employment and Labour Practices	45–49

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Aspects	ESG Indicators	Descriptions	Sections	Pages
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note:</i> Training refers to vocational training. It may include internal and external courses paid by the employer.	Employment and Labour Practices	49
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employment and Labour Practices	50
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Employment and Labour Practices	51
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employment and Labour Practices	53
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and Labour Practices	53
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and Labour Practices	53
Operating Practices				
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Operating Practices	54
	KPI B5.1	Number of suppliers by geographical region.	Operating Practices	55
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Operating Practices	55
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Operating Practices	54, 55
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Operating Practices	55

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Aspects	ESG Indicators	Descriptions	Sections	Pages
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Operating Practices	56
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Operating Practices	65
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Operating Practices	61
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Operating Practices	65
	KPI B6.4	Description of quality assurance process and recall procedures.	Operating Practices	58
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Operating Practices	61–63
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Operating Practices	65
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Operating Practices	66
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Operating Practices	65, 66
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Operating Practices	65, 66

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Aspects	ESG Indicators	Descriptions	Sections	Pages
Community B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community	67
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community	67
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community	67