爱尚大众

Wuhan Dazhong Dental Medical Co., Ltd.

(A joint stock company with limited liability
incorporated in the People's Republic of China)

Stock Code:2651

2025 | Environmental, Social and Governance (ESG) Report

Contents

About This Report

This is the 2025 Environmental, Social and Governance (ESG) Report published by Wuhan Dazhong Dental Medical Co., Ltd. and its branches and subsidiaries ("Dazhong Dental", "the Company", "we"), covering the Company's ESG practices and performance during the reporting period. This Report has been prepared in accordance with the *Environmental, Social and Governance Reporting Code* (the "ESG Reporting Code") set out in Appendix C2 of the Main Board Listing Rules issued by The Stock Exchange of Hong Kong Limited ("HKEX").

Reporting Frequency

Dazhong Dental adopts an annual publication cycle for its ESG Report, aligned with the disclosure cycle of the Company's annual report.

Reporting Scope

This Report covers Wuhan Dazhong Dental Medical Co., Ltd. and its branches and subsidiaries.

Reporting Period

The reporting period of this Report is from 1 January 2025 to 31 December 2025. To ensure information consistency, certain content may include data beyond the period.

Reporting Principles

Materiality: The Company identifies key stakeholders and their ESG concerns, conducts assessments in accordance with the *ESG Reporting Code* issued by HKEX, and focuses disclosure on material issues after review and confirmation by the Board of Directors.

Quantification: The Report discloses key environmental and social performance indicators in a measurable manner, with explanations provided for measurement standards, methodologies, assumptions and sources of conversion factors.

Balance: The Report objectively and impartially presents the Company's ESG performance during the reporting period, covering both positive and negative information to avoid selection or omission that may affect readers' judgment.

Consistency: Unless otherwise stated, the data compilation methodologies adopted in this Report remain consistent across years.

Data Statement

Data in this Report are mainly derived from the Company's internal statistics, verified operational data and audited annual reports.

Reporting Format

This report is published in electronic version. Both Chinese and English electronic versions are available for browsing and download at the following websites:

Official website of Dazhong Dental (http://wh.chinadzyl.com)

The website of HKEX (https://www.hkexnews.hk)

Reporting Language

This Report is drafted and published in Chinese, with an English version available. In case of any discrepancy, the Chinese version shall prevail.

Board Statement on Sustainable Development

The Board of Directors of Dazhong Dental fully discharges its oversight responsibilities for environmental, social and governance (ESG) matters, and regularly reviews the implementation of ESG policies to ensure compliance with regulatory requirements. The Board guides the establishment of the ESG management framework, identifies key issues through materiality assessments, and integrates ESG risks into the enterprise-wide risk management system. The Board conducts an annual review of ESG progress to ensure that ESG management is aligned with the Company's business strategy, thereby promotes the effective integration of sustainable development goals into business operations, and enhances long-term value creation capabilities.

Oversight of ESG Matters

As the supreme governance body, the Board has fully integrated ESG matters into the Company's governance structure, and oversees the entire process of ESG management, from strategy formulation, risk management, and performance evaluation to information disclosure. The Board is responsible for approving the ESG management agenda, assessing and determining material ESG risks of the Company, and conducting systematic evaluation and review of the effectiveness of annual ESG implementation to ensure compliance with laws, regulations and regulatory requirements.

ESG Management Policies and Strategies

The Board guides the establishment and continuous optimization of the ESG management framework, and deeply integrates ESG governance requirements into daily operations and the enterprise-wide risk management system. Through regular materiality assessments, internal and external risk analyses and stakeholder engagement, the Company systematically identifies and manages ESG-related risks and opportunities, and prioritizes relevant matters. Management provides regular updates to the Board on ESG priorities, management strategies and implementation progress, so as to continuously improve the effectiveness and governance standards of ESG practices.

Review of ESG Targets and Strategic Alignment

The Board will continue to strengthen oversight of the progress of ESG targets, conduct annual reviews of the achievement of key ESG performance targets, and approve new-phase ESG development plans. The Board ensures that ESG targets are closely aligned with the Company's business strategy, and promotes the effective implementation of sustainable development concepts in operations, so as to enhance the Company's long-term value creation capabilities and resilience.

This Report has been reviewed and formally approved for issuance by the Board.

The Board of Directors of Wuhan Dazhong Dental Medical Co., Ltd.

About Us

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1.About Us

1.1 Company Profile

Wuhan Dazhong Dental Medical Co., Ltd., established in 2007, is a leading private dental healthcare provider in Central China. We provide professional, reliable, and accessible dental care services to community residents, making high-quality oral healthcare available to all.

Over the years, we have adhered to our business philosophy of "Rooted in medical, driven by technology, governed by standards, and committed to sustainable development". Operating under a direct-managed chain model, we unify our business philosophy, operation and management, service standards and brand image across our entire dental service network, strictly ensuring medical quality and service standards. On 9 July 2025, Dazhong Dental was successfully listed on the Main Board of HKEX (Stock Code: 2651), becoming the first dental institution in Central China to list on an international capital market.

As of the reporting period end, the Company operates 4 dental hospitals, 80 dental clinics, and 8 dental outpatient departments, serving over 730,000 outpatient visits annually, with a full-time workforce of 1,015 employees. The Company ranks among the industry leaders in operational management and overall strength.

1.2 Annual ESG Highlights and Performance

Table: ESG Performance in 2025

Environmental

- No environmental violations
- The total medical waste volume decreased by 8% compared to 2024
- Company's Medical Waste Disposal Compliance Rate:100%

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Social

- Customer complaints accounted for 0.01% of the total number of patient visits across the oral healthcare service network, below the industry average. Complaint resolution rate: 100%
- 100% signing rate of the Anti-Corruption Commitment and the Quality Assurance Commitment clauses among suppliers
- A total of 2,022 health education activities conducted throughout the year

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Governance

- 12 sessions of business ethics and anti-corruption training held; zero corruption-related litigation cases
- A total of 31 utility model patents registered

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1.3 Managing Sustainable Development

Dazhong Dental has established a multi-tiered and cross-departmental collaborative ESG governance structure. The Board of Directors, as the ultimate decision-making body, is responsible for formulating the ESG management agenda and overseeing overall performance. A dedicated ESG management team comprising multi-departmental personnel is set up to implement strategies and policies in detail. The Company continuously collects feedback from various stakeholders through regular communication mechanisms, and takes such feedback as an important basis for optimizing ESG practices. Based on its business characteristics and the results of stakeholder engagement, the Company has identified and formulated a list of key ESG issues and established corresponding communication and feedback channels.

Table: ESG Governance Structure and Responsibility Allocation of Dazhong Dental

Governance Level	Composition	Key Responsibilities
Board of Directors	• The supreme decision-making and supervisory body of the Company.	• Bear overall responsibility for the supervision and management of the Company's material affairs. • Review and approve the annual report and other material information disclosures of the Company. • Regularly review the implementation of the Company's core policies to ensure compliance with laws, regulations and regulatory requirements.
Cross-Departmental Task Force	• Headed by the General Manager, chaired by the Deputy General Manager in charge, with members including heads of all headquarters departments and subsidiaries.	• Act as the executive and coordinating body for the Company's material strategies and policies. • Conduct regular communication and reporting to ensure that directors and senior management are promptly informed of key risks, objectives and implementation progress. • Formulate and review the Company's management framework, strategies and core processes, and implement resolutions of the Board of Directors. • Regularly assess the effectiveness of the Company's overall risk and internal control system, and organize and coordinate the implementation of various tasks.
The Functional and Business Departments at Headquarters	• As members of the Cross-Departmental Task Force, they are the specific implementation units of various policies.	• Participate in the formulation and review of the Company-level management framework, strategies and policies. • Strictly implement various policies approved by the Board of Directors and fulfill relevant assessment requirements. • Regularly report to the Cross-Departmental Task Force on the progress of key tasks and potential risks of the respective departments.

Stakeholder Engagement

Dazhong Dental defines stakeholders as individuals and groups affected by the Company's operations or that can affect the Company, including shareholders and investors, customers, government and regulatory authorities, employees, suppliers, and the community public, among others. Dazhong Dental has established regular communication mechanisms to continuously collect opinions from various parties through multiple channels, and has identified key ESG issues based on its business characteristics. The Company proactively responds to relevant demands, incorporates feedback into decision-making and operations, so as to optimize governance and enhance sustainable development capabilities.

Table: Stakeholder Engagement Mechanism of Dazhong Dental

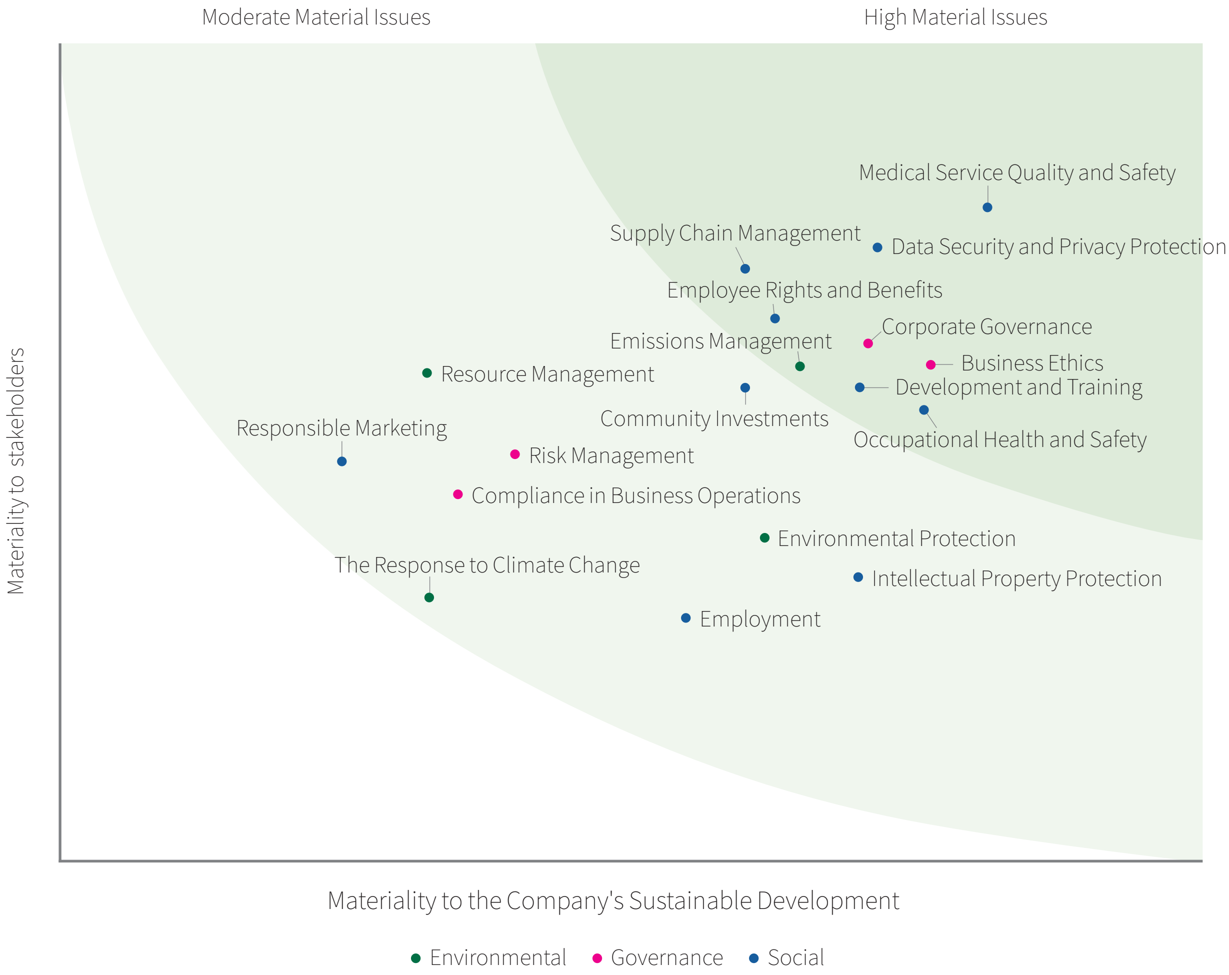
Stakeholders	Key Issues	Communication and Response Methods
Government and regulatory authorities	• Compliance In Business Operations • Emissions Management • Climate Change Response • Business Ethics	• Maintain regular official correspondence and meeting exchanges. • Participate in policy consultations and proactively implement regulatory requirements. • Conduct company-wide anti-corruption and compliance training. • Strictly enforce internal medical quality audits and mandatory reporting systems.
Shareholders and investors	• Corporate Governance • Business Ethics • Risk Management • Compliance In Business Operations	• Hold general meeting of shareholders, earnings presentations, and investor roadshows. • Regularly disclose financial reports, ESG reports, and various announcements. • Provide multi-channel communications, including hotline, email, and interactive platforms.
Customers	• Medical Service Quality and Safety • Data Security and Privacy Protection • Responsible Marketing	• Establish standardized service models • Conduct regular customer satisfaction surveys • Set up a unified channel for customer inquiries and complaints • Develop customer privacy policies • Organize community health education lectures and oral health screening activities • Standardize the Company's marketing and promotion practices

Stakeholders	Key Issues	Communication and Response Methods
Employees	• Employment • Development and Training • Employee Rights and Benefits • Occupational Health and Safety	• Establish a comprehensive compensation, benefits, and performance evaluation system. • Develop tiered, multi-format employee training and development programs. • Conduct regular employee care initiatives, interviews, and satisfaction surveys. • Implement workplace safety monitoring and occupational health protection measures.
Suppliers and partners	• Supply Chain Management • Business Ethics • Compliance In Business Operations	• Establish a supplier onboarding, evaluation, and communication mechanism. • Include contractual clauses such as Anti-Corruption Commitment and Quality Assurance Commitment. • Conduct compliance training and awareness campaigns for the supply chain.
Community and the public	• Community Investments • Environmental Protection • Emissions Management • Resource Management	• Regularly organize community health lectures and screening events. • Standardize the handling of medical waste, and promote energy conservation and emission reduction. • Timely disclose information through official websites, social media and other channels. • Actively initiate or participate in charitable and public welfare projects.

Material Issues Management

In 2025, Dazhong Dental strictly adhered to the "Materiality" principle outlined in the HKEX's ESG Reporting Code, systematically identifying the Company's key ESG issues based on its business characteristics and operational profile.

Table: Dazhong Dental Materiality Matrix



The Company has identified nine highly material issues: "Emissions Management", "Medical Service Quality and Safety", "Data Security and Privacy Protection", "Supply Chain Management", "Employee Rights and Benefits", "Development and Training", "Occupational Health and Safety", "Corporate Governance", and "Business Ethics". We have also identified nine moderately material topics, including "Resource Management", "Environmental Protection", "The Response to Climate Change", "Responsible Marketing", "Employment", "Community Investments", "Risk Management", "Compliance in Business Operations", and "Intellectual Property Protection". These topics will be discussed in detail in the respective sections of this report.

Compliance-Driven Operations

Solidifying the Foundation for Sustainable Growth

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2.Compliance-Driven Operations, Solidifying the Foundation for Sustainable Growth

Dazhong Dental deeply integrates compliance-driven operations into every aspect of its enterprise development. By establishing a clear governance framework, implementing effective risk management, strengthening business ethics standards, and securing data protection, the Company ensures stable and sustainable operations, laying a solid foundation for sustainable development.

2.1 Optimizing Governance Mechanisms

Dazhong Dental continuously optimizes its corporate governance mechanism. By improving the diversified structure of the Board of Directors to enhance the scientific rigor of decision-making, and establishing a sound investor rights protection and multi-channel communication system, the Company comprehensively elevates governance efficiency and transparency, providing a solid institutional support for sustainable development.

Dazhong Dental keeps optimizing its governance system, clearly defines the division of powers and responsibilities among governance bodies, and continuously improves the operational efficiency of the Board of Directors and the level of compliance in governance, so as to provide institutional support for sustainable development.

Dazhong Dental recognizes that Board diversity is a key factor in achieving its strategic objectives and maintaining sustainable development. Therefore, the Company considers the diversity of Board members from aspects including but not limited to gender, age, cultural and educational backgrounds[1], aiming to bring inclusive and unique perspectives to the Board and enhance Board performance. As of the end of the reporting period, the Board of Directors of the Company consists of seven directors, including three independent directors, three female directors and one employee representative director.

Table: Composition of the Board of Directors of Dazhong Dental

Executive Directors	Independent Non-executive Directors
Mr. Yao Xue	Mr. Shu Yijie
Ms. Shen Hongmin	Ms. Huang Suzhen
Mr. Guo Jiaping	Mr. Xie Dong
Ms. Liu Hongchan[2]	

1 The *Board Diversity Policy* of Wuhan Dazhong Dental Medical Co., Ltd.

2 Employee representative director

Table: Composition of the Committees of the Board of Dazhong Dental

Name	Position	Composition of the Committees of the Board		
		Audit Committee	Remuneration Committee	Nomination Committee
Mr. Yao Xue	Executive Director	—	✓	✓
Mr. Shu Yijie	Independent Non-executive Director	✓	✓	✓
Ms. Huang Suzhen	Independent Non-executive Director	✓	✓	✓
Mr. Xie Dong	Independent Non-executive Director	✓	—	—

The Company's Board of Directors organizes relevant meetings in accordance with the *Board of Directors Rules of Procedure*, clearly defines the boundaries of governance responsibilities, and continuously improves the governance structure, providing institutional support for sustainable development. During the reporting period, the Company held a total of three Board meetings, with a 100% attendance rate among Board members.

The Company places great emphasis on delivering reasonable returns to shareholders and fostering long-term trust. Under the premise of ensuring sustainable development and the overall interests of all shareholders, it is committed to achieving continuous and stable investor returns. At the same time, through annual general meetings of shareholders, investor relations management, and diversified communication channels, the Company continuously strengthens two-way engagement with investors, effectively safeguarding investors' equal access to information and promoting the ongoing creation of shared value.

2.2 Strengthening Risk Prevention and Control

Dazhong Dental has established a multi-tiered risk management structure with the Board of Directors as the supreme governing body, led by the Internal Control Department, assisted by the Audit Department, and supported by all functional departments, clarifying the responsibilities of each level in internal control and risk management. In accordance with the principles of systematization and institutionalization, the Company comprehensively identifies potential risks through questionnaires, process sorting and data analysis, and conducts quantitative analysis of risk probability and impact through scientific assessment procedures to determine priorities and formulate targeted response measures.

Table: Risk Management Structure and Responsibility Allocation of Dazhong Dental

Governance Level	Key Responsibilities
Board of Directors	As the supreme leadership and decision-making body for risk management, it is responsible for approving and supervising major risk matters.
Internal Control Department	Responsible for organizing and implementing risk management systems, leading risk assessment activities, and establishing special assessment teams to carry out specific assessment projects.
Audit Department	Assists in risk identification in internal audit work, cooperates closely with the Internal Control Department to review, monitor and manage identified risks.
The Functional Departments	Responsible for actively conducting risk identification within their respective business scopes and formulating corresponding risk management plans.

Dazhong Dental systematically identifies, assesses and monitors various operational risks including environmental risks, procedural risks and strategic decision-making information risks in accordance with the Company's Risk Assessment Management System. The Company strives to enhance risk response capabilities by establishing a dynamic monitoring and early warning mechanism and a standardized reporting and communication system, supports full participation in risk identification and reporting, and continuously strengthens the overall risk prevention and governance capacity.

Table: Major Risk Types and Definitions of Dazhong Dental

Environmental Risk	External forces that affect the Company's achievement of its objectives and thus threaten its survival, mainly including risks arising from competitors, shareholder relations, natural disasters, rights/policies, legal supervision, the industry, financial markets and capital availability.
Procedural Risk	Internal forces that affect the effective implementation of the Company's internal business procedures and result in various losses, drainages and damages of assets.
Strategic Decision-Making Information Risk	External forces that cause distortion, obsolescence or improper use of information for strategic decisions, business decisions and financial decisions.

The Company has established a risk assessment procedure covering the entire process from objective setting to continuous monitoring, ensuring closed-loop management of risk identification, assessment, response and communication, which constitutes a core component of the Company's risk management system.

Table: Dazhong Dental Risk Assessment Procedures

Procedure Steps	Specific Content
Define Assessment Objectives	• Clarify the specific objectives and scope of each risk assessment, and define key risk areas for assessment
Collect Information	• Systematically collect internal and external information, including financial statements, internal control manuals, business processes, industry reports and market research data
Identify Potential Risks	• Analyze the collected information to identify various potential risks, such as internal control deficiencies, fraud risks and legal compliance risks
Assess Probability and Impact	• Assess the identified risks to determine their likelihood (probability) and the potential impact on the Company respectively
Determine Risk Priorities	• Assess risk levels based on the likelihood of risk occurrence and its impact severity, determine risk priorities, and establish a management sequence to guide the efficient allocation of resources
Formulate Response Measures	• For high-priority risks, develop and implement specific response measures, such as improving internal control, strengthening audits or formulating special risk management strategies
Monitor and Track	• Establish a regular monitoring and tracking mechanism to ensure the effective implementation of risk management measures and timely detection of emerging risks
Report and Communicate	• Compile reports on risk assessment results, response measures and implementation status, and communicate with management, employees and relevant external stakeholders to enhance the risk awareness of all staff
Establish Dynamic Monitoring and Regular Reporting Mechanism	• Prepare comprehensive risk control reports, report regularly to the Company's management, and submit a full written risk management and assessment report to the Board of Directors and/or the Audit Committee in accordance with regulatory requirements

2.3 Upholding Compliance in Business Operations

Dazhong Dental attaches great importance to business ethics, strictly abides by relevant laws and regulations, establishes a sound internal control system, unblocks complaint channels and implements a whistleblower protection mechanism. Through systematic training, it enhances the compliance awareness of all employees, continuously strengthens its anti-corruption defenses, and guarantees the long-term and healthy development of the Company.

Dazhong Dental strictly complies with relevant laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Money Laundering Law of the People's Republic of China*, as well as the regulations of regulatory authorities. It has established a business ethics management system centered on the *Anti-Fraud and Complaint Management System*, which defines the definition, forms, attribution of responsibilities and handling procedures for fraud. Covering all personnel of the Company and its subsidiaries, the Audit Department takes the lead in the organization and implementation of anti-fraud work. In 2025, the Company did not have any corruption and bribery-related litigation cases.

To effectively protect the rights and interests of whistleblowers and ensure the standardized and orderly handling of reports, Dazhong Dental has established a complete report handling mechanism, set up a reporting system covering all employees, and strictly follows the core principles of confidentiality, fairness and timeliness. It conducts classified registration, rapid assessment and closed-loop tracking for each report. Through clear investigation procedures, information confidentiality norms and anti-retaliation policies, the Company ensures that whistleblowers are fully protected, and takes report information as an important basis for optimizing internal control and compliance management, continuously improving governance transparency and stakeholder trust.

Dazhong Dental Reporting Channels

Email: JUBAO@chinadzyl.com

Table: Dazhong Dental's Whistleblowing Policy and Procedures

Policy	Specific Content
Reporting Mechanism	• The Audit Department is responsible for establishing reporting channels. • Employees may report illegal acts on a named or anonymous basis. • For general employee reports: The Audit Department, together with the Legal Department and Human Resources Department, decides whether to conduct an investigation. • For reports involving senior executives: A special investigation team shall be established with the approval of the Board of Directors and the Audit Committee.
Whistleblower Protection	• Confidentiality measures shall be taken for any complaint or report. • Prevent personal and interest infringement of complainants or whistleblowers. • For named reports, the Audit Department shall feed back the investigation results to the whistleblowers regardless of whether an investigation is filed or not.

Dazhong Dental continuously improves the business ethics training system to ensure that all employees have a thorough understanding of and comply with relevant regulations. It also takes the initiative to convey the Company's anti-corruption requirements to key stakeholders such as customers, suppliers, regulatory authorities and shareholders, so as to build an internally and externally coordinated, open and transparent clean operating environment and continuously improve the business ethics literacy of all employees. In 2025, through system promotion and systematic training, the anti-fraud awareness of all employees of the Company was enhanced, effectively strengthening the overall compliance management capability of the Company. The Company focused on conducting business ethics and anti-corruption training for key positions. A total of 12 training sessions were carried out throughout the year, with a total training duration of more than 21 hours and a total of 752 trained personnel, realizing full coverage of the Company's business operation chain.

2.4 Ensuring Data Protection

Dazhong Dental has established a multi-tiered information security structure covering management, technology and audit. By improving systems, strengthening training and conducting continuous monitoring, the Company continuously enhances its full-lifecycle data management capabilities, building a solid line of defense for business operations and customer trust.

Table: Information Security Management Structure and Responsibility Allocation of Dazhong Dental

Information Security Committee	As the leading and supervisory body, it uniformly manages customer information on behalf of the Company, formulates information security strategies and systems, and oversees the operation of the system
Information Security Office	As the executive and coordinating body, it is responsible for the implementation, coordination and daily administration of customer information protection
Information Department	As the technical support body, it formulates and implements technical security solutions for the entire process of customer information, and provides security technical support and audit
Internal Control Department	As the compliance management body, it conducts legal and compliance reviews of customer information processing activities and drafts internal policies
Audit Department	As the supervision and management body, it regularly audits the implementation of information security management and puts forward improvement suggestions and handling opinions
The Functional Department	As the specific responsible bodies, they ensure the compliant collection, use and security management of customer information within their departments. The person-in-charge of each unit is the primary responsible person

Dazhong Dental has established a regular and systematic information security training and audit mechanism, and conducts special audits on the implementation of its information security management systems on a regular basis. Meanwhile, the Company integrates information security requirements into supplier cooperation agreements and daily management processes, and supervises the access and data processing activities of third parties, building an internal and external security and compliance defense line. In addition, the Company conducts background checks on personnel in key information positions, and explicitly prohibits the employment of individuals with records of serious illegal crimes, information disclosure or sabotage, so as to safeguard customer information security through both institutional and personnel controls.

Dazhong Dental has continuously improved its customer information protection management system, and has established internal policies including the *Customer Information Protection Management System,* the *Customer Information Classification and Grading Management Measures, and the Customer Information Access and Approval Management Measures*, realizing full-lifecycle management of information from collection, storage, use, sharing, transfer, public disclosure to destruction. According to the potential impact of information damage, the Company classifies customer information into five levels (Level 5 being the highest), and adopts differentiated measures such as encryption, access control and data anonymization, integrating privacy protection deeply into corporate governance and operational processes. Meanwhile, the Company has set up a governance structure coordinated by the Information Security Committee and supported by multiple departments to ensure clear responsibilities and authorities for information protection. The Company strictly follows the principles of data minimization and authorized consent, and regularly conducts personal information protection impact assessments and internal audits to continuously optimize its privacy protection mechanism.

In addition, the Company has established a violation penalty system and whistleblower protection system, strengthened employee training and third-party partner management, to comprehensively ensure the compliance and effectiveness of customer information security, laying a foundation of trust for sustainable development.

Case

Special Training on Information Security

In December 2025, all members of the Information Department, together with logistics and management personnel involved in relevant data processing, participated in a special training on customer information protection themed "Strengthening Digital Defense, Safeguarding Doctor-Patient Trust". The training aimed to comprehensively enhance the information security awareness of all staff, clarify legal boundaries, standardize the entire data processing workflow, and effectively prevent the risk of information leakage.

The training covered four aspects: risk alerts, laws and regulations, daily operational practices, and technical protection. By analyzing data breach cases in the healthcare industry, employees were warned that information security is a "high-voltage line"for practice. The training interpreted key laws and regulations including the *Personal Information Protection Law* and the *Civil Code*, as well as the Company's internal privacy policies, emphasizing the consequences of violations. It systematically explained the lifecycle management requirements for data collection, storage, use, and sharing, clarifying the principles of data minimization and encrypted transmission standards. Meanwhile, it introduced the technical protection system and emergency response mechanism, strengthened the identification of phishing emails and the reporting process for data breaches, to effectively build a solid information security defense.

Case

Special Inspection on Information Security

To strengthen the authority management of information systems and prevent potential risks, the Company conducts a special information security inspection covering all institutions and all staff at the end of each quarter, focusing on user permissions of core business systems. During the inspection, the system automatically generates the latest user permission review forms on the last day of the quarter, forming a complete permission list. The list is submitted level by level to the Development Manager, Information Director, and Vice President of Information for approval in accordance with established procedures. Multi-level review ensures the compliance, minimization, and controllability of permission allocation, thereby effectively safeguarding the secure and stable operation of information systems.

2.5 Protecting Intellectual Property Rights

The Company strictly abides by intellectual property-related laws and regulations such as the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Trademark Law of the People's Republic of China*, and integrates intellectual property protection into a key part of innovation and compliance management. We optimize equipment and tools based on specific business needs and actively promote patent registration, committing to continuous innovation and sustainable development of the industry. As of the reporting period end, the Company has successfully registered 31 utility model patents.

Quality-Driven Development

Delivering Excellence in Service

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3.Quality-Focused Development, Delivering Excellence in Service

Dazhong Dental has always regarded quality management as the foundation for ensuring the reliability of services and supply chains. We are committed to embedding professionalism, safety, and accountability into every detail, delivering more trustworthy oral health services to our customers by establishing and refining full-process standards that cover clinical quality, customer experience, and procurement collaboration.

3.1 Deepening Quality Management

Dazhong Dental integrates professional and standardized clinical standards and long-term commitments to customers and society into all aspects of its operations. Through institutionalization and process-driven implementation, we continuously improve clinical services, doctor-patient communication, and public engagement to build a trusted healthcare brand, achieving a harmonious integration of medical service value and social responsibility.

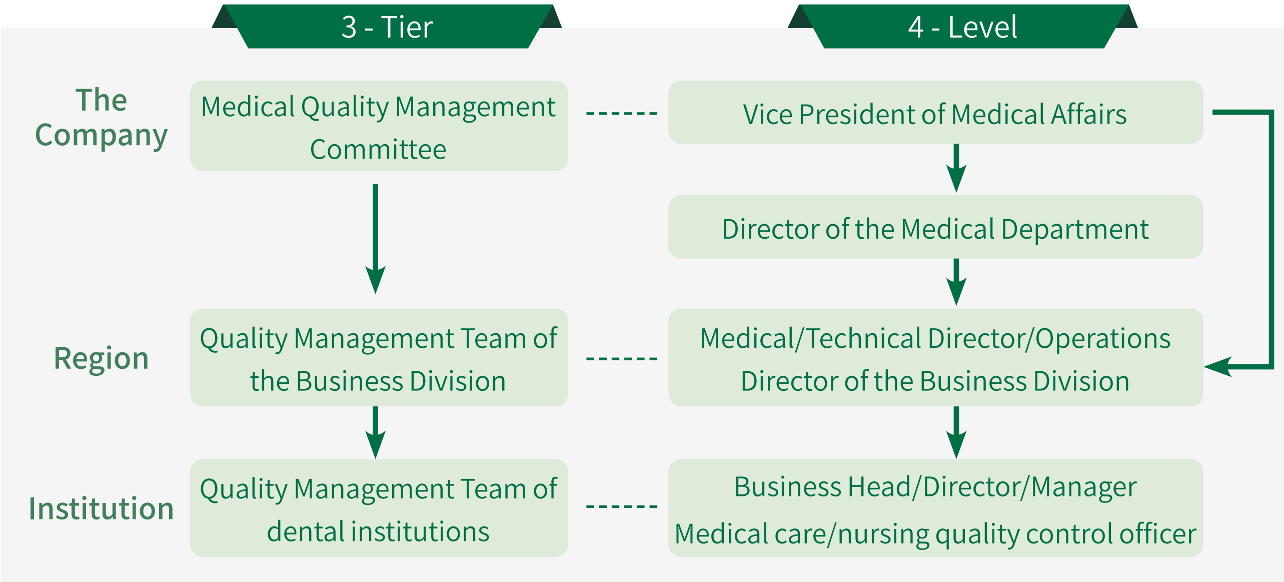
Continuous Improvement in Medical Quality

Dazhong Dental strictly complies with national laws and regulations including the *Law on Practicing Doctors of the People's Republic of China,the Measures for the Administration of Medical Quality* and *Regulations on the Prevention and Handling of Medical Disputes*. Adhering to principles of oral medicine, clinical guidelines, and expert consensus, the Company has established a systematic and standardized quality management system. It has compiled key reference materials such as the *Standards for Routine Diagnosis and Treatment of Oral Diseases*, the *Clinical Guidelines and Technical Standards for Oral Diseases*, the *Clinical Oral Nursing Procedures*, the *Handbook for Dental Institution Directors/Outpatient Center Directors*, the *Handbook for Quality Management Officers*, the *Management Systems and Responsibilities for Medical Operations*, and the *Core Institutional Policies. Additionally*, the Company established internal regulations including the *Administrative Measures for Medical Quality and Safety*, the *First-Consultation Physician Responsibility System*, and the *Medical Reporting and Consultation System* to standardize quality of clinical practices, systematically define quality management requirements and execution procedures.

Quality Control System Enhancement

The Company implements a three-tier, four-level quality management system, enabling vertical collaboration among the medical department, business divisions, and dental institutions. By clearly defining responsibilities at each level and ensuring task execution, we have established a comprehensive quality control network with clear accountability. This framework provides organizational assurance for continuously improving medical safety and service quality.

Figure: The Three-Tier, Four-Level Quality Management System



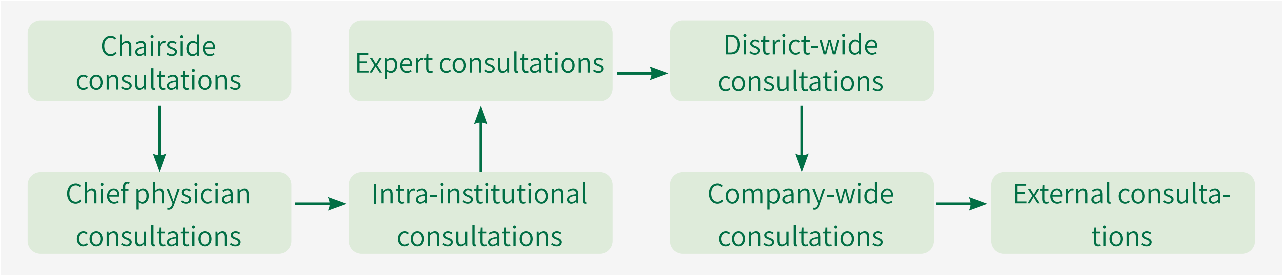
Strengthening Hierarchical Management

The Company has established the *Hierarchical Surgical Management System*, the *Three-Tier Physician Responsibility System*, and *Specialty Access Management System* to clearly define clinical authority for physicians at all levels. For implantology and orthodontic specialties, the Company implemented an access control system. Physicians must undergo systematic specialty training and be evaluated by a panel of experts organized by the Medical Department before being authorized to independently conduct related clinical procedures, ensuring medical quality.

Standardizing Consultation System

The Company strictly enforces the *Consultation System* to define the scope of consultation cases and standardize the consultation process. We adhere to the seven-tier consultation principles, forming a comprehensive framework from chairside consultations to external consultations, which guarantees timely, effective and multi-level review and expert guidance for complex cases, effectively safeguarding medical quality.

Figure: The Seven-Tier Consultation Principles



Implementation of Quality Control Measures

The Company implements a series of effective quality control measures. Dental institutions conduct daily quality reviews and monthly self-inspections; business divisions perform monthly quality spot checks; and the Company carries out quarterly specialized inspections followed by re-inspection and verification of corrective actions within two weeks to ensure quality control implementation. Inspection results are reported monthly and linked to performance evaluations, forming a closed-loop management system.

Additionally, the Company applies key quality indicator early warning management through its Hospital Information System (HIS), setting alerts for electronic medical record completion within 24 hours and excessive treatment durations for orthodontic and implant cases. Responsible physicians, dental institutions, and the corporate medical department progressively track these alerts and complete rectifications within specified timelines, achieving proactive risk control.

Promoting Technological Innovation

Committed to the philosophy of "Rooted in medical and driven by technology", the Company emphasizes continuous technical advancement. It has established a Technical Committee comprising the Chief Technical Officer Committee, Expert Committee, and six specialized technical committees covering disciplines such as implantology, orthodontics, prosthodontics, oral medicine, oral and maxillofacial surgery, and dental care. Chief technical officers provide periodic chairside mentoring and complex case consultations during clinical rotations to enhance treatment satisfaction. The Expert Committee conducts regular on-site inspections to standardize procedures, provide technical guidance, and ensure quality control. Each specialized technical committee focuses on advancing discipline-specific technical capabilities, academic development, and team building through academic lectures, training sessions, and case discussions.

The Company continuously strengthens fundamental clinical skills through regular technical drills, competitions, and contests. It actively promotes technological innovation by implementing supportive policies and incentive programs, fostering an environment characterized by solid foundational skills and vibrant innovation.

Continuous Improvement of Customer Experience

Dazhong Dental is committed to continuously improving customer experience by establishing the *Informed Consent Management System* to clarify responsibilities at all levels for patient communication. In daily operations, the Company emphasizes thorough doctor-patient communication and standardized signing of documentation, while strictly enforcing electronic and paper archiving management of informed consents. We effectively safeguard customers' rights to information and choice throughout the treatment process through institutionalized and procedural communication and confirmation policies, continuously enhancing customer trust.

Additionally, the Company regards proper handling of customer complaints as a critical component of experience assurance, establishing standardized response mechanisms. Based on the nature of complaint, a tiered management system is established to define three-tier reporting, coordination, and evaluation responsibilities from dental institutions to the corporate medical department and quality management committee. Prioritizing communication and factual investigation, we pursue solutions through multiple channels including doctor-patient negotiation and expert evaluation, while strictly fulfilling requirements for medical record preservation and complaint file management, ensuring orderly resolution of customer complaints and transforming resolution experiences into service improvement measures for long-term customer experience maintenance. During the reporting period, we received 61 customer complaints, accounting for approximately 0.01% of total patient visits across our dental service network, significantly below the industry average. Moreover, the Company achieved a 100% resolution rate for customer complaints.

3.2 Promoting Honest Marketing

Strictly complying with laws and regulations including the *Advertising Law of the People's Republic of China*, the *Measures for the Administration of Medical Advertisements, and the Measures for the Administration of Internet Advertising*, Dazhong Dental has established the *Offline Marketing Promotion Management Policy* and *Online Marketing Promotion Management Policy* to define departmental responsibilities, implement accountability requirements across all marketing stages, and ensure multi-departmental collaboration to maintain review and supervision of marketing content throughout planning, publication, and evaluation phases. All dental institutions obtain the *Medical Advertising Review Certificate* before releasing medical advertisements.

We consistently uphold authenticity, legality, accuracy, and scientific rigor as fundamental marketing principles. We have established a Medical Advertising Annual Review Record Form to strictly track and audit advertising content, with medical advertising permits renewed before expiration. In addition, we designate personnel to monitor medical advertising releases to prevent misleading or false advertisements.

Based on distinct channel characteristics, we conduct rigorous social impact assessments and risk prevention for online marketing content, comprehensively implementing advertising compliance checks, user privacy protection, and intellectual property management. For online marketing, we emphasize integration with health education and community services, replacing purely commercial promotion with objective, professional information dissemination.

Moreover, the Company ensures implementation of marketing standards by systematic training. Before new product launches or promotional campaigns, the Company conducts training sessions for the operations department and relevant dental institutions regarding service scope and pricing protocols to guarantee alignment between marketing information and offline service commitments. The Company firmly opposes exaggerated, false, or any consumer-misleading marketing practices and ensures price transparency and reasonableness.

3.3 Standardizing Responsible Procurement

Dazhong Dental continues to promote sustainable supply chain development by strictly adhering to laws and regulations including the Bidding Law of the People's Republic of China, the *Regulations for the Supervision and Administration of Medical Devices*, and the *Good Supply Practice for Medical Devices*. The Company has also established internal management systems such as the *Supplier Management Policy for Medical Materials*, the *Product Variety Management Policy*, and the *Procurement Planning Management Policy* based on actual operational needs. The Company systematically promotes the long-term, stable, and sustainable development of the supply chain through supplier full lifecycle management.

Supplier Onboarding and Evaluation

The Company has established a comprehensive supplier management system covering the entire lifecycle, implementing annual tiered management for suppliers across equipment, consumables, pharmaceuticals, and processing categories.In 2025, the Company had 43 suppliers[3], comprising 23 within Hubei Province and 20 outside Hubei Province.

Table: Supplier Management Initiatives

Stage	Initiatives
Supplier qualification and access	• The Procurement Department develops annual supplier development plans, selecting potential suppliers through market research, supplier qualification investigation, quotation requests, and evaluation processes. • After approval of the evaluation report, the Procurement Department signs cooperation agreements and ancillary documents with suppliers, completing the initial qualification procedures.
Supplier assessment and evaluation	• The Procurement Department organizes relevant departments to conduct access evaluations, periodic assessments, and dynamic evaluations of suppliers. • Evaluation criteria include supplier qualifications, conduct, service quality, and product quality. • Results are applied to supplier tiered classification and qualification management.

3 Given the higher turnover of consumables suppliers and regional variations in pharmaceutical suppliers, the statistics of suppliers within and outside Hubei Province are limited to the Company's key suppliers.

Stage	Initiatives
Tiered management	• Based on procurement volume, quality performance, and other evaluation metrics, suppliers are categorized into four tiers: premium, key, potential, and specialty. • The Company provides differentiated support and collaboration in procurement policies and resource allocation based on supplier categories and tiers.
Information maintenance	• The Procurement Department is responsible for establishing and maintaining supplier records and master data. • The Company has implemented a periodic review system to ensure the accuracy and completeness of supplier information.
Adjustment and exit	• When suppliers fail in bidding or have product quality issues, the Procurement Department initiates supplier adjustments. • For terminated suppliers, the Company performs standardized exit procedures, including inventory clearance, account settlement, and system deactivation.

Supply Chain ESG Risk Management

The Company continuously conducts supply chain risk assessments and controls, requiring suppliers to sign clauses including the *Anti-Corruption Commitment* and *Quality Assurance Commitment* to standardize business practices and ensure product compliance. In daily operations, the Company implements risk monitoring and supervision across procurement, inventory, and financial processes, covering order control, price review, goods receipt and warehousing, shelf-life management, inventory reconciliation, and payment processing. Additionally, the Company continues to evaluate supplier services and quality, maintaining ongoing oversight of their clinical and service activities to establish a closed-loop risk management mechanism spanning supplier access, collaboration, and exit. As of the end of the reporting period, 12 suppliers in the statistics had obtained ISO 14001 certification, with a 100% signing rate for both the Anti-Corruption Commitments and Quality Assurance Commitments.

Supplier Collaborative Development

To build a stable, efficient, and mutually beneficial supply chain ecosystem, the Company consistently treats suppliers as critical partners, committed to jointly enhancing value, addressing challenges, and driving continuous innovation through deep collaboration and systematic interaction. We actively align long-term development strategies, business planning, and market positioning with key suppliers to ensure their products and services evolve in sync with our growth. Together, we strive to achieve strategic objectives centered on improving patient treatment experiences, safeguarding medical quality and safety, and optimizing end-to-end costs.

The Company has established multi-tiered supplier engagement and empowerment mechanisms, including executive-level strategic dialogues, regular business review meetings, specialized technical training, industry seminars, and on-site facility visits to continuously enhance collaborative efficiency. The procurement team organizes targeted supplier training sessions based on operational needs, covering critical topics such as company workflows, supplier platform operation protocols, reconciliation and settlement requirements, product quality standards, and integrity collaboration guidelines.

In 2025, the Company conducted over 100 supplier engagement activities and 16 specialized training sessions, significantly improving supply chain collaboration efficiency and partnership quality.

Case

Supplier Engagement Activities Conducted by the Company

In May 2025, the Company organized specialized training and exchange sessions with key consumables suppliers and processing plants based on the results of its annual centralized bidding, covering processes including procurement order execution, after-sales service response, value-added service coordination, and requirements for integrity and quality commitments.

The event focused on in-depth communication centered around the four core objectives of standardization, quality, efficiency, and integrity, aiming to elevate collaboration from transactional coordination to value co-creation. The Company clarified process standards, strengthened compliance consensus, and established collaborative mechanisms to further optimize the supplier management system, laying a solid foundation for continuously improving clinical service quality, mitigating operational risks, and building a long-term, stable, and transparent cooperative ecosystem.

Uniting Collective Strength

Building a Happy Home

4

4.Uniting Collective Strength, Building aHappy Home

Dazhong Dental actively fulfills its social responsibilities, regarding this commitment as a key driver for sustainable corporate development. The Company systematically establishes internal systems to safeguard employee rights, support career growth, and ensure a healthy and safe working environment. It also extends its responsible practices to external communities, striving to achieve harmonious alignment among employee growth, corporate advancement, and societal development.

4.1 Safeguarding Employee Rights and Interests

The Company systematically protects employee rights while supporting their professional development through equal employment policies, structured compensation and performance plans, and comprehensive welfare initiatives, aiming to maintain a stable, harmonious, and dynamic organizational environment.

Equal Employment Policies

The Company strictly adheres to laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. It has formulated and implemented systems including the *Recruitment Management Policy*, *Welfare Management Policy*, and *Employee Diversity and Inclusion Policies*, establishing a human resources management system covering recruitment and selection, career development, compensation and benefits, work scheduling, and leave entitlements, ensuring the protection of employees' legitimate rights.

Upholding equality and non-discrimination, the Company firmly opposes child labor and any form of forced labor. It prohibits differential treatment based on legally protected characteristics such as gender, age, race, or religious belief, and continuously fosters a fair and inclusive workplace. The Company maintains a 100% employment contract signing rate, with no major employment-related violations reported during the reporting period.

As all business operations are conducted within Mainland China, all employees are based domestically. The Company actively promotes workforce diversity, recognizing the value of gender balance in governance and development. We continuously optimize organizational structure by specific measures, such as appointing female directors to the Board, in order to integrate diverse perspectives to enhance overall governance effectiveness. Additionally, we periodically provide training sessions and information sharing opportunities on diversity and inclusion principles to raise employee awareness.

Table: Employment Indicators

Employment		Unit	2025
Total number of employees		person(s)	1,055
Number of employees by employment type	Full-time employees	person(s)	1,015
	Part-time employees	person(s)	40
Number of full-time employees by gender	Male employees	person(s)	218
	Female employees	person(s)	797
Total number of full-time employees by age group	Under 30 years old	person(s)	380
	30-50 years old	person(s)	555
	Over 50 years old	person(s)	80
Number of full-time employees by rank	Senior management personnel	person(s)	17
	Middle management personnel	person(s)	31
	Frontline management personnel[4]	person(s)	145
	Regular employee	person(s)	822
Total number of full-time employees by position	Dentist	person(s)	252
	Other medical personnel[5]	person(s)	397
	Customer service personnel	person(s)	306
	Marketing personnel	person(s)	19
	Administrative personnel	person(s)	41
Data on employee turnover	Full-time employee turnover	person(s)	397
	Full-time employee turnover rate	%	39.11
Full-time employee turnover rate by gender	Male employee	%	36.24
	Female employee	%	39.90
Full-time employee turnover rate by age group	Under 30 years old	%	49.47
	30-50 years old	%	26.85
	Over 50 years old	%	75.00

4 Frontline management personnel includes department managers and functional managers
5 Other medical personnel include nurses and medical assistants

Employment		Unit	2025
Full-time employee turnover rate by rank	Senior management personnel	%	5.88
	Middle management personnel	%	12.90
	Frontline management personnel	%	11.72
	Regular employee	%	49.64
Full-time employee turnover rate by position	Dentist	%	22.22
	Other medical personnel	%	45.48
	Customer service personnel	%	36.97
	Marketing personnel	%	28.39
	Administrative personnel	%	79.12

Compensation and Performance

The Company has established a structured compensation system based on job value and employee capabilities, encompassing base salary, position-based salary, performance-based salary, and wage-related allowances. In addition, the Company offers diversified incentive programs to motivate employees to continuously improve performance and contributions.

According to the performance management system, we link monthly performance evaluation results to corresponding incentive measures to promote alignment between employee and company objectives. Regarding annual performance evaluations, the Company formulates departmental annual Key Performance Indicators (KPIs), assessment methodologies, and implementation procedures covering operational and managerial dimensions through comprehensive budget management, involving departmental submissions, coordinated analysis by the Human Resources Department, and cross-departmental collaboration. After review and approval by the Company's performance evaluation leadership group, the plan is communicated and trained at all levels to ensure clear understanding and effective implementation across teams.

Employee Benefits and Care

The Company has established a comprehensive and compliant employee benefits system comprising basic benefits and supplementary benefits. In terms of basic benefits, the Company strictly complies with national laws and regulations, including social insurance, housing provident fund, statutory holidays, and paid annual leave as statutory rights and interests. Supplementary benefits are designed based on the Company's operational realities, covering birthday greetings, significant event care, transportation and communication allowances, among others. During festivals such as the Spring Festival and Mid-Autumn Festival, the Company distributes comforting supplies to employees to demonstrate ongoing care.

4.2 Nurturing Employee Development

The Company positions talent cultivation and career development as critical components of sustainable growth, committed to establishing a systematic and institutionalized talent development framework. Through refined training mechanisms and transparent promotion pathways, we comprehensively support employees in enhancing capabilities and advancing careers, ensuring fairness and effectiveness in talent selection and incentives, thereby driving continuous mutual growth between employees and the Company.

Talent Cultivation

The Company has established regulations including the *Training Management Policy*, *Pre-Job Training Administration Measures*, *Mentoring Management System*, *Assessment-Based Training Implementation Guidelines*, and *Medical Professional Foundation Training Protocols*, and formed a systematic, multi-tiered employee training framework encompassing five categories: pre-job, professional, managerial, marketing, and further studies/advanced training. Tailored training programs are implemented for employees at different positions and career stages. Emphasizing healthcare industry characteristics, we have established standardized on-the-job mentoring mechanisms to facilitate systematic knowledge transfer from senior professionals to junior medical staff in clinical practice, ensuring effective inheritance of expertise and professional experience.

The Company actively innovates training systems through the "assessment-based training" model, reinforcing employees' mastery and application of foundational knowledge via regular evaluations. In addition, training assessment results are incorporated into the performance management framework, with training implementation effectiveness serving as a key indicator for evaluating departmental management efficiency, so as to establish a closed-loop management system covering the entire training-assessment-application process, effectively enhancing employees' professional competencies and overall organizational operational efficiency.

Table: Employee Training Indicators

Employee Training		Unit	2025
Total number of full-time employees trained		person(s)	797
Percentage of full-time employees trained by gender	Male employees	%	82.57
	Female employees	%	77.42
Percentage of full-time employees trained by rank	Senior management personnel	%	100.00
	Middle management personnel	%	100.00
	Frontline management personnel	%	94.48
	Regular employee	%	75.30
Percentage of full-time employees trained by position	Dentist	%	91.27
	Other medical personnel	%	74.62
	Customer service personnel	%	68.91
	Marketing personnel	%	100.00
	Administrative personnel	%	36.26
Percentage of full-time employees trained by type of training	Leadership Training	%	22.84
	Compliance Training	%	94.35
	Cultural Diversity Training	%	53.70
	Health and Safety Training	%	77.54
Average training hours for employees by gender	Male employees	hour(s)	10.90
	Female employees	hour(s)	11.50
Average training hours for employees by rank	Senior management personnel	hour(s)	24.10
	Middle management personnel	hour(s)	20.40
	Frontline management personnel	hour(s)	19.40
	Regular employee	hour(s)	6.70

Employee Training		Unit	2025
Average training hours for employees by position	Dentist	hour(s)	13.90
	Other medical personnel	hour(s)	6.30
	Customer service personnel	hour(s)	7.80
	Marketing personnel	hour(s)	7.30
	Administrative personnel	hour(s)	10.10
Average training hours for employees by type of training	Leadership Training	hour(s)	11.50
	Compliance Training	hour(s)	21.30
	Cultural Diversity Training	hour(s)	14.20
	Health and Safety Training	hour(s)	10.90

Promotion and Development

The Company has established and implemented human resources management systems including the *Career Development Pathway Administration Measures*, *Internal Transfer Management Policy*, *Talent Referral Administration Guidelines*, and *Management Personnel Selection and Appointment Procedures*, diversifying career development pathways covering both horizontal and vertical dimensions. Based on the principle of merit and capability combined with actual performance, we provide clear promotion ladders through open selection processes and standardized appointment procedures. In addition, the Company has established standardized job transfer and rotation systems to support employee mobility in alignment with business needs and personal development aspirations, achieving dynamic matching between talents and positions.

Additionally, we appoint management personnel through selection processes involving democratic evaluations and organizational assessments, while encouraging internal talent referrals to continuously optimize internal resource allocation and enhance organizational vitality.

4.3 Ensuring Occupational Health and Safety

Dazhong Dental consistently prioritizes the health and safety of employees and customers, striving to create a zero-accident, zero-injury occupational health and safety environment through clear accountability systems, rigorous risk prevention and control, and continuous safety capacity building.

Occupational Health and Safety Framework

The Company strictly complies with national laws and regulations including the *Work Safety Law of the People's Republic of China*, adhering to a prevention-oriented approach with personnel safety as the top priority, and has established corresponding management systems.

Safety Management Structure and Accountability System

The Company has established a three-tier safety management responsibility system following the "whoever supervises, whoever assumes responsibility" principle, covering company-level, functional center and department-level management structures to ensure comprehensive vertical and horizontal safety coverage. The Administration Department serves as the core safety management unit, responsible for coordinating daily safety operations, system formulation, and enforcement supervision. Heads of dental institutions and other units function as primary safety officers for their respective departments, bearing full management responsibility for personnel and asset safety within their jurisdictions.

Table: The Three-Tier Safety Management Accountability System

Tier 1	Tier 2	Tier 3
The Company	Functional centers	Units and departments

To ensure effective responsibility implementation, the Company has established rigorous accident classification standards ranging from minor to major incidents, along with corresponding responsibility determination procedures. A comprehensive accountability mechanism is enforced for responsible personnel, including economic penalties, administrative sanctions, and a "one-vote veto system", thereby strengthening the binding force of safety management. In 2025, no work-related fatalities occurred, and the total workdays lost due to occupational injuries amounted to 30 days.

Medical Protection

To systematically prevent occupational exposure risks, the Company strictly enforces hand hygiene protocols, implements classification-based sterilization of medical instruments, and enforces zonal disinfection management in medical environments. The Company prioritizes radiation protection in medical practices, conducting radio-diagnostic procedures in strict compliance with regulations such as the Radiation Protection Requirements for Radio-diagnostic Procedures. The Company has legally obtained radiation diagnosis and treatment permits to ensure all radiological equipment and facilities meet national standards. It also maintains rigorous oversight of operational environments, protective facilities, personnel qualifications, and protective equipment allocation. Furthermore, the Company attaches great importance to employee occupational health, continuously optimizing healthcare health management mechanisms and actively provides health support for employees.

Risk and Hazard Identification

To ensure compliance and safety in operational premises, the Company implements multi-dimensional and high-frequency safety inspection mechanisms, covering routine operations, specialized areas, and critical equipment and facilities, establishing a systematic risk prevention and control network.

Table: Safety Inspection Mechanism

Routine inspections	Specialized inspections	Equipment and facility safety
Each department of all dental institutions conducts monthly self-inspections. The Administration Department performs quarterly comprehensive inspections, while Operations Directors conduct random spot checks. Daily pre-shift and post-shift safety patrols are implemented at all clinics.	Targeted inspections focus on specific periods and critical areas, including holiday periods, electrical safety, and nighttime security.	Pressure vessels such as high-pressure sterilizers and air compressors are under strict monitoring. Based on the characteristics of dental out-patient departments, fire protection facilities like dry powder fire extinguishers and smoke detectors are rigorously configured and regularly inspected.

Training and Emergency Drills

The Company recognizes that enhancing overall safety awareness is fundamental to risk prevention. We continuously improve employees' capabilities to respond to emergencies through systematic training programs and practical drills.

In terms of safety education and training, the Company has established a multi-level training system. We comprehensively enhance employees' safety literacy and emergency response competencies by implementing a three-dimensional safety education system featuring regularity, adaptability, and targeting.

Table: Multi-Level Safety Education Trainings

Pre-job and daily education	Professional skill training	Awareness reinforcement
All new employees must complete pre-job training covering robbery prevention, theft prevention, fire safety, and safety regulations before commencing work. Clinics conduct regular safety awareness sessions during morning and weekly meetings.	Targeted training is provided for safety officers and responsible personnel in the operation and maintenance of alarms and fire extinguishers, as well as emergency first aid skills.	Regular safety knowledge training is provided for dental institution managers, covering fire suppression methods (e.g., smothering method, cooling method) and evacuation techniques.

In addition, to address potential emergencies, the Company has established an Emergency Management Office responsible for developing contingency plans, coordinating command structures, and defining standardized response procedures for various incidents, including major emergency scenarios such as fires and public security events. The Company organizes fire safety and medical emergency drills every six months to enhance employees' capabilities in handling emergencies.

Table: Main Emergency Response and Drill Mechanisms

Fire safety response	Public security and emergency incidents	Emergency coordination
The Company has established evacuation principles prioritizing saving lives over property and addressing nearby areas before distant ones. Fire drills (including hands-on fire extinguisher training) are mandated biannually to ensure employees are familiar with fire protection equipment and evacuation routes.	For incidents like theft, robbery, and disturbances, the Company has implemented a closed-loop process covering crime scene preservation, crowd evacuation, police reporting, and post-incident rectification measures.	A three-tier emergency reporting system has been established. The head of the medical institution serves as the first-level responder and designates a second-level responder as backup. Headquarters designates a third-level responder to ensure smooth communication and rapid response in emergencies.

4.4 Fulfilling Social Responsibilities

Dazhong Dental actively fulfills its corporate social responsibilities by continuously conducting health education campaigns and charity initiatives to give back to society. In 2025, the Company organized a series of public welfare activities centered on oral health awareness and medical assistance.

The Company continued to carry out its "Smiling into Every Home" public welfare program, delivering oral health services to diverse groups through on-site engagements in communities, kindergartens, primary schools, universities, and senior centers. In 2025, a total of 2,022 health education sessions were conducted, significantly enhancing public awareness of oral health and benefiting a broad population.

Case

Collaborating With Universities to Care for Senior Health

In 2025, Dazhong Dental partnered with a renowned university in Wuhan to co-host the "Ai Shang Dazhong Dental Cup"recreational sports event for retired faculty members, which attracted enthusiastic participation from over 1,000 retired teachers and their families. The event featured multiple recreational sports activities tailored for seniors, successfully creating a joyful and health-focused atmosphere.

Dazhong Dental deployed a professional medical team at the event and established an "Oral Health Service Station"equipped with advanced digital diagnostic vehicles and specialized medical equipment, providing retired educators with one-stop free health services, including oral examinations, blood pressure measurements, and personalized dental implant plan consultations. Through this collaboration, Dazhong Dental not only enriched the cultural and recreational lives of the elderly population, but also actively fulfilled its corporate social responsibilities, delivering professional oral health services directly to the campus and vividly demonstrating the Company's care for the elderly and its commitment to serving the community.

Green Operations

Forging a Low-Carbon Future

5

5.Green Operations, Forging a Low-Carbon Future

Dazhong Dental upholds sustainable development principles in green operations, systematically advancing energy conservation, emissions reduction, and ecological protection throughout operations through institutionalized environmental management, resource-saving initiatives, and proactive climate actions. While delivering professional oral healthcare services, the Company is committed to minimizing environmental impacts and progressing toward a more sustainable low-carbon future.

5.1 Regulating Emissions Management

The Company strictly complies with national laws and regulations including the *Environmental Protection Law of the People's Republic of China*, the *Regulations on the Administration of Medical Wastes*, and the *Discharge standard of water pollutants for medical organization*, regarding compliance discharge as the lifeline of operations. We have established a full-process environmental management system integrating institutional frameworks, implementation mechanisms, and supervisory controls, which ensures minimal environmental impact while delivering professional dental care and guarantees compliant handling of all emissions. In 2025, the Company had no major environmental compliance violations.

Waste Discharge Management

The Company's primary wastes include wastewater and solid waste. The Company has established a dedicated Infection Control Committee as the core supervisory and advisory body for medical waste management to ensure systematic and effective waste management.

Table: Main Responsibilities of the Infection Control Committee

System development and training	Full-process supervision
The Committee leads the formulation and continuous improvement of internal regulations such as the *Medical Waste Management System and the MedicalWaste Ledger Management System*, while conducting regular environmental and safety training for all employees to ensure effective implementation of these systems.	The Committee provides daily supervision and technical guidance on all stages of medical waste management at dental institutions, including classification, collection, packaging, registration, temporary storage, and handover procedures, ensuring strict enforcement of standardized operating procedures at every terminal.

Regarding the management of non-hazardous waste, the waste generated during the company's daily operations mainly consists of household garbage and office waste. During the reporting period, the company has completed the statistics of office waste paper production volume, and the statistics of other types of waste are being carried out steadily.

Wastewater Management

All wastewater generated by the Company's dental institutions is strictly managed and treated in accordance with the national the *Discharge standard of water pollutants for medical organization* (GB 18466-2005). We ensure the normal operation and regular maintenance of wastewater treatment facilities. All wastewater is pre-treated to meet national discharge standards before being released into the municipal wastewater network, preventing untreated or non-compliant medical wastewater from directly entering the environment.

Medical Waste Management

The Company implements rigorous classification management for all types of waste generated during operations, adhering to national regulations such as the *Regulations on the Administration of Medical Wastes*. A systematic medical waste management and ledger management system has been established. The Company maintains stable partnerships with medical waste disposal units designated by public health authorities, ensuring all medical waste from its dental institutions undergoes compliant disposal by professional entities.

In terms of emissions reduction measures, the Company collaborates with certified medical waste disposal providers to implement differentiated professional recycling processes tailored to regional requirements, ensuring standardized and traceable waste collection and transportation throughout the entire lifecycle, so as to enhance emissions management efficiency.

In 2025, the Company achieved 100% compliance in medical waste disposal, with no incidents violating the *Regulations on the Administration of Medical Wastes*. The Company ensures compliant treatment and disposal of medical waste and wastewater based on a robust management system and standardized operating protocols, effectively controlling waste discharge risks during operations.

Table: Waste Classification Management Measures

Category	Key Points of Management	Specific Measures
Medical waste classification collection and treatment	Infectious waste	• Items contaminated by blood, bodily fluids, or excretions, including disposable medical supplies, are sealed in dedicated waste bins bearing hazardous waste symbols and yellow garbage bags, transported via designated routes to temporary storage areas for medical waste, with storage time not exceeding 48 hours.
	Injurious waste	• Sharps such as needles and blades are collected in puncture-proof sharps containers.
	Isolated customer waste	• Household waste and medical waste generated by isolated or suspected infectious disease customers are sealed in double-layer yellow garbage bags and transported via designated routes to temporary storage areas.
	Handover, transportation, and storage management	• A dual-signature and consignment note transfer system is implemented with daily registration, records retained for three years. Containers are filled no more than three-quarters full during transportation to ensure no spillage or loss occurs. • Temporary storage areas are disinfected daily using ultraviolet lamps.
Medical waste ledger management	Full process documentation	• A hazardous waste ledger record form is established to accurately document medical waste generation, storage, transfer, and disposal phases. • An internal transfer consignment note system is implemented for highly toxic hazardous waste to enable full-process tracking. • Periodic summaries of the ledger are made monthly, quarterly, and annually to ensure complete and traceable records.
Medical device expiration product management	Full-process control	• Procurement of expired, ineffective, or medical devices with expiration dates within six months is prohibited. • Expiration-dated products are stored in separate zones according to category and expiration date proximity upon warehouse entry, with clear expiration labeling. • An expiration date alert system flags products with expiration dates within six months. • Expired or ineffective products are registered and reported by warehouse staff, then disposed of uniformly from the non-conforming area.

Table: 2025 Pollutant Emission Data of the Company

Total		Intensity	
21,225 ton(s)	Domestic wastewater discharge	0.57 ton/RMB10,000 revenue	Domestic wastewater discharge intensity
11,541 ton(s)	Medical wastewater discharge	0.31 ton/RMB10,000 revenue	Medical wastewater discharge intensity
83.6 ton(s)	Total medical waste	0.002 ton/RMB10,000 revenue	Medical waste intensity
6.32 ton(s)	Total non-hazardous waste	0.0002 ton/RMB10,000 revenue	Non-hazardous waste intensity

5.2 Optimizing Resource Utilization

Dazhong Dental adheres to the principles of "Safety, Planning, Conservation, and Convenience", implementing stringent energy and water resource management strategies. Through technological upgrades and refined management practices, the Company continuously optimizes its energy efficiency.

Table：Energy Conservation and Consumption Reduction Measures

Electricity conservation and air conditioning management

- Standardization of electricity usage: Employees are required to switch off all lighting when leaving offices for over 15 minutes or at the end of the workday.
- Promotion of energy-saving technologies: Expand the application of motion-sensor and timer-based lighting systems.
- Enforcement of air conditioning controls: Set summer air conditioning temperatures to no lower than 26° C and winter temperatures to no higher than 20° C; encourage the adoption of smart temperature control systems to minimize heat or cold loss.
- Regulation of equipment operations: Establish strict scheduled on/off times for LED displays and signboard lighting to eliminate energy waste during non-operational hours.

Water resource management

- Use of energy-efficient fixtures: Prioritize the purchase of nationally certified water-saving appliances and prohibit the use of non-compliant products.
- Strengthening of maintenance and inspections: Assign dedicated administrative personnel to oversee routine checks, maintenance, and upgrades of water infrastructure.
- Data monitoring and recovery: Dental institution managers verify monthly water meter readings to promptly identify and repair leaks, ensuring accurate and reliable water usage data.

Green mobility and fleet management

- Optimization of vehicle composition: Prioritize new energy and low-emission vehicles for new purchases or replacements, gradually phasing out high-pollution models.
- Encouragement of green commuting: Promote the use of public or shared transportation for official travel.
- Improvement of vehicle efficiency: Consolidate travel requests for overlapping routes to enhance vehicle utilization and reduce unnecessary transportation-related carbon emissions.

Table: 2025 Energy and Resource Consumption Data of the Company

Total		Intensity	
3,846 L	Gasoline	0.10 L/RMB10,000 revenue	Gasoline
3,773 MWh	Purchased electricity	0.10 MWh/RMB10,000 revenue	Purchased electricity
32,766 ton(s)	Water consumption	0.88 ton/RMB10,000 revenue	Water consumption

5.3 Promoting Green Office Practices

The Company actively advocates and practices a low-carbon, environmentally friendly office model through comprehensive digital transformation and sustained behavioral guidance, fostering a corporate culture where all employees actively participate in green initiatives. By systematically reducing resource consumption in operations, the Company is committed to minimizing its environmental impact.

The Company has clearly defined its goal of "Less Paper, More Green, Cloud-Driven Innovation", advancing digital office systems and widely promoting electronic workflows and paperless collaboration to effectively reduce paper dependency in daily operations. Simultaneously, energy-saving awareness is deeply integrated into employees' daily conduct, encouraging habits such as "power-off when leaving" to ensure office equipment (e.g., computers, printers) is promptly switched off during non-use periods, thereby minimizing unnecessary standby energy consumption.

The Company enforces strict budget controls and refined measures. At the beginning of each year, it issues specialized budgets covering water and electricity fees to all dental institutions, with full-cycle monitoring of budget execution. Energy-efficient water and electricity equipment is actively procured and installed, with regular inspections conducted by the Administration Department to prevent leaks or wastage. Furthermore, water-saving labels are prominently displayed at public water points to enhance collective water conservation awareness. Additionally, a regular analysis mechanism for water and electricity consumption data is established, continuously improving resource efficiency through data-driven monitoring.

5.4 Responding to Climate Change

Dazhong Dental actively implements the new development philosophy of innovation, coordination, green practices, openness, and shared growth, integrating green development into its entire operational process. It strictly adheres to national laws and regulations while committing to strengthen pollution control, resource conservation, and clean production through a robust ESG governance framework.

Governance

Responding to Climate Change is a core priority for the Company's sustainable development. To this end, a systematic governance framework has been established to coordinate related initiatives. The Company adopts a governance model of "Board of Directors decision-making and Cross-Departmental Task Force execution", systematically managing climate-related risks and challenges through clear division of responsibilities and collaboration mechanisms.

Currently, the company's compensation policy has not yet incorporated climate-related factors, and relevant efforts will continue to be advanced in light of actual circumstances.

Table: Governance Structure for Climate Change Response

Board of Directors

As the highest decision-making and supervisory body for the Company's ESG initiatives, the Board is responsible for reviewing and approving ESG and climate-related strategies, objectives, and policies. It conducts annual reviews of their implementation and disclosure practices.

Cross-Departmental Task Force

As the executive body, the Cross-Departmental Task Force operates under the leadership of the General Manager to formulate climate change response strategies and action plans. It coordinates risk management, data collection, performance evaluation, and report preparation, while driving cross-departmental implementation of related measures.

Strategy [6]

Table: Climate-Related Risks and Responses

Risk Type	Impact Sources	Description	Responses
Physical risks	Acute	• Extreme weather events such as heavy rainstorms, typhoons, heatwaves, and heavy snowfall may cause temporary store closures, equipment damage, direct property losses, and operational disruptions. These events also affect supply chain stability and patient attendance rates, significantly increasing operational costs.	• The Company has established a robust emergency early-warning and response system, ensuring business continuity through real-time weather monitoring and multi-scenario contingency plans. We continuously advance disaster-resistant store renovations, equip backup power supplies and emergency supplies, and activate online diagnostic green channels during extreme weather to effectively mitigate offline service interruptions.
	Chronic	• Long-term climate change patterns, such as rising average temperatures, will significantly increase cooling demands, leading to sustained growth in store energy consumption and long-term cost escalation. This may also impact employee work environments and efficiency.	• We are systematically advancing energy-saving technological upgrades, accelerating the adoption of high-efficiency variable-frequency air conditioners and LED lighting systems.

6 The company is temporarily unable to obtain the relevant information at reasonable cost or effort, so the company applies the reasonable information waiver clause in the Climate Disclosure Implementation Guidelines of the Hong Kong Stock Exchange. We plan to conduct scenario analysis in the coming years.

Risk Type	Impact Sources	Description	Responses
Transition risks	Policy and regulatory risks	• Stricter environmental regulations will increase compliance costs. New or renovated stores must meet higher green standards, potentially adding initial investment pressure.	• The Company has established a dedicated policy research system to continuously track environmental policy development and conduct forward-looking compliance planning. We actively apply for policy support for green energy-saving renovations and prioritize green building-standard-compliant solutions in new store investment decisions.
	Technological and market risks	• Initial investments in green technologies may strain cash flow. If the Company's environmental performance falls short of market expectations, it may harm brand reputation and customer choice.	• We have developed a phased green technology implementation roadmap, prioritizing energy-saving projects with clear returns. By promoting electronic medical records and paperless office practices, we transform low-carbon operations into a differentiated competitive advantage and enhance green brand communication to address customer expectations.
	Reputational risks	• Amid heightened stakeholder scrutiny of climate action, inadequate environmental management measures or a lack of transparency may damage corporate reputation, affecting employee morale, customer trust, and investor confidence.	• The Company elevates ESG governance to a strategic level, maintaining transparency through regular environmental performance and climate action disclosures. We actively engage in internal and external communication, transforming stakeholder environmental expectations into drivers for sustainable development.

Table: Climate-Related Opportunities and Responses

Opportunity source	Description	Responses
Extreme weather	• Climate change enhances public health awareness. Under extreme weather conditions, demand for remote diagnostics and online consultation services surges, creating market space for expanding digital services.	• Accelerate the development of online diagnostic platforms, expand remote health management and digital diagnostic consultation scenarios, establish an integrated online-offline integrated service system, and enhance service accessibility and resilience.
Policy guidance	• National and local governments continue to introduce green low-carbon development policies, including energy-saving subsidies and tax incentives, providing policy support and development opportunities for corporate green transitions.	• Actively respond to national policy directions, systematically plan energy structure optimization and low-carbon operational transformations, proactively apply for green certifications and subsidies, and reduce transition costs.
Public health awareness enhancement	• In the context of climate change, public focus on health and environment grows. Dental institutions that embody green principles and prioritize health and safety are more likely to earn customer trust and market recognition.	• Integrate green and health-conscious concepts into brand building, enhance environmental performance transparency, promote low-carbon diagnostic solutions, and create green treatment environments to establish a differentiated brand image.
Operational efficiency enhancement	• Implementing energy and water-saving measures and optimizing resource efficiency can reduce operational costs while enhancing the Company's reputation and competitiveness in sustainable development.	• Develop and implement energy-saving and consumption-reduction special plans, promote high-efficiency equipment and technology applications, and establish a resource usage monitoring system to achieve synergistic improvements in environmental and economic benefits.

In 2025, the aforementioned climate-related risks and opportunities did not have a substantial financial effect on the company. Going forward, the company will continue to monitor and assess their potential effect on strategy and business operations.

Risk Management

Dazhong Dental fully recognizes the profound impact of climate change on global ecological systems and socio-economic development. The Company actively integrates the isssue of Responding to Climate Change into its corporate strategy and daily operational management systems. By upholding the principles of prevention and proactive management, we are committed to scientifically identifying, prudently assessing, and effectively mitigating associated risks while seizing development opportunities in the green transition to enhance climate resilience and drive sustainable business growth.

Risk Assessment

- The Company regularly conducts internal and external materiality assessments regarding environmental policy improvements.
- The Cross-Departmental Task Force is responsible for reporting progress on ESG risk management, targets, and plan execution to the Board.

Emergency Response and Control

- The Company enforces rigorous inspections and supervision of environmental policy implementation across its branches and subsidiaries. For non-compliant environmental practices, a corrective action system is established to ensure responsible units implement remedial measures, thereby safeguarding operational continuity and safety.

Metrics and Targets[7]

Dazhong Dental is dedicated to maximizing comprehensive environmental value through scientific data management and concrete emission reduction actions to minimize operational carbon footprints. We have established the *Five-Year Action Plan (2024–2029) for the Company's Environmental, Social, and Governance (ESG) Capabilities*, aiming to advance green operations.

The Company reduces its carbon emissions through proactive emission reduction measures and has not yet implemented internal carbon pricing for management purposes.Currently, the company's greenhouse gas emission targets are still under formulation, with plans to disclose specific targets and progress toward their achievement in future years.

7 Regarding climate-related financial impacts, cross-sectoral indicators and Scope 3 greenhouse gas emissions, the underlying data collection is still in progress and the supporting information is incomplete. In accordance with the reasonable information exemption clause in the Hong Kong Stock Exchange's Implementation Guidelines on Climate-related Financial Disclosures, the Company does not disclose cross-sectoral indicators and Scope 3 GHG data in this report.

Table: 2025-2029 Environmental Targets of the Company

Energy Conservation and Consumption Reduction	Energy Efficiency	Water Resource Management	Promotion and Digitalization	Green Operations
Increase energy-efficient lighting system coverage in office areas to over 95%.	Reduce electricity consumption per unit of revenue by over 5% by 2029 compared to 2024.	Reduce water consumption per unit of revenue by over 5% by 2029 compared to 2024.	Display ESG promotional posters or slogans in over 90% of dental institutions.	Advance digitalization construction at headquarters and dental institutions to reduce paper usage in daily operations.

Table: 2025 Carbon Emissions

GHG Emissions (Scope 1 & Scope 2) [8]	
Total	2,032.94 t CO_2e
Scope 1	8.35 t CO_2e
Scope 2	2,024.59 t CO_2e
Intensity	0.05 t CO_2e/RMB10,000 revenue

8 The Greenhouse Gas (GHG) Inventory includes carbon dioxide, methane, and nitrous oxide, which primarily originate from externally purchased electricity, gasoline, and similar sources. The Company's GHG emissions are calculated in accordance with the HKEX's *Environmental, Social and Governance Reporting Code* (the "ESG Reporting Code") and the 2006 *IPCC Guidelines for National Greenhouse Gas Inventories*, and are expressed in carbon dioxide equivalent (CO_2e).

Appendix

6.1 ESG Key Performance Indicators

6.2 HKEX ESG Metrics Index

6.3 Reader Feedback Form

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6.Appendix

6.1 ESG Key Performance Indicators

Environmental Performance

Metrics		Unit	2025
Domestic wastewater discharge		ton(s)	21,225
Medical wastewater discharge		ton(s)	11,541
Total wastewater discharge		ton(s)	32,766
Domestic wastewater discharge intensity		ton/RMB10,000 revenue	0.57
Medical wastewater discharge intensity		ton/RMB10,000 revenue	0.31
Total hazardous waste (medical waste)		ton(s)	83.6
Hazardous waste recovery		ton(s)	83.6
Hazardous waste intensity		ton/RMB10,000 revenue	0.002
Total energy consumption	Gasoline	L	3,846
	Purchased electricity	MWh	3,773
	Water consumption	ton(s)	32,766
Energy consumption intensity	Gasoline	L/RMB10,000 revenue	0.10
	Purchased electricity	MWh/RMB10,000 revenue	0.10
	Water consumption	ton/RMB10,000 revenue	0.88
Total GHG emissions		t CO_2e	2,032.94
Scope 1		t CO_2e	8.35
Scope 2		t CO_2e	2,024.59
Intensity		t CO_2e/RMB10,000 revenue	0.05

Social Performance

Metrics		Unit	2025
Number of work-related fatalities for the year		person(s)	0
Work-related fatality rate		%	0
Workdays lost due to occupational injuries		day(s)	30
Number of incidents involving violations of employee employment and labor-related regulations		case(s)	0
Total number of employees		person(s)	1,055
Number of employees by employment type	Full-time employees	person(s)	1,015
	Part-time employees	person(s)	40
Number of full-time employees by gender	Male employees	person(s)	218
	Female employees	person(s)	797
Total number of full-time employees by age group	Under 30 years old	person(s)	380
	30-50 years old	person(s)	555
	Over 50 years old	person(s)	80
Number of full-time employees by rank	Senior management personnel	person(s)	17
	Middle management personnel	person(s)	31
	Frontline management personnel	person(s)	145
	Regular employee	person(s)	822

Metrics		Unit	2025
Total number of full-time employees by position	Dentist	person(s)	252
	Other medical personnel	person(s)	397
	Customer service personnel	person(s)	306
	Marketing personnel	person(s)	19
	Administrative personnel	person(s)	41
Data on employee turnover	Full-time employee turnover	person(s)	397
	Full-time employee turnover rate	%	39.11
Full-time employee turnover rate by gender	Male employee	%	36.24
	Female employee	%	39.90
Full-time employee turnover rate by age group	Under 30 years old	%	49.47
	30-50 years old	%	26.85
	Over 50 years old	%	75.00
Full-time employee turnover rate by rank	Senior management personnel	%	5.88
	Middle management personnel	%	12.90
	Frontline management personnel	%	11.72
	Regular employee	%	49.64
Full-time employee turnover rate by position	Dentist	%	22.22
	Other medical personnel	%	45.48
	Customer service personnel	%	36.97
	Marketing personnel	%	28.39
	Administrative personnel	%	79.12
Total number of full-time employees trained		person(s)	797
Percentage of full-time employees trained by gender	Male employees	%	82.57
	Female employees	%	77.42

Metrics		Unit	2025
Percentage of full-time employees trained by rank	Senior management personnel	%	100.00
	Middle management personnel	%	100.00
	Frontline management personnel	%	94.48
	Regular employee	%	75.30
Percentage of full-time employees trained by position	Dentist	%	91.27
	Other medical personnel	%	74.62
	Customer service personnel	%	68.91
	Marketing personnel	%	100.00
	Administrative personnel	%	36.26
Percentage of full-time employees trained by type of training	Leadership Training	%	22.84
	Compliance Training	%	94.35
	Cultural Diversity Training	%	53.70
	Health and Safety Training	%	77.54
Average training hours for employees by gender	Male employees	hour(s)	10.90
	Female employees	hour(s)	11.50
Average training hours for employees by rank	Senior management personnel	hour(s)	24.10
	Middle management personnel	hour(s)	20.40
	Frontline management personnel	hour(s)	19.40
	Regular employee	hour(s)	6.70
Average training hours for employees by position	Dentist	hour(s)	13.90
	Other medical personnel	hour(s)	6.30
	Customer service personnel	hour(s)	7.80
	Marketing personnel	hour(s)	7.30
	Administrative personnel	hour(s)	10.10

Metrics		Unit	2025
Average training hours for employees by type of training	Leadership Training	hour(s)	11.50
	Compliance Training	hour(s)	21.30
	Cultural Diversity Training	hour(s)	14.20
	Health and Safety Training	hour(s)	10.90
Total number of suppliers		/	43
Number of suppliers by geographical region	Within Hubei Province	/	23
	Outside Hubei Province	/	20
Community Investment: Health Education Initiatives	Money	RMB10,000	16.00
	Time	hour(s)	5,055.00

Governance Performance

Metrics	Unit	2025
Corruption and bribery-related litigation cases	case(s)	0
Number of business ethics and anti-corruption training sessions	session(s)	12
Total hours of business ethics and anti-corruption trainings	hour(s)	21
Number of employees trained in business ethics and anti-corruption	person(s)	752
Number of information security and privacy breach incidents	case(s)	0
Internal coverage rate of information security training	percentage(s)	100

6.2 HKEX ESG Metrics Index

Environmental

General Disclosures and Key Performance Indicators		Description	Location
Aspect A1: Emissions			
General Disclosures		• Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	• 5.1 Regulating Emissions Management
Key Performance Indicator	A1.1	• Types of emissions and respective emissions data.	• 5.1 Regulating Emissions Management
	A1.3	• Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	• 5.1 Regulating Emissions Management
	A1.4	• Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	• 5.1 Regulating Emissions Management
	A1.5	• Description of emission target(s) set and steps taken to achieve them.	• 5.4 Responding to Climate Change
	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.	• 5.1 Regulating Emissions Management
Aspect A2: Use of Resources			
General Disclosures		• Policies on the efficient use of resources, including energy, water and other raw materials.	• 5.2 Optimizing Resource Utilization

General Disclosures and Key Performance Indicators		Description	Location
Key Performance Indicator	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).	• 5.2 Optimizing Resource Utilization
	A2.2	• Water consumption in total and intensity (e.g. per unit of production volume, per facility).	• 5.2 Optimizing Resource Utilization
	A2.3	• Description of energy use efficiency target(s) set and steps taken to achieve them.	• 5.2 Optimizing Resource Utilization
	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.	• 5.2 Optimizing Resource Utilization
	A2.5	• Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	/
Aspect A3: The Environment and Natural Resources			
General Disclosures		• Policies on minimising the issuer's significant impacts on the environment and natural resources.	• 5.1 Regulating Emissions Management • 5.2 Optimizing Resource Utilization • 5.3 Promoting Green Office Practices • 5.4 Respond to Climate Change
Key Performance Indicator	A3.1	• Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	• 5.1 Regulating Emissions Management • 5.2 Optimizing Resource Utilization • 5.3 Promoting Green Office Practices • 5.4 Responding to Climate Change

General Disclosures and Key Performance Indicators	Description	Location
Part D: Climate-related Disclosures		
Governance	• Governance	• 5.4 Responding to Climate Change
Strategy	• Climate-related risks and opportunities	• 5.4 Responding to Climate Change
	• Business model and value chain	/
	• Strategy and decision-making	• 5.4 Responding to Climate Change
	• Financial position, financial performance and cash flows	/
	• Climate resilience	/
	• Climate-related risks, opportunities, and financial impacts	/
Risk Management	• Risk management	• 5.4 Responding to Climate Change
Metrics and Targets	• Greenhouse gas emissions	• 5.4 Responding to Climate Change
	• Climate-related transition risks	• 5.4 Responding to Climate Change
	• Climate-related physical risks	• 5.4 Responding to Climate Change
	• Climate-related opportunities	• 5.4 Responding to Climate Change
	• Capital deployment	/
	• Internal carbon prices	/
	• Remuneration	/
	• Industry-based metrics	/
	• Climate-related targets	• 5.4 Responding to Climate Change
	• Applicability of cross-industry metrics and industry-based metrics	/

Social

General Disclosures and Key Performance Indicators		Description	Location
Aspect B1: Employment			
General Disclosures		• Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	• 4.1 Safeguarding Employee Rights and Interests
Key Performance Indicator	B1.1	• Total number of employees by gender, employment type, age group and geographical region.	• 4.1 Safeguarding Employee Rights and Interests
	B1.2	• Employee turnover rate by gender, age group and geographical region.	• 4.1 Safeguarding Employee Rights and Interests
Aspect B2: Health and Safety			
General Disclosures		• 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.	• 4.3 Ensuring Occupational Health and Safety
Key Performance Indicator	B2.1	• Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	• 4.3 Ensuring Occupational Health and Safety
	B2.2	• Lost days due to work injury.	• 4.3 Ensuring Occupational Health and Safety
	B2.3	• Description of occupational health and safety measures adopted, and how they are implemented and monitored.	• 4.3 Ensuring Occupational Health and Safety

General Disclosures and Key Performance Indicators		Description	Location
Aspect B3: Development and Training			
General Disclosures		• Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	• 4.2 Nurturing Employee Development
Key Performance Indicator	B3.1	• The percentage of employees trained by gender and employee (e.g. senior management, middle management).	• 4.2 Nurturing Employee Development
	B3.2	• The average training hours completed per employee by gender and employee category.	• 4.2 Nurturing Employee Development
Aspect B4: Labor Standards			
General Disclosures		• 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.	• 4.1 Safeguarding Employee Rights and Interests
Key Performance Indicator	B4.1	• Description of measures to review employment practices to avoid child and forced labor.	• 4.1 Safeguarding Employee Rights and Interests
	B4.2	• Description of steps taken to eliminate such practices when discovered.	• 4.1 Safeguarding Employee Rights and Interests
Aspect B5: Supply Chain Management			
General Disclosures		• Policies on managing environmental and social risks of the supply chain.	• 3.3 Standardizing Responsible Procurement

General Disclosures and Key Performance Indicators		Description	Location
Key Performance Indicator	B5.1	• Number of suppliers by geographical region.	• 3.3 Standardizing Responsible Procurement
	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.	• 3.3 Standardizing Responsible Procurement
	B5.3	• Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	• 3.3 Standardizing Responsible Procurement
	B5.4	• Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	• 3.3 Standardizing Responsible Procurement
Aspect B6: Product Responsibility			
General Disclosures		• 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.	• 3.1 Deepening Quality Management • 3.2 Promoting Honest Marketing • 2.4 Ensuring Data Protection
Key Performance Indicator	B6.1	• Percentage of total products sold or shipped subject to recalls for safety and health reasons.	/
	B6.2	• Number of products and service related complaints received and how they are dealt with.	• 3.1 Deepening Quality Management
	B6.3	• Description of practices relating to observing and protecting intellectual property rights.	• 1.3 Managing Sustainable Development
	B6.4	• Description of quality assurance process and recall procedures.	/
	B6.5	• Description of consumer data protection and privacy policies, and how they are implemented and monitored.	• 2.4 Ensuring Data Protection

General Disclosures and Key Performance Indicators		Description	Location
Aspect B7: Anti-corruption			
General Disclosures		• 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.	• 2.3 Upholding Compliant Operations
Key Performance Indicator	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.	• 2.3 Upholding Compliant Operations
	B7.2	• Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	• 2.3 Upholding Compliant Operations
	B7.3	• Description of anti-corruption training provided to directors and staff.	• 2.3 Upholding Compliant Operations
Aspect B8: Community Investments			
General Disclosures		• 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.	• 4.4 Fulfilling Social Responsibilities
Key Performance Indicator	B8.1	• Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	• 4.4 Fulfilling Social Responsibilities
	B8.2	• Resources contributed (e.g. money or time) to the focus area.	• 4.4 Fulfilling Social Responsibilities

6.3 Reader Feedback Form

Dear Reader,

Greetings! Thank you for reading the *2025 ESG Report of Wuhan Dazhong Dental Medical Co., Ltd.* We highly value and welcome your feedback on the Company's ESG management, practices, and disclosure. Your comments and suggestions will serve as important references for us to continuously improve our ESG management and practices. We look forward to your response!

1. Which stakeholder group does your organization belong to?

☐ Shareholders and investors ☐ Employees ☐ Suppliers ☐ Customers ☐ Government and Regulatory Authorities

☐ Community ☐ Partners ☐ Industry Associations/NGO ☐ Others (please specify):______________

2. How would you rate this Report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor

3. How would you rate the clarity, accuracy, and completeness of the information and data disclosed in this Report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor

4. How do you assess the comprehensiveness of the Company's economic responsibilities reflected in this Report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor

5. How do you assess the comprehensiveness of the Company's environmental responsibilities reflected in this Report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor

6. How do you assess the comprehensiveness of the Company's social responsibilities reflected in this Report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor

7. How would you rate the readability of the information provided in this Report?

☐ Excellent ☐ Good ☐ Fair ☐ Poor

8. What information would you like to know that was not disclosed in this Report?

9. Do you have any comments and suggestions on the Company's environmental, social and governance (ESG) performance and report preparation?