美中嘉和
CONCORD MEDICAL

Concord Healthcare Group Co., Ltd.

美中嘉和醫學技術發展集團股份有限公司

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

Stock code: 2453

2025 Environmental, Social and Governance Report

CONTENT

About This Report

This Report is the 2025 Environmental, Social and Governance Report (hereinafter referred to as the "**ESG Report**") prepared and released by Concord Healthcare Group Co., Ltd. (hereinafter referred to as "**Concord Healthcare**", the "**Group**" and "**We**"), which aims to convey the concept, management measures and achievements of the Group in terms of environmental, social and governance. Contents on governance are recommended to be read in conjunction with the chapter of "Corporate Governance Report" contained in the annual report.

Reporting Scope

Unless otherwise stated, the report scope included the ESG performance of the Group's medical institutions and subsidiaries[1]. This report covered the period from January 1, 2025 to December 31, 2025 (hereinafter referred to as the "**Current Year**" or "**Reporting Period**").

Information Description

The information in this report was derived from the Group's internal documents, information statistics, communications with stakeholders and other channels. The Group's emissions and energy use indicators are calculated and measured according to national regulations or international standards. Unless otherwise specified, the amounts of currencies involved in the report are denominated in RMB.

Reporting Guidelines

This report has been prepared in accordance with *Appendix C2 Environmental, Social and Governance Reporting Code* (the "**Code**") to the *Main Board Listing Rules* of the Stock Exchange of Hong Kong Limited based on the principles of materiality, quantitative, balance and consistency, and disclosed ESG governance structure, reporting principles, scope of reporting, general disclosure of various areas and dimensions and key performance indicators in accordance with the mandatory disclosure requirements and the "Comply or Explain" provision contained in the Code.

"**Materiality**": this report has identified key stakeholders and their concerns regarding ESG issues during its preparation process and has reviewed and assessed these in conjunction with the current leading development trends in the ESG field within the industry, as well as the ESG requirements of various stakeholders for the Company, and has adjusted the disclosure content of this report accordingly.

"**Quantitative**": this report presented the environmental and social KPIs in a quantitative manner, and the basis, methods, assumptions and/or calculation tools for measurement of the KPIs in this report as well as the source of factors used are described in relevant sections.

"**Balance**": this report provided objective presentation of the Group's performance to avoid selections, omissions, or through presentation formats that may inappropriately influence report readers' decisions or judgments.

"**Consistency**": unless noted otherwise, quantitative data in this report maintains consistency with prior years' statistical methods, measurement guidelines, and calculation methodologies.

Reporting Language

This report is made in both traditional Chinese and English. In case of any discrepancies, the traditional Chinese version shall prevail.

1 The reporting scope covers the Group's medical institutions and subsidiaries including Guangzhou Concord Cancer Hospital, Shanghai Concord Medical Cancer Center, Shanghai Concord Medical Imaging Diagnostic Center, Beijing Healthingkon Technology Co., Ltd. Therefore, the statistical scope for the number of employees differs from that of the annual report.

Concord Healthcare has always upheld its core mission of "fighting cancer and safeguarding the glory of life (抗擊癌症守護生命光彩)", and has been committed to building a benchmark platform in China's oncology medical field. Based in key cities such as Beijing, Shanghai and Guangzhou, it has extended its reach nationwide and, through international specialized services and cloud-based diagnosis and treatment, established an integrated online and offline cancer prevention and treatment network, which provides patients with full-cycle care from initial diagnosis through post-treatment management.

We insisted on taking patients as the center, dedicated to provide patients with comprehensive, multi-level medical security. The year 2025 marked a year for the Group to deepen the integration of technological innovation with social value. Leveraging our core strengths of "precision, efficiency, and safety," we are the first in South China to introduce a proton radiotherapy system, achieving therapeutic outcomes for various patients that include "precise tumor targeting, significant reduction of side effects, and improvement in quality of life". At the same time, we actively promoted the deep application of artificial intelligence in medical scenarios, having successfully developed China's first large language model dedicated to the vertical field of proton therapy through independent research and development, and engaged in in-depth collaboration with top global medical institutions. During the Reporting Period, team members from Guangzhou Concord Cancer Hospital under our Group, participated four times in the drafting of national and industry standards, leveraging professional influence to drive the high-quality development of the industry.

Concord Healthcare always takes responsibility as its its guiding principle, comprehensively advancing Environmental, Social, and Governance (ESG) practices. In the environmental dimension, we minimize environmental impact while ensuring medical quality through refined energy management and radiation safety control. In the social dimension, we adhere to a patient-first principle, strengthen privacy protection, and strictly control medical quality, ensuring that every treatment plan carries the hope of life. At the same time, we value employee growth, safeguarding employee rights and fostering a safe, equal and inclusive workplace ecosystem by providing clear career promotion channels. In the governance dimension, we regard integrity, self-discipline, and compliant operation as our lifeline, strictly adhere to procurement with ethics, and collaborate with supply chain partners to build a value network that promotes doing business for good.

Looking forward, Concord Healthcare remains committed to its mission of safeguarding the glory of life, with technological innovation as its wings and patient needs as its anchor, continuously exploring smart healthcare and jointly forging quality medical care, striving to realize the vision of "becoming the most trusted anti-cancer partner of patients". We will continue to deeply cultivate the fields of proton therapy and precision medicine, expanding the reach of cancer precision oncology treatment technologies to benefit more people. We will deeply integrate ESG principles into our development strategy, repay societal trust through green operations and defend patient rights through responsible governance, while actively broadening our international perspective. We are willing to join hands with industry partners to build a health defense line and lead the sustainable future of medical and health endeavors.

Key ESG Events in 2025

January	Concord Healthcare and the world-top medical institution Mayo Clinic officially signed a cooperation agreement to strengthen international collaboration in areas such as discipline development, medical practice, patient services, and international exchanges.
February	Concord Healthcare successfully developed an automatic review system for radiotherapy data records and published the research findings in the authoritative journal "China Medical Equipment".
March	Professor Qian Chaonan, dean of Guangzhou Concord Cancer Hospital, was invited to attend "THAC 2025 — The 22nd High-End Medical Development Forum" and delivered a keynote speech titled "Exploring Personalized Precision Cancer Therapy in 2025".
April	Guangzhou Concord Cancer Hospital was included in MSH's "Xinxiang Life" 2025 medical insurance, establishing a seamless system for the whole process from treatment to insurance. Zhang Yingjian, director of Shanghai Concord Medical Imaging Diagnostic Center (上海美中嘉和醫學影像診斷中心), was elected as the vice chairman of the first session of the Nuclear Medicine Professional Committee of the Shanghai Association for Non-government Medical Institutions; Shou Yi, deputy director of the center, was elected as a standing committee member; and Zhang Feng and Ping Zhaofu, both nuclear medicine doctors, were elected as committee members.
May	Guangzhou Concord Cancer Hospital issued Guangzhou's first prescription for inavolisib tablets.
June	Guangzhou Concord Cancer Hospital held the "New Technologies in Stereotactic Radiotherapy and Clinical Applications • Sino-US Radiotherapy Frontier Academic Exchange Conference (立體定向放療新技術及臨床應用•中美放療前沿學術交流會)", conducting in-depth exchanges on technological innovation, clinical trials and quality control of stereotactic radiotherapy in the field of cancer treatment. The prefectural magistrate of Phuket Province, Thailand, and guests from Japanese companies visited Guangzhou Concord Cancer Hospital for exchanges.
July	Guangzhou Concord Cancer Hospital successfully completed the nation's first proton therapy for choroidal malignant melanoma. Li Yang, director of Guangzhou Concord Cancer Hospital was re-elected as chairman of the Pathology Committee of the Guangdong Clinical Medical Association.
August	The proton therapy center of Guangzhou Concord Cancer Hospital ranked third nationally (Top 3) in the "China Proton and Heavy Ion Centers Top 10 Ranking (2024-2025)".

September	Professor Qian Chaonan, dean of Guangzhou Concord Cancer Hospital, was selected for the sixth consecutive year in both the "Annual Scientific Influence" and "Lifelong Scientific Impact Influence" lists of the "World's Top 2% Scientists 2025" jointly released by Stanford University and Elsevier. Concord Healthcare won the "2025 China Listed Companies Yinghua Award – Hong Kong Listed Company Investor Relations Demonstration Case" Award hosted by China Fund. Guangzhou Concord Cancer Hospital co-organized the "2025 Guangdong Province Proton Radiation Therapy Development Forum", where it shared proton treatment plans combined with clinical cases, jointly exploring cutting-edge technology. Guangzhou Concord Cancer Hospital organized "Proton Radiotherapy Nursing Academic Exchange Conference" (municipal continuing medical education project), where it conducted professional exchanges with 148 industry elites from 27 medical institutions inside and outside the province on cutting-edge proton technology and precision nursing enhancement.
October	Guangzhou Concord Cancer Hospital hosted a special lecture titled "Innovation in Radiation Oncology: 2025, 2030, and 2045", inviting leading international figures in the field of radiation oncology to share insights on AI automated planning, image-guided adaptive radiotherapy, targeted radiopharmaceutical diagnosis and treatment, FLASH radiotherapy with ultra-high dose rate, and spatial fractionation and dose distribution technologies.
November	Guangzhou Concord Cancer Hospital was invited to participate in the 5th Annual Meeting of the Particle Therapy Co-Operative Group Asia-Oceania (PTCOG-AO 2025), systematically sharing experiences in clinical practice, quality control management, and patient services to empower industry development.
December	The popular science video "Nezha Takes You to Fight the 'Tumor Monster' – The Magical Proton Therapy Journey," primarily created by the nursing team of Guangzhou Concord Cancer Hospital, won the third prize in the video category of the "2025 Oncology Nursing Popular Science Competition" hosted by the Oncology Nursing Professional Committee of the Guangdong Provincial Anticancer Association. The proton therapy center (Oncology Radiotherapy Department) of Guangzhou Concord Cancer Hospital was selected for the recommended list of "2025 Guangdong Hospital High-Level Specialty Tour" hosted by Guangzhou Daily Group. Zhang Chengyu, general manager of Guangzhou Concord Cancer Hospital, was elected as the vice chairman of the Expert Committee for Medical Clinical Specialty Development of the China Medical Foundation. Director Hu Qiaoying of Shanghai Concord Medical Cancer Center (上海美中嘉和腫瘤門診部) was re-elected as the vice president of the Oncology Branch of the Shanghai Association for Non-government Medical Institutions. Guangzhou Concord Cancer Hospital participated in drafting two national-level guidelines ("Clinical Practice Guidelines for Ion Beam Radiotherapy (2025 Edition) 《離子放射治療臨床實踐指南(2025 版)》" and "Quality Assurance Guidelines for Proton Radiotherapy Systems (2025 Edition)《質子放射治療系統質量保證指南(2025 版)》", marking the fourth time it has been selected for a national-level guideline formulation team, with a cumulative contribution of six national standard-level achievements.

I. Governance Leads the Way, Responsibility Lays the Foundation

1.1 Board Statement

The Group attaches significant importance to ESG matters and considers ESG initiatives a core focus for long-term development. Aligning with characteristics of our business development, we integrate sustainability vision and strategies into the Group's daily operations and overall strategic planning. The Board of Directors of Concord Healthcare (hereinafter referred to as the "Board") is the highest responsible and decision-making body of the Group, responsible for overseeing the progress of the Group's ESG issues. The Board is responsible for the review and decision-making of major ESG issues, reviewing ESG strategies and action plans, regularly hearing management reports on the progress of ESG work, supervising the management of the Group's ESG-related matters, and reviewing the Group's ESG performance.

The Group attached great importance to the identification and response of ESG-related risks (including climate risks) and opportunities. The Board is responsible for overseeing the assessment of the Group's ESG risks (including climate risks) and opportunities, prioritizing and managing ESG-related matters, ensuring that the Company has an appropriate ESG risk (including climate risks) management mechanisms and processes, and regularly reviewing the effectiveness of the mechanisms and processes. During the Reporting Period, the Board of Directors reviewed and approved the phased review results of environmental targets, the identification and assessment results of ESG and climate change-related risks and opportunities, as well as the corresponding strategies and management measures.

This report was reviewed and approved by the Board of the Group on 27 March 2026.

1.2 ESG Governance Structure

The Group continuously improves its ESG governance framework, focuses on enhancing the Company's ESG management capabilities, clarifies the responsibilities, functions and processes for related tasks, and ensures that ESG work is carried out scientifically and in an orderly manner. The Board is responsible for overseeing and making decisions on ESG issues and guiding the ESG strategic direction. At the executive level, we have established an ESG working group composed of relevant department heads to jointly implement ESG-related work. Under its coordination and management, the management of key issues of the Group is incorporated into the annual strategic work on sustainable development. Based on the external macro environment and the Company's development strategy, the ESG working group comprehensively identifies and analyses ESG-related risks (including climate risks) and opportunities to support the effective implementation of the Group's ESG strategy. Meanwhile, such a group gains an in-depth understanding of the Company's needs and potential challenges in ESG aspects, formulates more targeted and feasible ESG management strategies, and regularly reports progress to the Board.

1.3 Stakeholder Communication

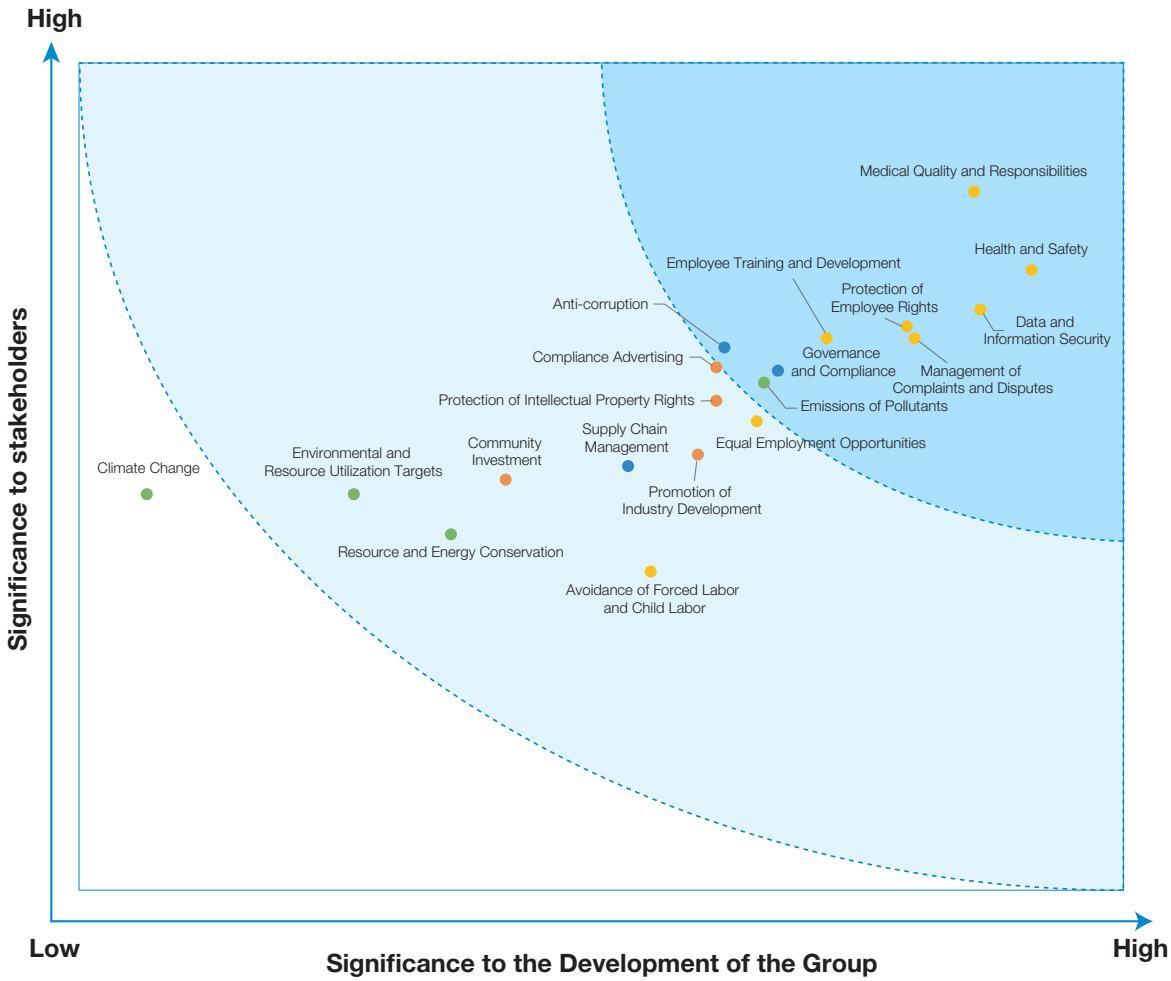
Based on the nature of the Group's business, our stakeholders primarily include the government and regulatory authorities, shareholders and investors, employees, customers and patients, suppliers, academic and research institutions, community and the public, among others. We value effective communication with all stakeholders, continuously improve the diversified communication mechanisms with stakeholders, promote the practice and innovation of ESG concepts through cooperation and exchanges, and fully respond to the concerns and demands of all parties in the field of ESG.

I. Governance Leads the Way, Responsibility Lays the Foundation

Stakeholders	ESG issues	Communication and Response Channels
Government and Regulatory Authorities	Governance and Compliance Anti-corruption Medical Quality and Responsibilities Avoidance of Forced Labor and Child Labor Emissions of Pollutants Climate Change	Information Disclosure Routine Reporting Regulatory Compliance Site visits, Exchanges and Visits
Shareholders and Investors	Medical Quality and Responsibilities Anti-corruption Employee Training and Development Emissions of Pollutants Climate Change	Periodic Reports Timely Announcements, Circulars and Press Releases Shareholders' Meeting Official Website
Employees	Protection of Employee Rights Equal Employment Opportunities Employee Training and Development Health and Safety	Training and Meetings Performance Evaluation E-mail, Notice and Circular Online Office Platform WeCom Bulletin board Offline Hospital Dean's Mailbox Chairman Open Day Dean's Communication Meeting
Customers and Patients	Medical Quality and Responsibility Management of Complaints and Disputes Data and Information Security	Patient Satisfaction Survey Customer Service Hotline E-mail and Official Account Face-to-face Meetings and Visits Communication of Diagnosis and Treatment Process
Suppliers	Supply Chain Management Anti-corruption	Regular Communication Periodic Audit
Academic and Research Institutions	Promotion of industry development Medical quality and responsibility Protection of intellectual property rights	Academic Exchange Conference Forum
Community and the Public	Community Investment Emissions of Pollutants Resource and Energy Conservation	Community Activities Public Welfare Activities Daily Operation

1.4 Materiality Assessment

Materiality issues serve as an important guide for our Group's ESG efforts, led by the ESG working group, the Group regularly assesses the importance of various ESG issues to stakeholders and corporate business development through internal evaluations or external research such as questionnaires, seminars, and discussions. This process forms a materiality matrix. During this reporting period, there were no significant adjustments or changes to the Group's business operations, no applicable new materiality issues were identified, and the results of the materiality analysis did not undergo significant changes.



II. Green Operations and Low Carbon Development

We adhere to the concept of green operations, continuously strengthening the management of resource and energy usage, striving to enhance the efficiency of resource and energy utilization, and strictly controlling various emissions. We actively establish sound environmental management systems, promote the implementation of diverse environmental protection measures, encourage innovation and expansion in green management practices, proactively address the challenges of climate change, and seize the opportunities presented by climate change.

2.1 Emission Management

The Group strictly complies with various environmental protection laws and regulations, establishes sound internal management policies and systems covering waste gas, wastewater, waste and other emissions, and regulates the disposal process of various emissions. We regularly engage qualified third parties to conduct emissions testing and disposal and send emission data to relevant regulatory agencies in regular period to be committed to reducing potential impacts on the external environment. In 2025, the Group did not have any administrative penalties or related lawsuits related to environmental pollution.

External Laws and Regulations	Internal Policies and Systems
• Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) • Law of the People's Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》) • Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》) • Regulations on the Administration of Medical Wastes (《醫療廢物管理條例》) • Measures for Medical Wastes Management of Medical and Health Institutions (《醫療衛生機構醫療廢物管理辦法》) • Discharge Standard of Water Pollutants for Medical Organization (GB18466-2016) (《醫療機構水污染物排放標準》(GB18466-2016)》) • The Law of the People's Republic of China on the Prevention and Control of Radioactive Pollution (《中華人民共和國放射性污染防治法》) • Provisions on the Administration of Radiological Diagnosis and Treatment (《放射診療管理規定》) • The Regulation on the Safety and Protection of Radioisotopes and Radiation Devices (《放射性同位素與射線裝置安全和防護條例》) • The Administrative Measures for Security and Protection of the Radioisotope and Radioactive Ray Devices (《放射性同位素與射線裝置安全和防護管理辦法》)	• Sewage Treatment Station Management System (《污水處理站管理制度》) • Domestic Waste Management System (《生活垃圾管理制度》) • Medical Waste Management System (《醫療廢物管理制度》)

II. Green Operations and Low Carbon Development

2.1.1 Waste Gas and Wastewater Management

The Group places high importance on the compliant management of exhaust gas emissions and wastewater discharges during the Group's business operations, minimizing environmental impact through systematic technological facilities and management mechanisms.

In exhaust gas control, the Group has equipped specialized waste gas treatment devices for exhaust generated during medical wastewater treatment processes, implementing efficient deodorization and odor removal treatments to ensure exhaust emissions comply with relevant national regulations and environmental protection standards.

In wastewater control, the Group strictly adheres to the Discharge Standard of Water Pollutants for Medical Organization (GB18466-2016) (《醫療機構水污染物排放標準》(GB18466-2016)) and has established and implemented the Sewage Disposal Management System (《污水處理管理制度》) to oversee the entire process of treating, discharging, and monitoring domestic sewage and medical wastewater. We discharge medical wastewater to the hospital wastewater treatment station, where it undergoes centralized treatment using processes and disinfection techniques specified by national standards, covering key stages such as pretreatment, enhanced primary treatment, secondary treatment, simplified biochemical treatment, and advanced disinfection. Additionally, we have implemented a regular testing mechanism to monitor key pollutant indicators, verifying the effectiveness of wastewater treatment facilities. Only after confirming that the effluent quality consistently meets standards can it be discharged into the municipal sewage network, ensuring ongoing compliance of wastewater discharges.

2.1.2 Waste Management

The Group strictly adheres to laws and regulations such as the "Medical Waste Classification Catalogue (2021 Edition)" and the "National Hazardous Waste List (2023 Edition)", establishing a comprehensive management system covering the entire process from classified collection, safe storage, to compliant recycling. This ensures that waste disposal is fully controlled, safe, and standardized throughout.

For medical waste management, during the classification and collection stage, we identify and distinguish hazardous waste (such as medical waste (pharmaceutical packaging, residual liquids, damaged items)) and other hazardous waste (discarded toner cartridges, ink cartridges, sludge from wastewater treatment station, etc.) from non-hazardous waste (such as domestic waste, food waste). These are strictly collected separately and managed with targeted measures. For the disposal stage, all wastes are collected by classification and handed over to professional medical waste treatment companies for centralized disposal. Among these, empty ampoules[2] and other glass products are placed in sharps containers and sealed in yellow medical waste bags; while other medical wastes are also uniformly sealed in yellow waste bags. For other hazardous waste (e.g., discarded toner cartridges, ink cartridges), we entrust qualified third parties for professional recycling and disposal. For sludge from sewage disposal station, we engage a qualified third party to carry out regular microbial indicator testing; once standards are met, the sludge is removed and disinfected. Non-hazardous waste (such as domestic waste and food waste) is uniformly collected and processed by professional property management companies.

We set up full-time personnel responsible for supervising the safe disposal of medical waste within the Group, aiming to prevent harm to the environment and personnel health caused by leakage or spread of medical waste. Meanwhile, we regularly conduct special training for employees involved in medical waste disposal within the Group. The training covers laws and regulations, disposal process, specialized operations, personnel protection, and emergency treatment, etc., so as to enhance staff's awareness and operational skills in medical waste disposal and ensure the effective operation of the management system.

2 Ampoule: A small glass container used to hold medicinal liquids.

II. Green Operations and Low Carbon Development

2.1.3 Medical Radiation Management

The Group strictly complies with various laws and regulations on medical radiation management, based on this, formulates and improves internal policies and systems, and effectively regulates relevant work in the management of the Group's radiation safety and protection for radiation therapy and radioactive waste management.

External Laws and Regulations	Internal Policies and Systems
• Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) • Law of the People's Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》) • Law of the People's Republic of China on Prevention and Control of Radioactive Pollution (《中華人民共和國放射性污染防治法》) • Provisions on the Administration of Radiological Diagnosis and Treatment (《放射診療管理規定》 • The Regulation on the Safety and Protection of Radioisotopes and Radiation Devices (《放射性同位素與射線裝置安全和防護條例》) • The Administrative Measures for Security and Protection of the Radioisotope and Radioactive Ray Devices (《放射性同位素與射線裝置安全和防護管理辦法》)	• Relevant Systems of Radiation Safety for Nuclear Medicine (《核醫學輻射安全相關制度》) • Radioactive Waste Management System (《放射性廢物管理制度》)

In 2025, the Group continued to strictly implement the principle of "minimizing" radioactive waste, imposing rigorous controls on the volume, weight, and radionuclide activity of generated radioactive gases, wastewater, and solid waste. We use advanced radiation diagnosis equipment designed to reduce the generation of radioactive waste from the source. We strictly limit operating areas for unsealed radioactive materials, allowing only the relevant nuclear medicine personnel to work in the operating areas, and prohibit anyone from bringing any unnecessary items into the operating areas, so as to reduce the potential radioactive pollution. In terms of radiation source management, we strictly adhere to the principle of full-lifecycle supervision, establishing a closed-loop management system that covers licensing, transfer approval, usage, storage and retirement. Through dynamic ledger recording and regular safety monitoring, we ensure that the status of radiation sources is fully controllable throughout the entire process.

For radioactive equipment facilities, radiation sources, and three kinds of radioactive wastes (waste gas, waste liquid, and solid waste)[3], we implement stringent control and safe disposal measures.

- Large-scale radioactive equipment facilities: We conduct environmental impact and occupational hazard assessments, strictly complying with legal and regulatory requirements in areas such as environmental pollution control, environmental management, radiation safety, and protective facilities.

3 Three types of radioactive waste refers to solid, liquid and gaseous waste containing radioactive material.

- Radioactive sources: For disused radioactive sources[4], we strictly comply with legal and regulatory requirements by engaging qualified units to return them to the manufacturers or to transport and store them safely in municipal radioactive waste repositories. We file records with the competent ecological and environmental authorities according to regulations and at the same time conduct regular inventories of movable radioactive sources to ensure their location is controllable and their status can be checked.

- Three types of radioactive waste: Shall be the responsibility of the radiation safety management personnel to full-process oversee the collection, storage, and treatment of radioactive solid waste, wastewater, and exhaust gas. We place importance on the interim storage and processing of radioactive waste, including timely clearance of eligible waste to minimize long-term environmental and personnel impacts. Meanwhile, we set up a detailed radioactive waste management ledger to accurately record critical information such as the start date of waste generation, responsible personnel, outbound time, and monitoring results, ensuring traceability and regulatory compliance.

    - For radioactive solid waste: We uniformly place it in the specialized temporary storage room and classify it as medical waste for disposal after it decays until the radionuclide activity and concentration meet the level of release control.

    - For radioactive wastewater: We strictly comply with HJ 1188-2021 “Requirements for Radiation Protection and Safety in Nuclear Medicine” by setting up a tank-type radioactive wastewater decay tank for temporary storage and collection. When it decays until the radionuclide activity and concentration meet the level of release control, it will be classified as medical wastewater for treatment.

    - For radioactive exhaust gas: Relying on an independent ventilation and filtration purification system, we ensure that the discharged gas meets safety standards, preventing contamination of the workplace and the environment.

4 Radioactive source: refers to a radioactive material that is sealed within a capsule or tightly solidified in a coating layer, existing in a solid form.

II. Green Operations and Low Carbon Development

2.2 Resource Management

The Group complies with relevant laws and regulations such as the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), the Regulations on Supply and Use of Electric Power (《電力供應與使用條例》), and the Regulation on Urban Water Supply (《城市供水條例》), and accordingly formulates resource management systems such as the Hospital Water Supply Management System (《醫院供水管理制度》) to standardize the standards for use of resource, reduce waste of resource, and continuously promote the green operation of the Group.

The Group's resource consumption in the process of business operation mainly includes purchased electricity, water resources, paper and vehicle fuel. The Group's water use is mainly purchased municipal water, and we do not have any difficulty in sourcing water. In terms of energy consumption, we are committed to prioritizing the procurement of energy-saving equipment, strengthening daily energy conservation and consumption reduction management, advocating green and low-carbon office practices among employees, and continuously reducing greenhouse gas emissions:

- 100% of office areas use energy-saving lamps, and the constant lamps along the staircase are replaced by voice-controlled lamps.
- Designate special personnel to patrol and inspect the use of energy consumption facilities and equipment such as lighting and air conditioners in office areas to ensure scientific operation.
- Apply energy-efficient air conditioners, and manage energy-saving air conditioners, and post signs to encourage employees to set the temperatures of air conditioners reasonably.
- Employees are required to turn off non-essential electrical equipment such as computers, printers, and electric lamps after work.
- Promote energy-saving concepts and practical methods through various channels, including departmental meetings and hospital-wide conferences, actively fostering a green hospital culture where all staff participate and consciously practice.

In terms of water-saving management, we use water-saving appliances and continuously improve water resource utilization efficiency through reusing rainwater and water usage tracking and analysis to:

- In the office area and suitable medical care area, preference will be given to sensor faucets.
- Rainwater collection projects should be implemented in hospital areas where conditions permit, and the collected rainwater should be used for purposes such as irrigation of greenery.
- Systematically tracking and analyzing water consumption data on a regular basis, timely verifying the growth of unusual usage, and identifying and repairing leaks in the pipe network so as to reduce wastage of water resources.

In terms of office consumables, we constantly promote paperless offices and automatic operation, advocate employees to practice the concept of green office, and actively implement energy saving and consumption reduction measures. Specific measures include:

- Fully apply electronic medical records and online office approval systems to reduce the use of paper documents.
- Encourage clinical departments to optimize workflows through information systems, reducing paper documents printed during the links of submission for inspection, ward inspection, etc.
- Require employees to promptly turn off non-essential electrical equipment (such as computers, printers, lighting) when off duty to avoid energy waste.
- Set the default mode of printers and other devices to double-sided printing, and advocate for the reuse of single-sided paper.

II. Green Operations and Low Carbon Development

2.3 Environmental Performance[5]

Emissions

Indicators	Unit	Data of 2025
Scope 1 and Scope 2 Total GHG emissions[6]	tonnes	5,635.25
Scope 1 and Scope 2 emissions per unit area	tonnes/m ^{2}	0.10
Scope 1 and Scope 2 emissions per capita	tonnes/person	10.82
Scope 1 emissions	tonnes	57.64
Scope 2 emissions[7]	tonnes	5,577.61
Scope 3 emissions[8]	tonnes	1,349.51
Fuel – and energy-related activities	tonnes	1,349.51
Hazardous waste[9]	tonnes	13.50
Hazardous waste per unit area	tonnes/m^2	0.0002
Hazardous waste per capita	tonnes/person	0.03
Non-hazardous waste[10]	tonnes	554.16
Non-hazardous waste per unit area	tonnes/m^2	0.01
Non-hazardous waste per capita	tonnes/person	1.06
Exhaust emissions[11]	cubic meters	0.10
Wastewater discharge	cubic meters	26,002.12

5 The per capita performance statistics of Environmental Performance are all full-time employees.

6 GHG inventories include carbon dioxide, methane and nitrous oxide, mainly derived from purchased electricity, fuel. GHG calculation is presented based on carbon dioxide equivalent, and is calculated in accordance with the Announcement on the Release of 2023 Electricity CO_2 Emission Factors (《關於發布 2023 年電力二氧化碳排放因子的公告》) published by the Ministry of Ecology and Environment of the People's Republic of China and the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC). Direct emissions (Scope 1) and indirect emissions (Scopes 2 and 3) are assessed and analyzed in accordance with the Greenhouse Gas Accounting System: Corporate Accounting and Reporting Standard (《溫室氣體核算體系：企業核算與報告標準》) and the Greenhouse Gas Accounting System: Corporate Value Chain (Scope 3) Accounting and Reporting Standard (《溫室氣體核算體系：企業價值鏈(範圍三)核算與報告標準》). We prioritize the use of measured data; where measured data is unavailable, we will prioritize estimates based on activity data.

7 Location-based methods.

8 Considering data availability and accuracy, we prioritize the disclosure of Scope 3 emissions from fuel- and energy-related activities.

9 The Group's hazardous waste generated in the process of business operations mainly includes discarded toner cartridges, ink cartridges, sludge from sewage treatment station and medical waste.

10 The non-hazardous waste generated by the Group in the process of business operations mainly includes domestic waste and kitchen waste.

11 Based on the operating characteristics, the Group's waste gas mainly comes from the waste gas generated in the process of medical wastewater treatment. It is not included in the disclosure because the exhaust emissions of business cars are extremely small. During the reporting period, the statistical scope is the emission of ammonia content, and it is calculated by converting into cubic meters.

II. Green Operations and Low Carbon Development

Energy and Resource Consumption

Indicators	Unit	Data of 2025
Total energy consumption[12]	MWh	13,580.38
Energy consumption per unit area	MWh/m^2	0.23
Energy consumption per capita	MWh/person	26.07
Direct energy consumption	MWh	234.19
Gasoline consumption	MWh	216.86
Diesel consumption	MWh	17.33
Indirect energy consumption	MWh	13,346.19
Purchased electricity consumption	MWh	13,346.19
Water consumption	tonnes	45,415.01
Water consumption per unit area	tonnes/m^2	0.78
Water consumption per capita	tonnes/person	87.17
Package consumption[13]	tonnes	0.90

12 The total comprehensive energy consumption is calculated based on the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T2589-2020)《(綜合能耗計算通則》(GB/T2589-2020)), including the consumption of gasoline, diesel, and purchased electricity.

13 The Group's in-house designed equipment packaging boxes and instruction manuals.

II. Green Operations and Low Carbon Development

2.4 Climate Change Actions

The Group pays close attention to the trend of regulatory changes in climate change and identifies and analyzes potential impacts in a timely manner. We have carefully studied the latest domestic and international regulatory requirements, including the Stock Exchange's new guidelines on climate disclosure and the new Climate Standard issued by the International Sustainability Standards Board, and endeavored to incorporate the corresponding management practices and development strategies into our daily operations, development planning, risk management and other corporate operating activities. We maintain close communication with external professional consultants regarding climate-related policy developments, industry standards and market information to ensure that we were up to date with the latest developments and information. At the same time, we provided special training to the Board of Directors, the persons-in-charge of each branch and the relevant staff of the joint team on climate change to ensure timely and effective implementation of climate actions.

2.4.1 Climate Governance

The Group's Board of Directors is ultimately responsible for the overall strategy and management objectives related to climate change response. It reviews and decides on key work directions, regularly listens to updates on related work progress, and participates in climate change-related training. Based on the established strategies and objectives, the ESG working group leads relevant departments in implementing specific actions to ensure that identified significant climate change-related risks and opportunities are effectively tracked, assessed, monitored, and managed, and regularly reports to the Board. During the Reporting Period, we have begun to advance the assessment of the feasibility of linked compensation performance evaluation schemes to ESG indicators (including climate change-related considerations), with the aim of better promoting the implementation of greenhouse gas emission reduction targets and climate change response efforts.

2.4.2 Climate Resilience Analysis

The Group has conducted a comprehensive review and assessment of climate risks and opportunities related to its core operational and value chain aspects. Based on different time framework (short-term, medium-term, and long-term), it systematically analyzes the impacts of climate-related physical risks, transition risks, and potential opportunities.

Climate risk and opportunity assessment

Climate-related Physical Risks

Risk Type	Risk Description	Description of Potential Impact	Potential Financial Impact	Time Framework[14]	Responses
Acute Risk	Increased frequency and intensity of extreme weather events such as rainstorms, floods, and typhoons	Result in damage to hospital facilities (e.g., billboards, streetlights in hospital districts, etc.), interruption of power supply, etc.	Increased operating costs	Short-term, medium-term	• Formulate emergency response plans such as Emergency Response Plan for Environmental Emergencies (《突發環境事件應急預案》) and Emergency Response to Fault of Electric Transformation and Distribution Systems (《變配電系統故障應急》), Emergency Response Plan for Water Leakage in the Proton Area (《質子區跑水應急預案》), Emergency Response Plan for Water Stoppage in the Proton Area (《質子區停水應急預案》), etc. • Regularly inspect, maintain and overhaul the hardware facilities in the hospital campus, to ensure the safety and stability of the operation of the facilities. • Install a power-down alarm with uninterruptible power supply system (UPS) to ensure continuous operation of key medical equipment.
Chronic Risk	The frequent occurrence of extreme weather events leads to a change in the global precipitation pattern, with longer periods of plum rain seasons and increased humidity	Most of the Group's hospital districts are located in areas susceptible to rainy seasons, resulting in increased maintenance measures such as moisture-prevention drug storage and regular cleaning in medical care areas.	Increased operating costs	Medium-term, long-term	• Daily monitoring of pharmacy temperature and humidity data to maintain appropriate drug storage conditions. • Pharmacies are equipped with dehumidifiers to strictly control the humidity of the environment and to prevent the dampening and deterioration of drugs and medicinal materials. • Strictly control the cleanliness of hospital districts, deploy anti-slip and moisture-proof measures in advance during the rainy and snowy seasons, and clean up the water stains left by the personnel in the medical care areas in a timely manner.

14 Short-term refers to 1-5 years, medium-term refers to 5-15 years, and long-term refers to more than 15 years.

II. Green Operations and Low Carbon Development

Climate-related Transition Risks

Risk Type	Risk Description	Description of Potential Impact	Potential Financial Impact	Time Framework	Responses
Policy and Legal Risk	Climate policies and regulations and compliance requirements for information disclosure are becoming increasingly stringent	If the Group is unable to track and identify the potential impact of relevant policies and regulations in a timely manner, or fully satisfy the compliance requirements promptly.	Increased operating costs Increased financing costs	Short-term, medium-term	• Pay attention to the requirements of laws, regulations and policies in each business sites, deploy and advance related work, and respond to compliance requirements in a timely manner. • Complete disclosure in accordance with compliance requirements for information disclosure required by the stock exchange
Market Risk	As the country implements the "dual carbon" goal and actively promotes measures such as renewable energy supply, there is the possibility of fluctuations in the prices of traditional energy and renewable energy	Failing to transition to cleaner energy sources in a timely manner may lead to an increase in electricity costs.	Increased operating costs	Short-term, medium-term	• Continue to explore energy-saving practices in the operation process, improve the efficiency of energy management, and actively promote the Group's long-term development strategy of low-carbon and energy conservation.

Opportunities

Type of Opportunity	Opportunity Description	Potential Opportunity Description	Potential Financial Impact	Time Framework	Responses
Resource Efficiency	Some business sites have opened up pilot market-based electricity procurement	Through energy conservation management measures, the Group can enhance overall energy efficiency and evaluate the feasibility of participating in market-based initiatives, such as green power procurement or trading, to gradually reduce the consumption of traditional energy.	Decreased operating costs	Medium-term, long-term	• Refine the management of energy and electricity consumption, realize accurate estimation of electricity demand. Actively participate in pilot transactions[15] in the local electricity market to further enhance the efficiency of energy consumption and save electricity costs. • Continue to promote comprehensive energy-saving measures for the Group's operation opportunities and improve energy efficiency. See the subsection titled "2.2 Resource Management" for more specific energy saving measures.

The current and anticipated financial effects

During the Reporting Period, the current financial impact related to climate-related physical risks and climate-related transition risks was not significant, and there were no developments in which assets within the Group's scope of operations were lost or additional operating costs were incurred due to policy and legal compliance. In view of the expected financial impact, based on the significant climate-related risks and opportunities identified by the Group, we have not identified any situations that may cause business operations to be hindered or assets to be severely impaired in the medium to long term[16].

Resilience analysis

Based on our business operations and development plans[17], we have assessed that the identified material climate-related physical risks and climate-related transition risks have not significantly impacted our own operations or the core suppliers in our value chain. We continue to optimize and ensure the effectiveness of response measures to effectively safeguard the stability and continuity of business operations, as well as the safety of personnel and assets.

15 We have not applied carbon pricing in our decision-making.

16 We will also periodically assess the applicability of industry guidelines and disclose relevant information as appropriate.

17 Taking into account industry characteristics and the severity of climate-related risks, we have not yet used climate scenario analysis to assess climate resilience.

2.4.3 Climate Risk Management

The Group places great importance on the daily management of climate-related risk matters, proactively troubleshoots the potential impacts of significant climate-related risks, and has established regular processes for assessment, monitoring, and management to ensure the effective implementation of strategies addressing key climate risks and opportunities.

During the year, we did not identify any situations requiring adjustments to the Group's overall risk management processes due to climate-related risks.

2.4.4 Metrics and Targets

During the Reporting Period, the Group's greenhouse gas emissions primarily came from fuel consumption of official vehicles and ambulances, as well as indirect emissions from purchased electricity. We actively encourage employees to adopt green commuting and continuously implement energy-saving measures in our business operations to promote green, low-carbon emission reduction. We place high importance on the accounting of greenhouse gas emissions and will continue to enhance data collection and management capabilities. For detailed information on greenhouse gas emissions, please refer to the "2.3 Environmental Performance" subsection. For details of climate-related targets, please refer to the "2.5 Environmental Goals" subsection. Furthermore, we will adjust and formulate our green, low-carbon development plans and action targets for our own operations in a timely manner, aligning them with business planning and development. We will also actively explore and collaborate with key suppliers to implement green, low-carbon practice projects (such as new energy project construction or green power transactions).

2.5 Environmental Goals

Focusing on energy use, GHG emissions, water management and waste management, we set a series of environmental goals and continue to review progress towards achieving the goals with a view to continuously improving the Group's sustainable development performance.

Type	Target Content	2025 Target Progress	Management Measures and Implementation actions
Energy use	From 2023, 100% of the Group's replacement and new lighting facilities use energy-saving lights.	During the year, the Group achieved 100% of lighting facilities using energy-saving lights.	The hospital will regularly evaluate the energy consumption efficiency of various equipment and facilities, implement measures such as prioritizing the procurement of energy-saving equipment, strengthen daily energy conservation and consumption reduction management, and advocate for employees to adopt green and low-carbon office practices

II. Green Operations and Low Carbon Development

Type	Target Content	2025 Target Progress	Management Measures and Implementation actions
Energy use	Based on 2022, the Group's key hospitals promote energy conservation and emission reduction measures, reducing the electricity consumption per capita.	During the year, the per capita electricity consumption increased by 1%[18] compared to 2024.	Since all proton therapy equipment was put into use during the Reporting Period, the overall electricity consumption of the hospital increased by 5.3%. However, With the total number of personnel remaining relatively stable, the per capita electricity consumption rose by only 1%. The hospital will steadily advance various energy-saving and emission-reduction measures to ensure energy use efficiency.
Carbon reduction targets	By 2030, the Group reduces greenhouse gas emissions intensity per capita by 5% within its own operations	During the year, due to the full-scale implementation of proton therapy, per capita greenhouse gas emissions intensity increased by 1% compared to 2024.	Building on its steady progress in implementing various energy-saving and emissions-reduction measures, the Hospital will actively explore the feasibility of key campuses participating in market-based mechanisms such as pilot green power trading programs and procurement.
Waste reduction target	From 2023, the Group maintains 100% compliance with waste disposal.	During the year, the Group maintained 100% compliant waste disposal.	The hospital will steadily promote the collection and disposal management of various wastes, ensure that all kinds of waste are disposed of in compliance with regulations, and minimize the environmental impact of waste.
Water efficiency	By 2025, the installation rate of sensor faucets in the Group's office areas and suitable medical care areas will reach 100%.	During the year, the per capita electricity consumption increased slightly by 1% compared to the previous reporting period.	The Group has phased out ordinary faucets and expanding the scope of application of sensor faucets, and will continue to promote various water-saving measures in the future.

18 In the previous reporting period, due to a decrease in the number of full-time employees at Guangzhou Concord Cancer Hospital, the per capita electricity consumption increased slightly despite an overall decline in the Group's total electricity usage.

III. Proficient Healthcare with Ethics, Health Protection

The Group has always been upholding the mission of "fighting cancer and safeguarding the glory of life", and steadfastly implemented the service philosophy of being "patient-centered". While continuously improving the quality of medical services, we have earnestly enhanced patient well-being. We strictly protect patient privacy, actively promote the development of smart healthcare and technological innovation, and are committed to providing high-quality medical services.

In 2025, the Group's innovative research achievements and honors include:

Research Projects and Innovation Achievements	Honorary Awards
• Guangzhou Concord Cancer Hospital participated in drafting two national-level guidelines ("Clinical Practice Guidelines for Ion Beam Radiotherapy (2025 Edition) 《離子放射治療臨床實踐指南(2025版)》" and "Quality Assurance Guidelines for Proton Radiotherapy Systems (2025 Edition)《質子放射治療系統質量保證指南(2025版)》", marking the fourth time it has been selected for a national-level guideline formulation team, with a cumulative contribution of six national standard-level achievements. • A total of 37 remote consultations were completed with the Mayo Clinic in the United States throughout the year, representing an increase of approximately 2.5 times compared to the same period last year, significantly enhancing the comprehensive diagnostic capabilities for complex cases. The patients referred for consultation were primarily from gastrointestinal tumors, breast cancer, head and neck tumors, and lung cancer. • Participated in the 5th Annual Meeting of the Particle Therapy Cooperative Group – Asia Oceania (PTCOG-AO 2025), where it presented multiple research achievements including "Research on Adaptive Proton Therapy for Head and Neck Cancers", demonstrating scientific research strength in the field of particle therapy. • Hosted the academic conference "Focusing on the Cutting-edge, Conquering Nasopharyngeal Carcinoma", bringing together multidisciplinary experts and scholars to jointly explore new advances in the diagnosis and treatment of nasopharyngeal carcinoma. It also received visiting delegations including a Japanese corporate delegation and a delegation led by the governor of Phuket, Thailand. • Published a total of 17 papers in oncology and related disciplines in international journals such as SCI.	• Concord Healthcare won the "2025 China Listed Companies Yinghua Award – Hong Kong Listed Company Investor Relations Demonstration Case" Award hosted by China Fund • The proton therapy center (Oncology Radiotherapy Department) of Guangzhou Concord Cancer Hospital was selected for the recommended list of "2025 Guangdong Hospital High-Level Specialty Tour" hosted by Guangzhou Daily Group • The proton therapy center of Guangzhou Concord Cancer Hospital ranked third nationally (Top 3) in the "China Proton and Heavy Ion Centers Top 10 Ranking (2024-2025)"

III. Proficient Healthcare with Ethics, Health Protection

3.1 Medical Safety and Quality Service

With the vision of "become the most trusted anti-cancer partner for patients", The Group consistently places patient satisfaction at the core. We strictly adhere to all national laws and regulations concerning medical services and safety management. In line with clinical practice and development needs, we establish and periodically optimize internal medical quality management systems, continuously refining quality management and control processes. Through systematic and standardized management mechanisms, we are committed to providing high-quality, reliable medical services to patients with a focus on improving the quality of life.

External Laws and Regulations	Internal Policies and Systems
• Law of the People's Republic of China on the Promotion of Basic Medical and Health Care and the Promotion of Health (《中華人民共和國基本醫療衛生與健康促進法》) • Law of Doctors of the People's Republic of China (《中華人民共和國醫師法》) • Measures for Medical Quality Management (《醫療質量管理辦法》) • Drug Administration Law of the People's Republic of China (《中華人民共和國藥品管理法》) • Regulations on Supervision and Administration of Medical Devices (《醫療器械監督管理條例》 • Measures for the Configuration and Use of Large-Scale Medical Equipment (《大型醫用設備配置與使用管理辦法》) • Measures for Supervision and Management of Quality in the Use of Medical Devices (《醫療器械使用質量監督管理辦法》) • 18 Regulations on the Core System for Medical Quality and Safety (《十八項醫療質量安全核心制度》)	• First-visit Responsibility System (《首診負責制》) • Operation Safety Verification System (《手術安全核查制度》) • Quality and Safety Management System of Anesthesiology Department (《麻醉科質量與安全管理制度》) • Drug and Prescription Management System (《藥品、處方管理制度》) • Prescription Review Management System (《處方點評管理制度》) • Adverse Drug Reaction Reporting and Monitoring Management System (《藥品不良反應報告和監測管理制度》) • Emergency Response Plan for Sudden Serious Adverse Drug Events (《藥品突發嚴重群體不良事件應急預案》) • Medical Device Adverse Event Monitoring and Reporting System (《醫療器械不良事件監測報告制度》) • Reporting System for Adverse Hospital Infections (《院感不良事件上報制度》) • Working System of Hospital Quality and Safety Management Committee (《醫院質量與安全管理委員會工作制度》) • Medical Safety (Adverse) Event Reporting System (《醫療安全(不良)事件報告制度》)

III. Proficient Healthcare with Ethics, Health Protection

3.1.1 Medical Quality Management

At the group level, we have established the Hospital Management and Supervisory Committee and built a medical quality and safety management system comprising the Quality and Safety Control Committee, the Quality and Safety Management Committee, and various functional departments. The Quality and Safety Management Committee of the hospital serves as the highest decision-making body, is mainly responsible for comprehensively coordinating quality management policies, principles, and strategic planning, setting annual plans and key monitoring projects, and supervising implementation progress. The Quality and Safety Management Committee consists of professional branches of medical treatment, nursing, hospital infection control, pharmacy, clinical blood use, and medical equipment. These subcommittees are responsible for standard setting, risk assessment, and special improvement in their respective fields. Each functional department (e.g., Medical Department, Nursing Department, Pharmacy Department, Infection Control Department, Equipment Department, etc.) acts as the implementation body. Based on the hospital's overall deployment, they refine quality management priorities in their fields, carry out daily supervision, problem feedback, and promote corrective actions.

At the departmental level, each clinical and medical technology department establishes a department quality and safety management group led by the department head as the leader, the head nurse as the deputy leader, and including quality control officers and key staff members. This group is fully responsible for collecting, analyzing, and driving continuous improvement of departmental quality data. The department conduct monthly quality management activities, hold thematic meetings to review and analyze key quality indicators, develop corrective measures for identified issues, and track the effectiveness of implementation. Functional departments provide timely feedback on problems identified during monthly or quarterly inspections to the relevant departments, facilitating collaborative communication, discussions and improvement actions. Each specialized subcommittee holds work meetings quarterly (or as needed) to systematically summarize stage achievements, plan key tasks for the next cycle, and form a closed-loop quality management process that integrates top-down deployment, bottom-up feedback, and horizontal collaboration.

Drug Safety Management

The Group continuously improves its drug safety management system by formulating and strictly implementing a series of regulations, including the Drug Prescription and Management System (《藥品處方與管理制度》), Prescription Review Management System (《處方點評管理制度》), Drug Traceability System (《藥品追溯制度》), Adverse Drug Reaction Reporting and Monitoring Management System (《藥品不良反應報告和監測管理制度》) and Emergency Response Plan for Sudden Serious Adverse Drug Events (《藥品突發嚴重群體不良事件應急預案》). It constantly optimizes the entire process management, covering acceptance, storage, prescription auditing, dispensing, and release of the medicines. By advancing the mechanism for mutual exchange and sharing of drug information, the Group achieves full-chain drug traceability, significantly enhancing the transparency of drug flow and the precision of management.

III. Proficient Healthcare with Ethics, Health Protection

In 2025, the Group further implemented a hierarchical management system for antineoplastic drugs. Based on characteristics such as drug toxicity and side effects, and whether the drug is a novel therapeutic agent, antineoplastic drugs are classified into "general use grade" and "restricted use grade" for categorized control.

Drug procurement and acceptance	We strictly implement supplier qualification reviews and drug quality acceptance, standardizing the procurement process. After the arrival of drugs, we will check the product specifications, quality, compliance, quality inspection reports and other aspects, and only after they are qualified can they be put into storage. Through our Healthcare Resource Planning (HRP) system, we keep detailed records of the name, registration number, specifications, date of production, batch number, producer and other key information of each drug.
Drug storage and disposal	We store drugs in different warehouses and zones according to their characteristics. For drugs that need to be protected from light, ventilated, moisture-proof and insect-proof, we specially configure corresponding facilities to ensure that all kinds of drugs are stored in a suitable environment. We implement temperature and humidity control along with regular inventory maintenance to ensure compliant storage conditions; We regularly inspect the drugs in stock, remove the drugs that are nearing their expiration dates, and hand them over to a third-party organization with professional qualifications for centralized destruction.
Prescription audit and dispensing	We connect the pharmacy management system with the Healthcare Resource Planning (HRP) system to strengthen pre-prescription review, precise dispensing, and clinical medication guidance, thereby improving medication accuracy and safety. Pharmacists will conduct a detailed pre-audit of prescriptions written by doctors to ensure the accuracy of the prescription information, and strictly control the selection of medication, dosage, and usage of the medication based on patient information, diagnosis and medication history, so as to ensure the quality of drugs sold.
Drug safety and adverse event monitoring	We have formulated and implemented the Adverse Drug Reaction Reporting and Monitoring Management System《藥品不良反應報告和監測管理制度》, established a comprehensive adverse drug reaction monitoring and reporting mechanism, proactively and positively collected, recorded and reported adverse drug reactions in a timely manner, and at the same time, conducted in-depth analyses and scientific evaluations of the adverse drug reaction reports and monitoring information collected, with the aim of effectively minimizing and preventing the recurrence of adverse drug reaction and ensuring the safety of patients' use of medicines. We have established a routine monitoring mechanism, conducting regular data analysis on the use of antineoplastic drugs, with a focus on abnormal and excessive drug usage, to promptly identify potential risks and propose targeted improvement measures, thereby effectively ensuring the safety and rationality of clinical medication.

Continuing	
Drug recall	We have formulated and implemented the Drug Recall Management System (《藥品召回管理制度》), clarifying the recall procedures, division of responsibilities, and disposal requirements. Once drug quality issues or safety hazards are identified, the recall process is immediately initiated, and relevant clinical departments and patients are promptly notified to ensure swift removal from shelves, sealing, and proper handling of problematic drugs, minimizing potential risks. For recalled drugs, detailed records are maintained by relevant departments, and centralized destruction is entrusted to qualified third-party agencies, ensuring full-process traceability and safety control.

In 2025, the hospital experienced no incidents that required the recall of sold medications due to impacts on patient safety, and the drug quality management system operated in a stable and reliable manner.

Medical Safety Management

The Group formulates and strictly implements a series of systems, including the Major Adverse Event Reporting System of Concord Healthcare Group (《美中嘉和集團重大不良事件報告制度》), the Medical Safety (Adverse) Event Management System (《醫療安全(不良)事件管理制度》), Medical Device Adverse Event Monitoring and Reporting System (《醫療器械不良事件監測報告制度》) and Reporting System for Adverse Hospital Infections (《院感不良事件上報制度》), which clearly define medical quality (safety) adverse events and major adverse events, establish a clear reporting mechanism, and standardize the classification, level definition and reporting procedures of medical adverse events, and regulate all aspects such as on-site emergency response, storage of physical evidence and aftermath of medical accidents, so as to protect the rights and interests of patients.

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For the daily inspection of medical equipment quality, hazard identification, and preventive maintenance, we have established regular management processes and standards, which are implemented by employees in relevant positions on a regular basis.

Medical equipment quality inspection mechanism	Through regular inspections of the quality and performance of the equipment, as well as maintenance and analysis of the equipment, the Group ensures that all the equipment is in optimal operating condition. Establish comprehensive medical equipment files that fully document key information such as equipment procurement, usage, and maintenance, enabling traceability management of equipment operational status.
Medical equipment quality hazard troubleshooting mechanism	To prevent potential risks, the Equipment Management Department organizes hospital-wide medical equipment hazard inspections before holidays and prior to extreme weather events like typhoons, promptly identifying and addressing safety hazards to ensure equipment operational safety and continuity of clinical services.
Medical equipment quality preventive maintenance mechanism	To ensure the safe and stable operation of proton therapy equipment, we have established a comprehensive preventive maintenance mechanism to keep key components in optimal condition. For core modules such as the treatment bed, imaging system, rotating floor, treatment room components, and gantry, we implement monthly, quarterly, semi-annual, and annual graded maintenance plans respectively, achieving meticulous whole-system, and full-cycle management. Additionally, the maintenance team receives specialized annual training on proton system principles and operational standards to continuously enhance their professional technical capabilities.

In 2025, we also revised the Medical Safety (Adverse) Event Management System《醫療安全(不良)事件管理制度》, optimized the event management function within the Hospital Information System (HIS), and conducted special training on "Medical Safety (Adverse) Event Reporting" and "Prevention and Handling of Medical Disputes" for all hospital staff.

3.1.2 Medical Service Upgrade

The Group always adheres to the service philosophy of "patient-centered". We actively listen to patient needs, continuously optimize medical quality, efficiently address feedback, and comprehensively enhance patient satisfaction and healthcare experience.

Full-process Medical Services

The Group continues to revise and refine the Multidisciplinary Consultation Guidelines (《多學科會診指南》) to further standardize consultation processes and enhance inter-departmental collaboration. In 2025, the Group conducted a total of 104 multidisciplinary consultations (MDT), covering major tumor types including the central nervous system, head and neck, lung, and digestive system.

Through unified standards for medical service operations, the Group is committed to providing patients with full-cycle diagnostic and treatment services covering cancer diagnosis, treatment, and post-treatment health management:

- Pre-diagnosis: Provide patients with on-site and online booking channels, and support remote medical treatment through video consultation. Through initial consultation and screening, we formulate preliminary diagnosis and treatment plans for patients.

- Diagnosis: Provide multidisciplinary consultation services for difficult, complex or critically ill patients. By combining professional knowledge and clinical experience from different fields, we can provide patients with more comprehensive and precise diagnosis and treatment plans.

- Treatment: In the course of treatment, we conduct systematic assessments of patients at key points such as the day of hospitalization, during surgery, and before discharge, and dynamically monitor the patient's condition and psychological state; nutritionists and music therapists are simultaneously introduced to participate in the intervention, promoting personalized, multi-dimensional comprehensive treatment to help patients accelerate their recovery.

- Post-treatment: A post-treatment follow-up management mechanism is established, with a dedicated case manager team responsible for executing follow-ups and maintaining records for some patients to ensure service continuity, and providing extended medical services for patients in need, so as to continuously enhance the quality of medical care and the patient's sense of medical experience.

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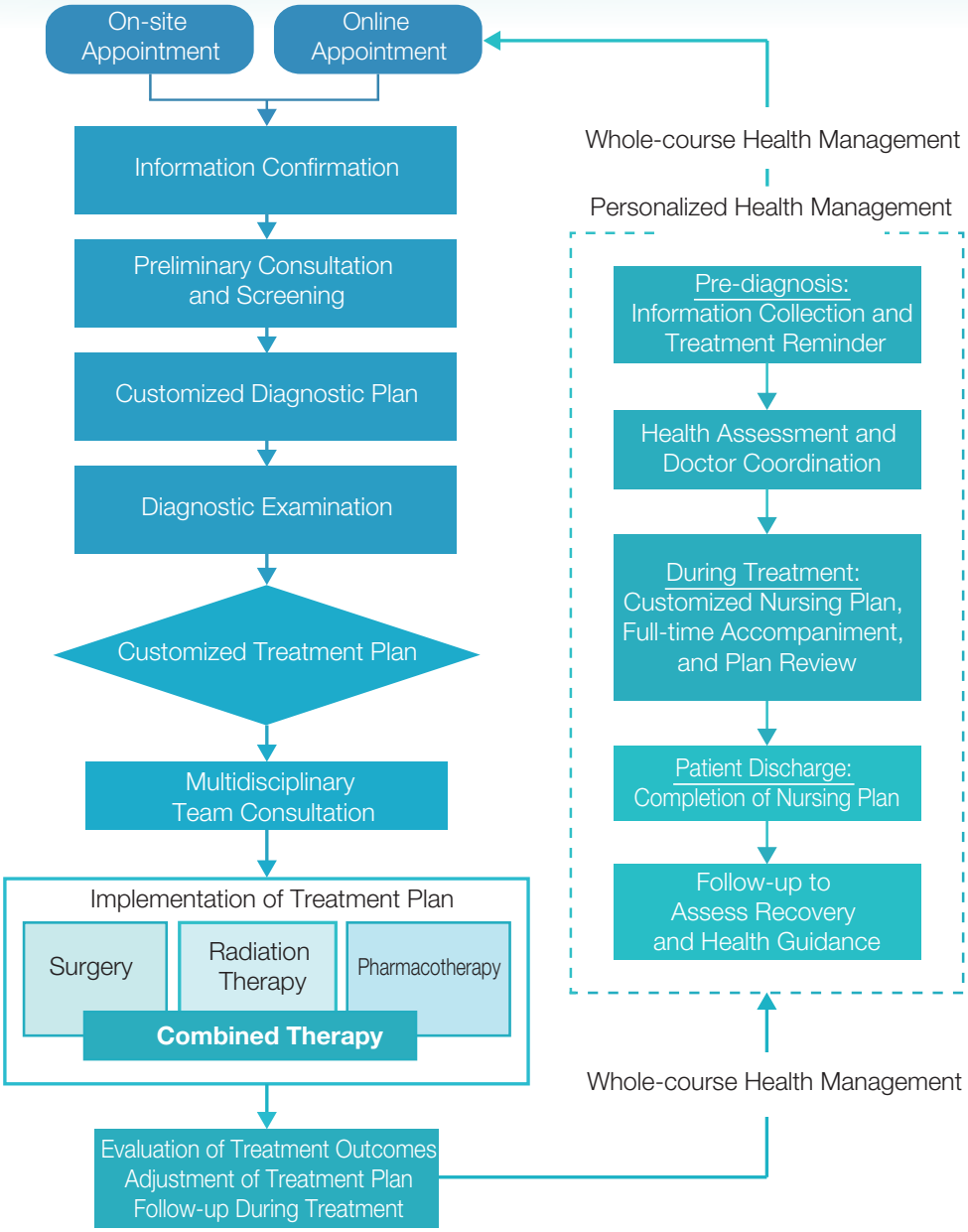

Medical Service Management Process

III. Proficient Healthcare with Ethics, Health Protection

Patient Complaints and Follow-up

The Group strictly abides by laws and regulations such as the Regulations on the Prevention and Handling of Medical Disputes (《醫療糾紛預防和處理條例》) and the Regulation on the Administration of Medical Institutions (醫療機構管理條例), formulates internal policies such as the Regulations on the Management of Medical Complaints and Disputes in Hospitals (《醫院醫療投訴糾紛管理規定》) and the Management System of Patient Complaints (《患者投訴管理制度》). We are committed to providing patients with more quality and caring medical services. Based on the principles of "timeliness, legality, reasonableness, fairness and standardization", we respond quickly to patients' needs and feedback, and continuously optimize the various aspects of the patient's healthcare process, and continuously improve patients' medical experience.

In 2025, the Group closely aligned with the current practical operational needs of the hospital, completed a new round of revisions to the Management System of Patient Complaints, and have established multiple communication channels for patients, through on-site feedback, hotlines, public questionnaires, suggestion boxes and emails, etc. Patients can share their experiences and make valuable suggestions at any time.

To comprehensively and accurately assess service quality, we have initiated a newly optimized satisfaction questionnaire, which cover evaluation of medical service quality, including medical staff service, customer service response, logistics support services, medical environment comfort, and completeness of medical facilities. In 2025, we collected a total of 1,681 valid questionnaires, gathered 96 pieces of feedback and suggestions, and promoted the implementation of 52 optimization measures, with a focus on improvements in three major areas: environmental facilities, doctor-patient communication, and service convenience (such as adjusting air conditioner temperatures, adding public seating, enhancing doctor-patient explanations, and optimizing settlement processes, etc.). The overall patient satisfaction rate reached 99.28%.

To achieve precise responses, the hospital has established a three-level classification system for patient feedback, categorized as "grievances", "complaints" and "disputes" with corresponding handling procedures developed for each level.

- For Level 1 "grievances" and Level 2 "complaints", a "First-Contact Resolution System" is implemented. The first responsible contact person handles acceptance, verification, coordination for resolution, and feedback. For complex matters requiring a clear response deadline, the case must be reported to the Patient Relations Office to ensure full traceability and guaranteed response throughout the process.

- Level 3 "disputes" are uniformly accepted, investigated, and organized for feedback by the Medical Affairs Department. All handling opinions must be communicated to the patient within the stipulated time frame. Special rectification meetings are convened as needed to conduct in-depth root cause analysis and formulate improvement measures.

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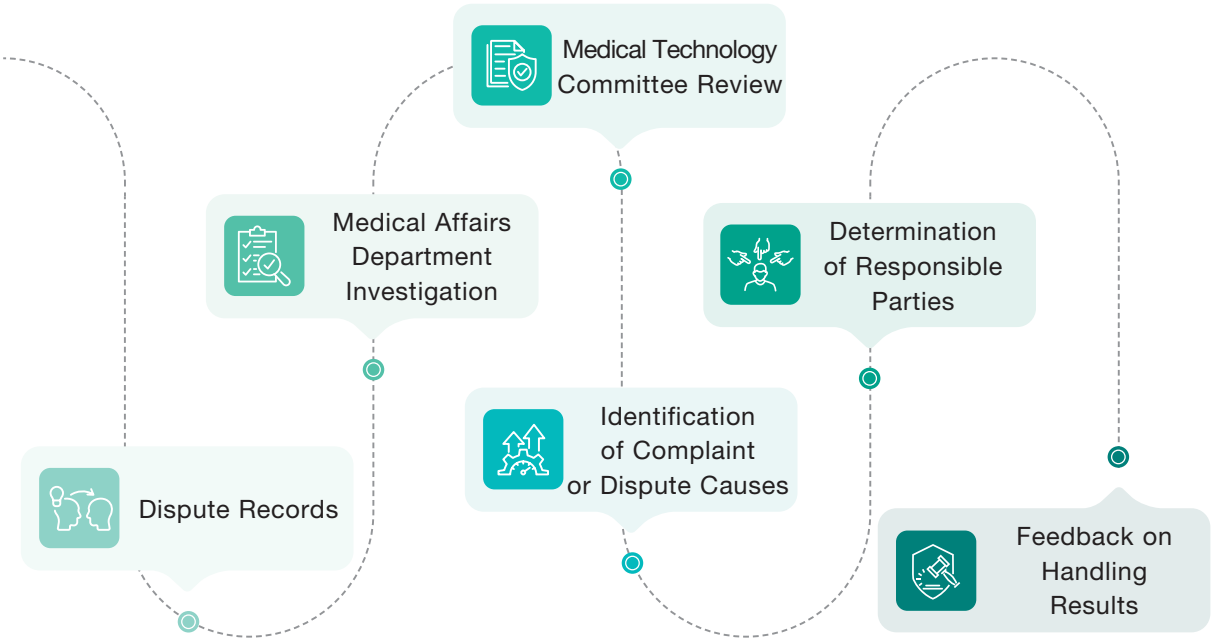
The Patient Relations Office conducts effectiveness evaluations of responsible departments within three months after the implementation of improvement measures to verify whether similar issues or repeat complaints have occurred. If problems recur, the responsible department must initiate a new Plan-Do-Check-Act (PDCA) cycle to continuously improve service quality. Furthermore, at the end of the year, the hospital organizes a summary meeting on medical quality and medical service complaint cases to systematically review all medical-related complaints for the year, promoting experience sharing and service enhancement.

In 2025, the hospital received and handled 29 instances of patient feedback and complaints, with no major medical dispute incidents.



Dispute Settlement Process

3.2 Innovative R&D and Intellectual Property Management

The Group is deeply engaged in the field of cancer diagnosis and treatment, focusing on product development and service model optimization while highly emphasizing intellectual property protection and management. We continuously stimulate internal innovation, comprehensively enhance innovation system efficiency. Through technological innovation and refined operations, we are committed to providing higher-quality and efficient medical services to patients, and actively contributing to the sustainable development of the healthcare industry.

3.2.1 Medical Technology R&D

The Group actively conducts innovative technology research and development, organizing, encouraging, and assisting medical professionals to engage in clinical research and publish their findings. Meanwhile, we collaborated with industry partners on clinical research, committed to contributing to medical research and advancement in the oncology healthcare service industry. We have established a diverse R&D team of professionals covering medical specialties, artificial intelligence, and other fields, dedicated to promoting medical technology innovation and development through interdisciplinary collaboration.

During the Reporting Period, the Group independently developed a large language model specializing in the vertical field of proton therapy and successfully deployed it at Guangzhou Concord Cancer Hospital. This large language model focuses specifically on the domain of proton radiotherapy. It has been trained and optimized by integrating nearly ten thousand high-quality radiotherapy cases, along with professional information including resources from “Proton China” and academic journal literature. This enables it to effectively empower clinical decision-making and scientific research.

3.2.2 Medical Resource Promotion

The Group continues to advance healthcare innovation, collaborating with industry partners to actively explore resource-sharing and synergy mechanisms. This ongoing effort aims to enhance the accessibility and utilization efficiency of medical services. By leveraging AI imaging diagnostics and a remote consultation network, geographical barriers are being overcome, contributing to the improvement of overall societal health levels.

During the Reporting Period, the "Medical Image Processing Software (HXK-MAICOPPET-1-001)", independently developed by the Group's AI team, officially received the Medical Device Registration Certificate of the People's Republic of China issued by the Beijing Municipal Medical Products Administration. As a core imaging technology for tumor diagnosis and treatment, PET-CT can integrate functional metabolism and anatomical structure information, aiding in the early diagnosis of minute lesions, precise staging, and treatment efficacy evaluation.

Furthermore, the Group has developed an intelligent physical examination management system based on a self-evolving multimodal agent architecture and is conducting trials with partner institutions. This architecture, grounded on a self-optimized large model, integrates core AI technologies such as computer vision, natural language processing, and knowledge graphs, enabling the multimodal processing of medical images, text reports, and structured data. The intelligent physical examination management system can provide clinical diagnostic support, automatically generate personalized physical examination reports, and output personalized health management plans based on diagnosis and treatment data, which will contribute to building a complete service loop encompassing "comprehensive diagnosis – report interpretation – health management – daily interaction".

3.2.3 Intellectual Property Management

Intellectual property rights protection is an important cornerstone for enterprises to sustain innovation. The Group strictly abides by the requirements of the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Trademark Law of the People's Republic of China (中華人民共和國商標法) and other laws and regulations and formulates and implements internal systems such as the Intellectual Property Management Measures of the Group (《集團知識產權管理辦法》) and the Patent Management System Process (《專利管理制度流程》) to systematically standardize the application, use and maintenance of intellectual property rights, continuously strengthens the full-chain management capabilities, and effectively enhances the level of intellectual property protection.

The Group has signed confidentiality agreements with all employees and established a regular supervision mechanism to strictly regulate work behaviors, ensuring that employees do not disclose any sensitive information during their duties – including patent technologies, scientific research results, patient privacy, and business secrets. Any violation of confidentiality regulations, once verified, will result in serious disciplinary action against the responsible person in accordance with laws and regulations, thereby effectively safeguarding the hospital's technological assets, patient rights, and operational compliance.

The Group engages a third-party legal adviser to provide professional legal advice and strategic guidance for intellectual property protection, and adopts a combination of measures to effectively manage its own intellectual property rights through contractual restrictions, confidentiality procedures, intellectual property registration, internal review and other means to ensure that innovative achievements are legally and effectively protected:

- Contractual restrictions: The Group clarifies the ownership and use scope of intellectual property rights with partners to avoid disputes.
- Confidentiality procedures: The Group establishes strict confidentiality procedures, and requires employees, suppliers and other stakeholders to strictly abide by them to ensure that the core technology and business secrets of the enterprise are not disclosed.
- Intellectual property registration: The Group actively applies for all kinds of intellectual property rights, including patents, trademarks, etc., to ensure our technological advantages in the field of oncology.
- Internal review: In order to avoid infringement of intellectual property rights, the Group arranges internal legal personnel to regularly identify and review infringement risks, identify potential intellectual property risks in a timely manner and carry out targeted measures.

As of the end of 2025, the headquarters of Concord Healthcare Group[19] have registered 11 patents, 65 trademarks, and 120 copyrights in China, covering business areas such as smart hospitals, patient services, and logistics refinement.

19 Concord Healthcare, Beijing Yundu, Shenzhen Aohua, Yinchuan Internet Hospital.

3.3 Privacy Protection and Information Security

The Group regards data security and patient privacy protection as an important responsibility, and strictly complies with the requirements of laws and regulations such as the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), and the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》), the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), as well as adhering to medical industry standards such as the Norms for the Management of Electronic Medical Records (Trial) (《電子病歷應用管理規範(試行)). The Group has comprehensively implemented security management systems such as the Measures for the Management of Data Security of the Group (Trial) (《集團數據安全管理辦法》(試行)), the Measures for the Management of Personal Information Protection of the Group (《集團個人信息保護管理辦法》), the Measures for Information Security Management in Group Medical Institutions (Trial)(《集團醫療機構信息安全管理辦法》(試行)), systematically standardizing the whole-process information security management from computer equipment usage, network security, data center security to account and data confidentiality. During the Reporting Period, the Group has obtained ISO27001 Information Security Management System Certification and ISO20000 IT Service Management System Certification.

External Laws and Regulations	Internal Policies and Systems
• Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》) • Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) • Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》)	• Measures for Information Security Management of the Group's Medical Institutions (《集團數據安全管理辦法》) • Measures for the Management of Information Security in the Group's Medical Institutions (《集團醫療機構信息安全管理辦法》) • Measures for the Management of Personal Information Protection of the Group (《集團個人信息保護管理辦法》) • Measures for the Management of Information System Development of the Group (《集團信息系統開發管理辦法》) • Group Data Backup Management System (《集團數據備份管理制度》) • Group Data Outbound Evaluation Management Regulations (《集團數據出境評估管理辦法》) • Group Operation Management System Process Management Measures (《集團運營管理系統流程管理辦法》) • Measures for the Operation and Management of the Group's Office Automation System (OA) (《集團辦公自動化系統(OA)運行管理辦法》) • Measures for the Management of the Group's Network Real-Name System (《集團網絡實名制管理辦法》) • Measures for the Management of the Group's Data Maintenance (《集團數據維護管理制度》) • Measures for Password Security Management of the Group's Information System (《集團信息系統密碼安全管理辦法》) • Measures for the Management of Software Genuinization of the Group (《集團軟件正版化管理辦法》) • Measures for Emergency Management of the Group's Medical Institution Information System (《集團醫療機構信息系統應急管理辦法》)

3.3.1 Management System

We have established a hierarchical and clearly responsible medical information security management structure. At the governance level, we have established the Health and Medical Data Security Committee, led by the heads of the Data and Information Technology Department and the Risk Management and Internal Control Audit Department, to comprehensively oversee the information security management of the Group. At the execution level, the Data and Information Technology Department coordinates and promotes specific tasks. The hospitals within the Group have established a Network Security and Informatization Office to work collaboratively to implement the information security management work plan of the Group, comprehensively strengthening the Group's information security management capabilities.

3.3.2 Management Measures

To ensure comprehensive protection of patient privacy, we have established multi-dimensional measures including information security audits, information system security, information flow management, and medical treatment privacy management. We continuously standardize information security and privacy protection efforts, establish sound risk prevention and control mechanisms, and advance the construction of a protection system for patient information. During the Reporting Period, there were no data or privacy breaches within the Group.

Information Security Audit

- The Group conducts regular internal audits of the information systems and information security protocols implemented across the Group and its subordinated hospitals, with a focus on evaluating the actual effectiveness and compliance of the management systems. Based on the issues identified in the audit, we formulate and implement improvement measures in a timely manner and continuously optimize the information security management processes, strengthen security control measures, and enhance the Group's medical data security risk prevention system.

- The Group conducts specialized audits of suppliers' information security protection capabilities every six months, comprehensively evaluating their security management systems, technical measures, and compliance status to ensure they continue to meet the Group's security standards and cooperation requirements.

III. Proficient Healthcare with Ethics, Health Protection

Information System Security

- The Group continuously improves system protection measures, implements internal and external network isolation, strictly controls information system access rights, and installs antivirus software on all hospital computers to effectively prevent information leakage and ensure information security. To prevent information leakage and ensure information security, the Group has implemented a series of protective measures, including isolation of internal and external networks, strict control of information system operation permissions, and deployment of anti-virus software on all terminals across the hospital. At the data usage level, for the extraction of business data required for scientific research and other purposes, the approval process for the Data Retrieval Application (《數據調取申請》) is strictly enforced to ensure compliant data use.

  During the Reporting Period, the hospital information systems of Guangzhou Concord Cancer Hospital (廣州泰和腫瘤醫院) and Shanghai Concord Medical Cancer Center (上海美中嘉和腫瘤門診部) under the Group, both passed the national information security level three certification.

Information Flow Management

- We have signed confidentiality agreements with all employees, suppliers, and partners, and continuously conduct monitoring to ensure that no sensitive information related to patent technology, research results, patient information, or trade secrets is disclosed during work. For any violations involving the disclosure of information, we take them seriously and implement necessary disciplinary actions and corrective measures.

- We have formulated and published the Measures for the Management of Personal Information Protection of the Group (《集團個人信息保護管理辦法》). Before collecting any patient information, we clearly inform them of the relevant policies and proceed with data collection only after obtaining the patient's consent. Meanwhile, patients can conveniently modify or delete their information through the group's designated service platform.

- We strictly limit access to patient records. For instance, authorization to access of each department/unit must be set only after approval through the OA workflow. The authority levels are clearly defined, and users with different authorities cannot perform operations beyond their authorized scope. If medical staff need to use patient records for work purposes, they must follow a strict application and approval process. The Group will regularly audit the authorization records. For the extraction of business data required for scientific research and other purposes, we strictly follow the Data Retrieval Application (《數據調取申請》) process to ensure compliant use of data.

III. Proficient Healthcare with Ethics, Health Protection

Diagnosis and Treatment Privacy Management

- We integrate privacy protection principles into service details, such as displaying only sequence numbers or sequence numbers plus surnames (given names hidden with "*") in outpatient queue displays; patients are guided individually by medical staff based on consultation status and queue conditions. Additionally, all paper medical record reports are delivered in sealed envelopes, while special sensitive reports (such as Hepatitis B panel) are issued and provided separately. These practices demonstrate our commitment to respecting and protecting patient privacy through concrete actions.

- We also set up necessary physical partitions in the patient examination and disposal rooms and strictly control the visiting time and access personnel in the ward, so as to protect the privacy of patients in the process of medical treatment. In addition, the Group has explicitly stipulated that no personnel are allowed to shoot or disseminate relevant image data of patients without the explicit consent of patients or their legal guardians, so as not to infringe on the privacy of patients.

Risk Prevention and Control

- The Group attaches great importance to the operation of information systems and the emergency handling of unexpected security incidents and has set up an Emergency Working Group which is responsible for unified command, resource coordination, and the organization of relevant emergency work.

- We have formulated and implemented the Measures for Emergency Management of Information System of Medical Institutions of Concord Healthcare Group (Trial) (《美中嘉和集團醫療機構信息系統應急管理辦法(試行)》), the Group Emergency Response Management Measures (《集團突發事件應急管理辦法》) and special emergency plans for network information security, which cover the fault reporting process, fault classification, response operation guidelines and other aspects, ensuring that relevant personnel can promptly and orderly respond to various emergencies by following clear operational procedures, thereby minimizing security risks and operational impacts.

Capability Building

- The Group regularly conducts special training and advocacy on personal information and privacy protection for different groups such as employees, suppliers, or clinical workers, and organizes emergency drills. The content covers various aspects, including interpretation of relevant laws and regulations, and explanations of information security management processes.

Case Information Security Special Training for All Staffs

In 2025, Guangzhou Concord Cancer Hospital organized and conducted special training on information security. Through multiple online and offline thematic seminars, real case studies, and other methods, it systematically covered content such as data security fundamentals, password evaluation, prevention of common cyberattacks, and data security and privacy protection regulations. At the same time, the Group regularly provides employees and suppliers with training and advocacy on personal information and privacy protection, covering the interpretation of laws and regulations and descriptions of information security management processes, aiming to promote the establishment of an information security protection system involving all staff. This special initiative effectively enhanced the organization's overall risk response capability and further bolstered the information security defense line.

Guangzhou Concord Cancer Hospital Special Training on Data Security and Privacy Protection in Nursing

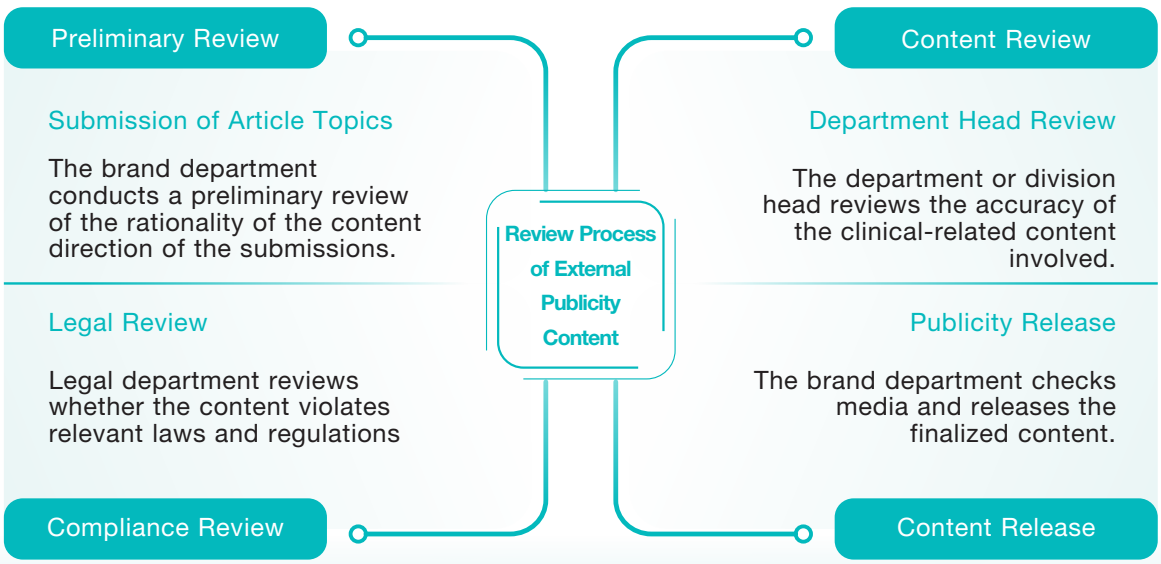
3.4 Advertisement and Labelling Management

Guangzhou Concord Cancer Hospital attaches great importance to the compliance management of advertising, strictly abides by the requirements of laws and regulations such as the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Measures for the Administration of Medical Advertisements of Guangdong Province (《廣東省醫療廣告管理辦法》) and the Measures for the Administration of Internet Advertising (《互聯網廣告管理辦法》). We have formulated and rigorously implemented internal management systems such as the Standards for the Use of VI Visual Signs in Hospitals (《醫院 VI 視覺標識使用規範》), the Standards for the Release of Media Information in Hospitals (《醫院媒體信息發布規範》), and the Standards for the Release of Self-Media Information in Hospitals (《醫院自媒體信息發布規範》), comprehensively standardizing the authenticity and legality of all externally published content.

In terms of labelling management, the Group strictly complies with the relevant national regulations such as the Provisions on the Administration of Pharmaceutical Directions and Labels (《藥品説明書和標籤管理規定》), standardizes the management of drug trademarks, packaging design and drug instructions, and clearly marks the adverse reactions that may arise from the use of drugs by a small number of patients, so as to ensure the safety of drug use by patients.

For large-scale advertising campaigns, we strictly implement the pre-approval mechanism. Before release, in accordance with the Measures for the Administration of Medical Advertisements (《醫療廣告管理辦法》), we submit the Medical Advertisement Review Application Form (《醫療廣告審查申請表》) and relevant materials to the appropriate regulatory authorities. External release is only permitted after obtaining the advertisement review and approval, ensuring all promotional activities are legally compliant.

In 2025, the hospital did not receive any complaints or administrative penalties due to advertising content.



3.5 Topic: Proton Therapy and Precision Medicine

Guangzhou Concord Proton Center focuses on upgrading its technological capabilities, delving into the precision and individualization innovations of proton therapy, iteratively optimizing adaptive treatment plans and advanced diagnosis and treatment technologies for complex tumor types, and is committed to providing more cancer patients with internationally advanced treatment options that combine efficacy and safety.

3.5.1 Diagnosis and Treatment Technology & Services

In 2025, all four proton therapy rooms at the Guangzhou Concord Proton Center have been fully operational. Equipped with the world-leading Varian ProBeam® proton therapy system, the center has cumulatively provided proton therapy services to 550 patients, treating over 40 types of tumors, primarily covering head and neck tumors, breast cancer, central nervous system tumors, thoracic tumors, gastrointestinal tumors, and other types. In all treatment plans, we employ advanced IMPT technology and image verification. We enhance the healthcare experience for oncology patients through services including whole-process accompaniment by case managers, music therapy for humanistic care, and professional support for insurance claims.

During the Reporting Period, Guangzhou Concord Cancer Hospital was officially approved as a designated medical institution[20] under the "Hong Kong and Macao Drug and Medical Device Connect" policy in the Guangdong-Hong Kong-Macao Greater Bay Area. This policy allows designated mainland medical institutions, and under strict supervision, usage of clinically urgent drugs and medical devices that are already marketed in Hong Kong and Macao but not yet registered in mainland China. Leveraging the advantages of this policy, Guangzhou Concord Cancer Hospital will apply for relevant drugs and devices through the "green channel," further enriching the supply of originator drugs and imported drugs to meet the multi-level diagnosis and treatment needs of oncology patients.

Furthermore, Guangzhou Concord Cancer Hospital has officially become a designated institution for proton therapy under the "SuiXinBao (穗新保)" insurance. Five products under this insurance series have already included proton therapy in their coverage, benefiting oncology patients.

20 Jointly released by Health Commission of Guangdong Province and Guangdong Province Medical Products Administration.

III. Proficient Healthcare with Ethics, Health Protection

Case First Prescription of Inavolisib Tablets in Guangzhou Issued at Guangzhou Concord Cancer Hospital

In March 2025, inavolisib tablets were approved for marketing in China. Their unique "dual mechanism of action" allows for a balance between efficacy and safety. In May 2025, Guangzhou Concord Cancer Hospital issued the first prescription for inavolisib tablets in Guangzhou (brand name: itovebi®) for a patient with metastatic breast cancer, meeting the patient's medication needs. In the future, Guangzhou Concord Cancer Hospital will continue to be committed to promoting the safe and effective use of drugs, establishing an efficient drug supply system, improving drug accessibility, and providing patients with more comprehensive, stable, and economical originator drugs and internationally cutting-edge innovative medicines.

Case National First Case of Proton Therapy for Choroidal Malignant Melanoma

Through multidisciplinary consultation, Guangzhou Concord Cancer Hospital developed and implemented a precise proton therapy plan for a patient diagnosed with choroidal malignant melanoma. Utilizing advanced pencil beam scanning technology and real-time image guidance, the team achieved high-dose irradiation of the tumor with sub-millimeter precision while maximally protecting critical structures such as the optic nerve and macula. During the treatment, the patient tolerated the procedure well, with no significant adverse reactions, successfully achieving the goal of "non-invasive, painless" eye preservation.

3.5.2 Scientific Research Achievements & Standards

In 2025, Guangzhou Concord Cancer Hospital participated in drafting two national-level guidelines ("Clinical Practice Guidelines for Ion Beam Radiotherapy (2025 Edition)《離子放射治療臨床實踐指南(2025 版)》" and "Quality Assurance Guidelines for Proton Radiotherapy Systems (2025 Edition)《質子放射治療系統質量保證指南(2025 版)》", marking the fourth time it has been selected for a national-level guideline formulation team, with a cumulative contribution of six national standard-level achievements.

Furthermore, Guangzhou Concord Cancer Hospital actively hosts or undertakes various international and domestic academic exchange activities within the industry, proactively sharing innovative practices and extensive experience in multidisciplinary diagnosis and treatment models and distinctive pathological diagnostics.

2025 Expert Appointments and Recognition

- Professor Qian Chaonan, dean of Guangzhou Concord Cancer Hospital, was selected for the sixth consecutive year in both the "Annual Scientific Influence" and "Lifelong Scientific Impact Influence" lists of the "World's Top 2% Scientists 2025" jointly released by Stanford University and Elsevier.
- Zhang Chengyu, General Manager of Guangzhou Concord Cancer Hospital, was elected as the vice chairman of the Expert Committee for Medical Clinical Specialty Development of the China Medical Foundation.
- Li Yang, director of Guangzhou Concord Cancer Hospital was re-elected as chairman of the Pathology Committee of the Guangdong Clinical Medical Association
- Director Zhang Yingjian was elected as the vice chairman of the first session of the Nuclear Medicine Professional Committee of the Shanghai Association for Non-government Medical Institutions; Shou Yi, deputy director of the center, was elected as a standing committee member; and Zhang Feng and Ping Zhaofu, both nuclear medicine doctors, were elected as committee members.
- Director Hu Qiaoying was elected as the vice president of the Oncology Branch of the Shanghai Association for Non-government Medical Institutions and an advisor to the Otolaryngology Oncology Committee of Zhejiang Provincial Anti-cancer Association.

3.5.3 International Exchange & Cooperation

During the Reporting Period, Mr. Somporn, the governor of Phuket, Thailand, led a delegation to Guangzhou Concord Cancer Hospital for in-depth exchanges on topics such as medical cooperation and international referrals, sharing experiences in medical technology and service standards. At the "Visit of Japanese Enterprises in Guangdong" event hosted by the People's Government of Guangdong Province and CITIC Group and undertook by the Department of Commerce of Guangdong Province, Guangzhou Concord Cancer Hospital received an inspection delegation composed of senior executives from Japanese enterprises including Mizuho Financial Group, Itochu Corporation, Mitsui & Co., and Mitsubishi Corporation, sharing the clinical applications of advanced medical technologies such as proton therapy for cancer.

IV. Empower the Company with Talents and Building the Future Together

The Group has always believed that talent is the cornerstone of sustainable corporate development. We respect and care for every employee, focusing on their long-term development. We effectively safeguard the legitimate rights and interests of employees, are committed to promoting their physical and mental health and career growth, and strive to align individual employee development with organizational strategy for mutual advancement.

4.1 Employment and Labor Management

The Group strictly abides by the requirements of laws and regulations such as the Labor Law of the People's Republic of China (《中華人民共和國勞動法》) and the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), Regulations of the State Council on the Working Hours of Employees (《國務院關於職工工作時間的規定》), Measures for Holidays on National Holidays and Commemorative Days (《全國年節及紀念日放假辦法》), constantly improves internal policies such as the Employee Handbook (《員工手冊》), the Attendance Management Measures (《考勤管理辦法》), Recruitment and Employment Management System (《招聘與錄用管理制度》) and the Promotion Management Measures (《晉升管理辦法》). Dismissal procedures are carried out in accordance with laws and regulations, strictly prohibiting any unlawful termination of labor contracts, effectively safeguarding the legitimate rights and interests of employees, and maintaining harmonious and stable labor relations.

4.1.1 Compliance Employment

In terms of employment, the Group has strictly followed the internally-formulated Recruitment, Employment and Probation Management Measures of the Group (《集團招聘錄用及試用期管理辦法》) to carry out recruitment activities, adhering to the principles of "openness, fairness, equal opportunity, and merit-based selection" (公開公平、機會均等、擇優錄取). It has established a standardized recruitment process covering four key steps: recruitment plan formulation, information release, personnel selection, and personnel employment. Through process control, it ensures the transparency and fairness of the selection and employment, enhances the quality of talent introduction, and guarantees equal employment rights.

In terms of labor and employment management, we strictly comply with laws and regulations including the Labor Law of the People's Republic of China, Regulations of the State Council on the Working Hours of Employees, and the Measures for Holidays on National Holidays and Commemorative Days. We have formulated the Attendance Management Measures and the Implementation Rules for Hospital Attendance Management to standardize employees' working hours. For employees who genuinely require overtime work, we have established the Compensation Management Methods for Night Shifts and Special Working Hours, ensuring that overtime fee is paid or compensatory leave is arranged in accordance with the law. This effectively safeguards the right to rest and remuneration rights, and eliminates any form of forced labor.

We strictly adhere to relevant laws and regulations such as the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》) and the Provisions on the Prohibition of Using Child Labor (《禁止使用童工規定》), and formulate the Policy and Remedial Measures Procedure for the Prohibition of Hiring Child Labor (《禁止招聘童工政策及補救措施程序》) to resolutely eliminate child employment. During the recruitment process, we conduct rigorous age verification of applicants. In cases of inadvertent hiring of underage workers, we will immediately execute legally mandated remedial measures, continuously enhance compliant employment management systems, and prevent regulatory violations.

During the Reporting Period, there were no incidents of employing child labor or forced labor within the Group.

To further optimize the allocation of human resources in the hospital and facilitate employees' career development paths, we have formulated the Internal Staff Transfer Policy and implemented the Implementation Rules for Internal Staff Transfer. This creates favorable development opportunities and equal job mobility for internal employees, effectively stimulating organizational vitality and unleashing talent potential.

4.1.2 Equality and Inclusiveness

The Group is committed to fostering an equal and diverse workplace, resolutely opposing discrimination based on gender, age, region, religion, or educational background. The Group maintains a "zero-tolerance" stance towards harassment and discriminatory behaviors, strictly prohibiting any form of unfair treatment. We have established transparent feedback and complaint mechanisms to ensure prompt and impartial resolution of relevant issues, thereby effectively safeguarding every employee's dignity and legal rights, and maintaining a healthy and safe workplace atmosphere.

We have established a comprehensive employee rights and interests' protection system to protect the legitimate rights and interests of our employees in terms of recruitment and termination of employment, compensation and promotion, health and safety, and welfare and development. We respect employees' rights to equal consultation with the Group, having signed an agreement with each employee regarding labor remuneration and working hours. Regular policy briefings ensure full employee awareness and endorsement of agreement contents, protecting their rights to information and oversight.

We place high importance on employees' opinions and suggestions, continuously improving our employee communication mechanisms and striving to foster an open and transparent organizational atmosphere. Through channels such as the online office platform, offline hospital dean's mailbox, chairman's mailbox, executive open-door sessions, and regular communication meetings, we extensively gather employee feedback and suggestions, ensuring that employees from various positions and levels can conveniently express their views. In 2025, the Group launched the official WeCom bulletin board as a communication platform for announcing important matters and receiving immediate feedback, enabling faster information dissemination and more efficient responses.

4.1.3 Compensation and Promotion

In accordance with internal systems such as the Group Compensation Management Measures, the Group Performance Management Measures, and the Employee Reward and Punishment Policy, the Group implements the principle of distribution according to performance, ensuring that compensation levels maintain both internal fairness and external competitiveness.

In terms of compensation management, we regularly conduct comprehensive assessments for employees across different professions and levels, covering aspects such as professional skills, changes in highest educational attainment, job performance, work potential, and work attitude. Based on the assessment results, corresponding adjustments are made to compensation to achieve a comprehensive match between the individual, the position, and the salary. Simultaneously, the Group regularly conducts compensation assessments for its affiliated medical institutions by considering industry compensation levels and market trends, continuously optimizing the compensation framework to ensure the scientific nature and timeliness of the compensation system.

For employee promotion, we developed the Group Promotion Management Regulations (《集團晉升管理辦法》), creating a dual-track promotion mechanism encompassing "management track" and "professional track" to ensure every employee has equal opportunities for promotion. We holistically evaluate factors such as professional competence, years of service, performance outcomes, and work potential to provide timely and reasonable promotion opportunities for qualified employees. In 2025, we further refined promotion management by categorizing roles into medical tracks (management, physicians, nursing, medical technical staffs) and non-medical tracks. Distinct position levels and grades were established for each track, along with clear promotion criteria and evaluation regulations, fostering a fair, equitable, and transparent competitive mechanism.

4.1.4 Employee Caring

Aiming to "improve the welfare system and safeguard employee well-being", the Group is committed to building a comprehensive benefits mechanism that covers health security, family support, and career development for employees, based on the implementation of fundamental rights such as statutory social insurances and housing fund and legal holidays in accordance with the law. In addition to uniformly purchasing supplementary medical insurance (including million-yuan medical insurance, critical illness insurance, and accident insurance for all staff, which also covers outpatient expense reimbursement for employees' children (with no limit on the number of children)), we provide all employees with an annual comprehensive health checkup service to strengthen the defense line for occupational health.

Case "International Nurses' Day" Themed Event

In 2025, we organized the "International Nurses' Day" themed event to extend holiday greetings to all nursing professionals, further enhance the humanistic care for nursing staff, commend outstanding nursing personnel, and strengthen the humanistic respect and value recognition for frontline nursing teams.

"International Nurses' Day" Event

Case Outstanding Employees' External Visits and Learning Sharing Activities

During the year, we organized colleagues who were selected as Annual Outstanding Employees to visit and exchange at Hong Kong Sanatorium & Hospital and The Chinese University of Hong Kong's affiliated hospital. This allowed them to gain an in-depth understanding of the operational models and service standards of high-level medical institutions. Upon returning to work, we held a special sharing session to pass on the insights and learning to more colleagues. This initiative fostered a learning atmosphere of "benchmarking against advanced practices and continuously improving" across the entire hospital, contributing to the sustainable development of the hospital.

Group Photo from Visit to Hong Kong Sanatorium & Hospital

Employment KPIs[21]

Category of indicator	Secondary classification	Name of indicator	Unit	Data of 2025
Total number of employees	Total number of employees		Person	548
	By employment type	Full-time employees	Person	500
		Total number of interns, labor dispatch and part-time employees	Person	48
	Full-time employees by gender	Male employees	Person	181
		Female employees	Person	319
	Full-time employees by age	Aged below 30	Person	99
		Aged 30 to 50 (exclusive)	Person	365
		Aged over 50 (inclusive)	Person	36
	Full-Time employees by region	Employees in Chinese mainland	Person	497
		Employees in Hong Kong, Macao and Taiwan	Person	0
		Employees from other countries and regions	Person	3
Employee turnover rate[22]	Total employee turnover rate		%	21.3%
	By gender	Male employees	%	24.6%
		Female employees	%	19.2%
	By age	Aged below 30	%	28.3%
		Aged 30 to 50 (exclusive)	%	18.9%
		Aged over 50 (inclusive)	%	23.4%
	By region	Employees in Chinese mainland	%	20.4%
		Employees in Hong Kong, Macao and Taiwan	%	100.0%
		Employees from other countries and regions	%	0%

21 The total number of employees and the turnover rate of employees by gender, age and region set out in the table below include only full-time employees, and do not include part-time employees, interns, retired rehires and other types of employees.

22 The calculation method for the employee turnover rate is as follows: Employee turnover rate = Total number of employee departures during the year/(Total Number of employees at the end of the reporting period + Total number of employee turnover during the year).

4.2 Occupational Health and Safety

Concord Healthcare attaches great importance to occupational health and safety management of employees, strictly complies with laws and regulations such as the Law of the People's Republic of China on Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), the Measures for the Management of Hospital Infections (《醫院感染管理辦法》), the Requirements for Radiological Protection Standards for Clinical nuclear medicine (《核醫學放射防護要求》), and the Specifications for Personal Monitoring of Occupational External Exposure (《職業性外照射個人監測規範》), formulates and implements the Personal Dose and Occupational Health Management System for Radiation Workers (《輻射工作人員個人劑量及職業健康管理制度》), and continuously improves the employee health and safety management system.

We consistently conduct regular safety training and related drills to enhance employees' safety awareness and emergency handling capabilities and carry out meticulous inspection and maintenance of radioactive equipment to ensure safe and reliable operation, thereby maintaining a safe working environment. We strictly implement the occupational health surveillance mechanism by organizing comprehensive health examinations for all employees annually, covering basic physical examinations, infectious disease screenings, and detection of indicators related to occupational exposure. For medical staff who are consistently exposed to radiation, the Group specifically supplements radiation dose monitoring programs for them and provides dedicated leave time to reduce cumulative occupational risks.

4.2.1 Health and Safety Management

We are committed to comprehensively safeguarding the occupational health and safety of our employees, have established a comprehensive, multi-level occupational health and safety protection system. Through conducting occupational health examinations and workplace safety inspections, we provide employees with specific health and safety management measures, including insurance benefits, exclusive leave, and occupational disease prevention.

Occupational Health Check	• Organize annual regular health examinations for all employees, covering basic physical check-ups, infectious disease screening, and occupational exposure-related indicators testing. • For employees engaged in radiological medical work, we strictly implement the pre-employment, on-the-job, and post-employment occupational health examination requirements, and comprehensively evaluate their health status based on the examination results to determine their suitability for the corresponding positions. In 2025, all radiation staff at Guangzhou Concord Cancer Hospital completed occupational health checks, and the validity period of occupational health checks for all existing radiation staff has not exceeded two years.

Continuing	
Premises Safety Inspection	• Take strict management measures for radioactive equipment, requiring all new radioactive diagnosis and treatment projects to carry out pre-assessment of occupational hazards radiation protection and assessment of occupational hazards radiation protection control effect. • For core modules of proton therapy equipment such as the treatment bed, imaging system, rotating floor, treatment room components, and gantry, we implement a tiered maintenance plan on a monthly, quarterly, semi-annual, and annual basis respectively, achieving refined management of the entire system and full lifecycle. • Regularly invite qualified third-party organizations to conduct performance testing and site protection testing for all radiological diagnosis and treatment equipment, and to verify and calibrate the fixed-site radiation monitoring systems, personal dose alarm devices, and radiation monitoring instruments to further ensure the safety of the radiation workers and the premises involved.
Insurance Benefits	• Purchase supplementary medical insurance for all employees, including million-yuan medical insurance, critical illness insurance, and accidental injury insurance, covering outpatient expense reimbursement for employees' children (with no limit on the number of children), and provide high-end commercial medical insurance specifically for management and core talent. • Open individual insurance channels for employees, supporting personalized supplementary insurance purchases based on their needs.
Exclusive Leave	• In accordance with local laws and regulations, exclusive leave is provided for radiological positions in special occupations such as surgery and radiology. Employees engaged in radiological work enjoy 5 days of radiological leave annually.
Occupational Disease Protection	• Conduct regular personal dose[23] monitoring for all radiation workers and establish personal dose records. In daily operation, we strictly require relevant radiation staff to use protective equipment such as lead clothes, lead hats, lead aprons, lead gloves, and lead glasses as stipulated.

23 Personal dose: this refers to the personal dose equivalent and is an important indicator of radiation safety and protection.

4.2.2 Safety Training Assessment

For radiation staff, we require them to complete radiation safety-related training before starting their duties and conduct special training and assessments for new employees. Meanwhile, we actively participate in radiation safety and protection assessments and relevant training activities organized by national and local ecological environment departments and health administrative departments, continuously enhancing the cognitive level and professional capabilities of radiation staff in radiation safety and protection. In addition, we conduct mandatory special safety training programmes for radiation and implement strict assessment criteria to minimize the risk of safety accidents caused by improper operations. To effectively enhance employees' health and safety awareness and emergency response capabilities, the Group require all hospitals under the Group to regularly conduct various safety drills and strengthen the promotion of safety awareness.

Key Performance Indicators Related to Work-Related Injuries and Fatalities

Name of indicator	Unit	2025	2024	2023
Number of work-related fatalities	person	0	0	0
Work-related fatalities rate[24]	%	0	0	0

In 2025, the number of working days lost due to work injury was 121 days[25].

24 Work-related fatalities rate = number of work-related fatalities/total number of employees * 100%.

25 Took a leave of half a year due to a traffic accident on the way to work.

4.3 Employee Development and Training

The Group is committed to providing employees with comprehensive and diversified training support, focusing on both job performance and career development needs, strengthening employee capability building, and through a combination of regular training with specialized projects, facilitating the synergistic achievement of talent cultivation and organizational development goals.

4.3.1 Training Management System

The Group attaches great importance to the development and enhancement of employees' professional skills, and has formulated systems such as the Talent Development Management Measures (《人才培養管理辦法》), the Employee Education, Training and Further Study Management System (《員工教育培訓及進修管理制度》), the Training Credit System Management Measures (《培訓學分制管理辦法》) and the Physician Education, Training and Further Study Management System (《醫師教育培訓和進修管理制度》), which standardize training processes and provide employees with a comprehensive learning platform.

In 2025, the hospital organized new employee training, hospital-level training, department-level training, and external training, covering various clinical and non-clinical positions. It also established a differentiated course system based on employees' functional types and levels, effectively meeting the capacity-building needs of different groups.

Employee Category	Course Category	Training Content
Clinical staff (doctors, nurses, technicians, pharmacists, medical physicists)	Professional skills training courses	Specialized knowledge, clinical public courses
	General management knowledge	Management knowledge, professional spirit, psychological health, etc.
Non-clinical staff	General management knowledge	Management knowledge, professional spirit, psychological health, etc.

4.3.2 Regular Training Mechanism

In 2025, the Group continued to advance the construction of a regular training system covering all positions, encompassing multiple dimensions such as new employees, management, customer service personnel, and organizational culture development. Through systematic programme design and diversified implementation methods, we have established an employee growth path that equally emphasizes general competencies and job-specific capabilities, supporting employees' career development.

For new employees, we conduct training using a combination of online and offline formats. Online training focuses on explaining hospital rules and regulations, ensuring the early cultivation of compliance awareness; offline training concentrates on the dissemination of corporate culture, shaping brand recognition, and fostering interaction and exchange between new and existing staff.

New Employee Onboarding Training Site

IV. Empower the Company with Talents and Building the Future Together

For management, the Group conducts training to enhance exceptional leadership and strategic thinking, covering topics such as efficient team management, employee motivation, conflict resolution, and task allocation techniques. This aims to help build a management team that possesses both vision and execution capabilities.

For existing employees, we emphasize the combination of skills training and comprehensive quality improvement, focusing on the all-round growth and specialized empowerment of all staff, while also paying attention to the balance between their physical and mental health.

Special Training Programmes	Training Content
"Coaching-Style Parenting" themed salon training camp and parent-child workshop	To enhance employee well-being and alleviate the pressure of balancing between work and family, we launched a one-month specialized workshop on parent-child relationships. The workshop consisted of four sessions, each lasting 2.5 hours. It covered parent-child communication skills, fostering a positive family atmosphere, and designing interactive games, adopting a "theoretical explanation + hands-on practice" model to help employees master scientific parenting methods. After the training, employees reported significant improvements in parent-child communication skills, a stronger sense of family belonging, and further enhanced team cohesion.
Rationalization suggestions and creative workshop for proton therapy promotion	We launched an integrated empowerment project of "training empowerment + practical implementation" in response to the business expansion needs of proton therapy. Through two special training sessions and three rounds of practical application, the workshop systematically interpreted industry policies, analyzed technological advantages, and guided core staff to design promotion plans and put forward reasonable suggestions. During the activities, we collected multiple high-quality suggestions, providing idea support and solution reserves for business promotion.

IV. Empower the Company with Talents and Building the Future Together

For customer service personnel, we organized a total of 50 training sessions across various categories, accumulating 50 hours of training. The content covered multiple areas including service standards, communication skills, and professional proton knowledge.

Training Objectives	Special Training Programmes	Training Content
Service standards	Special Training on Patient Complaint Handling and Demand Response	We promoted the standardized "Five-Step Complaint Handling Method" (Listen-Empathize-Apologize-Resolve-Follow Up) and conducted practical drills of the "Rapid Referral and Tracking Mechanism for Patient Needs", involving all customer service staff along with key personnel from the pharmacy and medical technology position to achieve cross-departmental collaborative response. After training, the first-time complaint resolution rate improved, and the average response time for non-medical requests significantly shortened.
Communication skills	In-Depth Empowerment Training on Medical Humanistic Care	We invited a music therapist to lead a session on psychological support techniques for oncology patients, covering empathic communication and emotional soothing. Through scenario-based simulations, etiquette for communicating with elderly patients was practiced to enhance active listening and nonverbal communication skills. This program covered all customer service staff and effectively improved emotional support levels in service delivery. Follow-up surveys showed an increase in positive feedback regarding "humane care".
Professional proton knowledge	Professional Knowledge Empowerment Training	In collaboration with clinical experts from radiotherapy department, we conducted specialized knowledge training on proton therapy. Content included common disease treatment processes, basics of radiotherapy and chemotherapy, and interpretation of medical insurance policies, totaling 38 sessions. By combining internal trainer lectures with cross-departmental training and supplemented by assessment mechanisms, the post-training basic knowledge assessment pass rate reached 100%. The proportion of patients who gave feedback that the information provided by the customer service was "accurate and effective" increased significantly.

4.3.3 Medical Staff Training

The Group is committed to building a high-quality medical team by formulating the Physician Education, Training and Further Study Management System (《醫師教育培訓和進修管理制度》) and offering a wide range of internal training courses for medical staff. These courses cover various topics, including basic medical skills education, education on new developments in oncology, medication safety, patient care and communication skills education, safety and protection education, and professional quality education for medical staff. In terms of the rational use of medicine, we have established a comprehensive training system and conducted application trainings targeting key medicine such as antibiotics, narcotic and psychotropic drugs, glucocorticoids, antineoplastic drugs, biological products, and blood products. Centered on the demands of clinical practice and the forefront of disciplinary development, we systematically carry out targeted and highly practical professional training programmes, with a focus on key areas such as emergency response capabilities, high-risk procedures, critical and severe illness treatment, diagnosis and treatment of special populations, and medication safety management.

During the Reporting Period, we delivered training to a cumulative total of over 6,000 participants, amounting to nearly 9,000 total training hours. For medical staff (covering both clinical and non-clinical positions), we continued to conduct safety training and assessments for all staff, with a focus on strengthening medical safety awareness and emergency response capabilities. Specific initiatives included:

- **Normalization of BLS training**: we organized 17 sessions of Basic Life Support (BLS) training throughout the year, covering 165 participants, significantly enhancing the basic emergency resuscitation skills of frontline medical staff;

- **Refinement of training on three major puncture skills**: we conducted 4 hands-on training sessions on thoracentesis, lumbar puncture, and paracentesis, with a total of 40 participants, focusing on improving the standardization and safety of these procedures for junior physicians;

- **Systematization of critical and severe illness theory training**: we conducted 18 thematic training sessions centered on six core topics, including shock, respiratory failure, and cardiac arrest, involving a cumulative 108 participants, to reinforce multi-disciplinary collaborative treatment awareness.

- **Practical emergency drills**: we organized 3 comprehensive emergency drills for critical and severe illnesses, covering medical oncology, surgery and radiotherapy departments, etc.; also conducted, for the first time, 3 specific cardiac arrest emergency drills for pediatric patients, involving the proton therapy clinic, imaging department, and radiotherapy department wards, effectively enhancing rapid response capabilities for special populations.

Case Pharmacist Professional Skills Enhancement Training

To ensure pharmacists can effectively fulfill their job responsibilities, we have established systems such as Clinical Rational Use of Common Antibacterial Drugs, Management and Use of Common Emergency Drugs of the Hospital, and Monitoring and Reporting of Adverse Drug Reactions, all aimed at continuously improving the quality of pharmaceutical care. Through institutionalized development, we comprehensively support pharmacists in leveraging their professional role in rational drug use, patient safety, and clinical collaboration. Specific measures include:

- Strictly implementing prescription review and dispensing management to ensure medication accuracy;
- Promoting the implementation of clinical pharmacy services, with pharmacists actively participating in clinical rounds, consultations, and discussions on complex cases, as well as conducting prescription evaluations and pharmaceutical consultation services to tangibly improve patient medication adherence;
- Establishing drug quality monitoring mechanisms and enforcing adverse reaction reporting systems.

Additionally, we have strengthened pharmacists' continuing education and training management to systematically enhance their knowledge reserves and professional competencies.

Case Enhancement of Specialized Nursing Training

In 2025, we arranged for employees in batches to attend specialized nursing training programs at public tertiary Grade A hospitals, covering pediatrics, breast surgery, critical care medicine, operating rooms and other key fields. By cultivating key talents and introducing advanced technologies, management concepts, and industry standards, we achieved a value loop from "individual growth" to "departmental strengthening" and ultimately to "hospital development".

During the year, we organized a total of 6 specialized nursing training programs, covering multiple critical clinical fields including pediatric oncology, radiotherapy, and critical care medicine. A total of cumulative 7 person-times participated in the training, with an average off-duty training duration of approximately 2.5 months.

Group Photo of Breast Specialist Nurse Training

Training-related Key Performance Indicators[26]

Type of Indicator	Sub-classification	Name of indicator	Unit	2025 Data
Percentage of employees trained	Percentage of employees trained		%	86%
	By gender	Male	%	34%
		Female	%	66%
	By type	Senior management	%	8%
		General staff	%	92%
Average employee training hours	Average employee training hours		hours	22.7
	By gender	Male	hours	19.0
		Female	hours	24.5
	By type	Senior management	hours	16.5
		General staff	hours	22.8

26 The data related to trained employees are all full-time employees and do not include part-time employees, interns, retired rehires and other types of employees.

V. Responsible Procurement, Quality Assurance

Concord Healthcare strictly regulates and continuously improves its supply chain management system, advancing responsible procurement practices to achieve efficient and scientific supplier selection and control. We strictly comply with the Drug Administration Law of the People's Republic of China (《中華人民共和國藥品管理法》), the Standards for the Good Supply Practice for Pharmaceutical Products (《藥品經營品質管理規範》), the Regulations on the Supervision and Administration of Medical Devices (《醫療器械監督管理條例》), the Regulations on the Administration of Anesthetic and Psychotropic Drugs (《麻醉藥品和精神藥品管理條例》), the Regulations on the Administration of Precursor Chemicals (《易制毒化學品管理條例》) and other laws and regulations, and have formulated and continuously improved internal regulations such as the Supplier Management System (《供應商管理制度》), the Drugs Procurement Management System (《藥品採購管理制度》), and the Bidding and Tendering Management Measures (《招投標管理辦法》) applicable to all suppliers to implement strict controls on aspects such as onboarding, evaluation and assessment in the supply chain management process to standardize supplier behavior, so as to ensure that management processes are compliant and orderly.

The Group has established a comprehensive supplier evaluation and management system, maintaining a list of qualified suppliers. At various stages of project and contract execution, we conduct regular verification and dynamic assessments of suppliers' product quality, pricing rate, service capabilities, and staffing. We strictly record supplier cooperation information, including materials related to good supply practice for pharmaceutical products, business licenses, annual sales agreements, quality assurance agreements, integrity agreements, and other relevant documents, ensuring transparency and compliance throughout the cooperation process.

During the Reporting Period, we completed the onboarding process for all new suppliers strictly in accordance with the corresponding standards and procedures, and signed agreements such as the Procurement Contract for Consumables or Basic Materials (《耗材或基本物資的採購合同》), Quality Assurance Agreement (《品質保證協議》) and Integrity Agreement (《廉潔協議書》), collectively building a fair, efficient, and transparent supply chain system. Regarding the procurement of medical consumables, a total of 26 Quality Assurance Agreements (《品質保證協議》) were signed this year, covering 26 suppliers, which achieved full coverage of quality responsibility for key categories of suppliers, effectively ensuring the safety and reliability of medical product supply.

We have established a dynamic supervision and management mechanism. Supplier qualifications are reviewed periodically every six months to one year, with timely updates to certificate validity and the removal of non-compliant entities. Unannounced inspections are conducted, involving random checks of suppliers' warehouse conditions and transportation processes to verify the consistency between their actual operations and declared information. A blacklist system is implemented: suppliers found to have non-conformity issues, such as providing counterfeit or substandard drugs, or causing drug expiration due to delivery delays, are immediately terminated from cooperation, added to the blacklist, and reported to regulatory authorities as required.

V. Responsible Procurement, Quality Assurance

Supplier Selection	In the supplier selection and evaluation process, the Group thoroughly examines the ESG risks faced by potential suppliers. It comprehensively considers multiple dimensions, such as their product quality, price competitiveness, delivery timeliness, supply capacity, after-sales service quality, and corporate reputation. The Group also incorporates the supplier's social responsibility performance into the evaluation system, ensuring that the selected partners not only possess reliable business capabilities but also demonstrate commitment in the area of social responsibility. For suppliers shortlisted in the preliminary screening, we conduct thorough on-site inspections, verify the authenticity of their qualification documents, and invite industry experts to form an evaluation panel to carry out rigorous and meticulous bidding evaluation, ensuring that the supplier onboarding process is standardized, fair, and traceable. • In the selection of pharmaceutical suppliers, using the Guangzhou Concord Cancer Hospital as an example, we select mainstream suppliers from the list of suppliers on the Guangzhou Pharmaceutical Group Procurement Platform and evaluate their cooperative value based on product quality, supply price, delivery time, supply capability, pre-sales and after-sales service, and reputation. • In the selection of consumable suppliers, we prioritize high-quality manufacturers with scale and market share, review the production and operational qualifications of each supply chain link, and strictly enforce the management system for the entry and exit of consumables to ensure controllable quality. Through stringent quality audits, qualification reviews, and testing mechanisms, the Group has effectively enhanced the overall quality level of supplier management, thereby reliably ensuring product safety and reliability.
Tiered Management During the Cooperation Period	During the year, based on whether they directly engage in transactions with the Group, the Group categorizes suppliers into Tier 1 and Tier 2 suppliers and implements a differentiated quality management mechanism. • For Tier 1 suppliers, the Group implements a strict quality audit mechanism. Regular on-site audits are conducted by the Company's internal professional team or commissioned third-party agencies, covering key aspects such as production processes, quality management systems, raw material procurement, and finished product inspection. For suppliers involved in medical device operations, we focus on verifying whether they hold valid relevant qualifications such as medical device operation licenses, product registration certificates, etc., and check the authenticity of their filing information to ensure that their products and services not only meet the Group's high standards but also comply with national laws and regulations. • For Tier 2 suppliers, we conduct regular or irregular audits of their key production processes, quality management systems, and medical device-related qualifications to ensure they meet the Group's requirements regarding quality and compliance. For suppliers who have performed excellently during the cooperation period, we analyze the supplier's cooperation potential based on the Group's long-term procurement demands and the supplier's long-term contract performance capability and consider upgrading the supplier cooperation level as appropriate.

Continuing	
Quality Supervision During the Cooperation Period	In terms of raw material management, the Group places high importance on source control and quality assurance. Whether sourced from Tier 1 or Tier 2 suppliers, all critical raw materials must undergo regular quality testing by internal technical teams or third-party inspection agencies. The scope of testing covers core indicators such as physical properties, chemical composition, and durability. For raw materials used in medical devices, we simultaneously verify their qualification documents and registration/filing information to ensure full-chain traceability and compliance control throughout the entire process. Regarding consumables selection, we strictly implement an inbound and outbound management system for consumables to ensure clarity and control in the circulation process. We have established a rapid response mechanism for quality issues, requiring relevant departments to promptly report adverse events upon discovery. Based on clinical feedback and quality assessment results, we dynamically optimize supply sources, thereby ensuring the safety and reliability of continuously supplied medical materials.
Periodic Assessment During the Cooperation Period	The Group incorporates safety, environmental protection, and commercial reputation into the evaluation criteria for suppliers. When there is no significant difference in product quality, we prioritize suppliers that are more environmentally friendly. At the same time, the Group encourages suppliers to increase the proportion of environmentally friendly products, promote the use of recyclable and biodegradable packaging materials, continuously advance green procurement practices, and strive to build a sustainable supply chain system.
Capability Building During the Cooperation Period	During the year, the Group implemented a series of efficient and comprehensive training programs for all suppliers, conducted at least quarterly. These programs cover key areas, including environmental protection advocacy, occupational health and safety, labor management, and anti-corruption. The initiatives are dedicated to enhancing supplier awareness in environmental protection, safety production, labor rights protection, and integrity in business practices, while also encouraging them to take proactive measures in actual operations, such as adopting green technologies, strengthening safety management, optimizing labor management mechanisms, and improving anti-corruption capabilities. Through a blended approach of online and offline training, we strive to ensure suppliers have a thorough understanding of national policies and regulations, industry standards, and best practices. This lays a solid foundation for building a more sustainable, healthy, and transparent supply chain system.
Exit Mechanism	During the supplier cooperation period, once a quality issue is identified, we immediately report the adverse event, ensure supervision and feedback, and adjust suppliers promptly according to clinical usage and other requirements. If unauthorized promotion and sales directly to departments, acceptance of bribes, illegal access to or demand for product information, forgery of qualification documents, and other improper competitive behaviors are discovered, the Group will immediately terminate the cooperation relationship with relevant suppliers and blacklist such supplier for removal.

V. Responsible Procurement, Quality Assurance

Key Performance Indicators Related to Suppliers

Name of indicator	Unit	Data of 2025
Total number of suppliers	/	439
Number of suppliers within China	/	439
Number of overseas suppliers	/	0

VI. Charity Unites Us, Harmony Advances Us

Concord Healthcare actively practices corporate social responsibility and engages in social welfare initiatives. We focus on community development and needs, and through our charitable foundation, organize various forms of community interactions, including public welfare free clinics, free medical check-ups, and medical knowledge popularization. These efforts effectively serve public health and contribute to sustainable and harmonious social development.

6.1 Public Welfare Donations

The Group, through the Guangzhou Zhengxin Charity Foundation (hereinafter referred to as the "Foundation")[27], solicits outstanding research projects nationwide. It supports domestic and international universities and medical institutions in conducting socially valuable research related to medical humanities and public health, aiming to promote industry advancement and enhance social welfare. In the field of medical technology, the Foundation has launched the "Tech for Stars" project to empower innovative scientific research in pediatric oncology. In the field of patient assistance, it carries out relief programs such as "Dawn Aid" to tangibly alleviate the medical burdens of families in need. Through a diverse and professional portfolio of projects, the Foundation effectively connects social resources with health needs, actively fulfills corporate social responsibility, and is committed to promoting health equity and industry progress.

In 2025, the Foundation funded medical humanities research and education projects amounting to RMB100,000, covering a total of 20 subjects. In addition, the Foundation also provided financial assistance to 22 impoverished patients, totaling RMB375,000.

Case Tech for Stars 2025

The Guangzhou Zhengxin Charity Foundation's "Tech for Stars 2025" project aims to support innovative research in the field of pediatric oncology through technological empowerment, facilitating breakthroughs in diagnosis and treatment and benefiting more pediatric patients' families. With a total investment of RMB500,000, the project plans to fund 5 high-quality research teams to tackle key technologies in diagnosis, treatment, and prevention. Currently, the preliminary selection process for 6 candidate projects has been completed.

Case Dawn Aid 2025

The "Dawn Aid 2025" project by the Guangzhou Zhengxin Charity Foundation is dedicated to alleviating the financial burden of medical expenses for families in need. With a total funding of RMB500,000, the project provides targeted financial assistance of RMB25,000 per child to impoverished pediatric patients diagnosed through medical examinations. It employs an efficient and transparent "application-review-payment" process to ensure that donations are delivered to the families requiring aid quickly and accurately. This initiative effectively reduces the financial strain on the pediatric patients' families and safeguards their right to receive timely medical treatment.

27 A scientific research fund jointly established by Concord Healthcare and SYSU Education Development Foundation.

VI. Charity Unites Us, Harmony Advances Us

6.2 Public Welfare Activities

Concord Healthcare has always adhered to a balanced approach between corporate development and social responsibility. Through implementing a series of diversified programs such as caring for special children, voluntary blood donations by medical workers, enhancing scientific literacy among youth, conducting themed public welfare medical consultations, and providing community health services, we have effectively responded to the practical needs of different social groups and continuously explored the synergistic innovation model of "Healthcare+".

Case "Positive Smile" Charity Activity Warms Hearts of Pediatric Cancer Patients

In 2025, Guangzhou Concord Cancer Hospital and the Chimelong Safari Park jointly held the "Positive Smile" charity activity. The event brought together over 30 pediatric cancer patients and their families for a day trip, aiming to help the children and their families relax and unwind while infusing warmth and care into their daily lives.

Group Photo of the "Positive Smile" Charity Activity

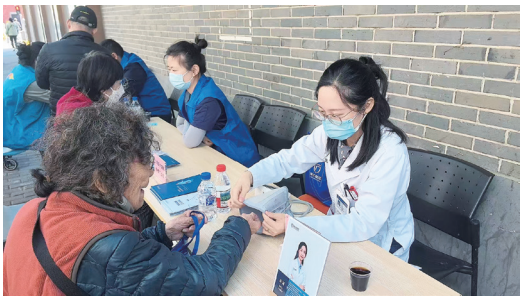
Case Medical Workers' Collective Blood Donation Initiative

In 2025, led by Professor Qian Chaonan, dean of Guangzhou Concord Cancer Hospital, a group of more than 20 caring individuals, including staff from various hospital departments and community partner representatives, participated in a collective blood donation, contributing a total of 3,900 milliliters. This event took place during the blood donation off-season of the Spring Festival, effectively alleviating the pressure on clinical emergency blood supplies. Through concrete action, it fulfilled the social responsibility of medical workers, demonstrated the commitment of medical institutions to safeguarding public health at critical moments, and tangibly supported the enhancement of the local healthcare system's emergency response and assurance capabilities.

Site of the Collective Volunteer Blood Donation Event

Case "Action Day of Love" Public Welfare Service

In 2025, Shanghai Concord Medical Cancer Center organized a team of experts from the radiotherapy department, oncology department, and imaging department along with nurses, to visit the community. They provided public welfare services such as science popularization on tumor prevention and screening, interpretation of standardized treatments, advice on health conditioning, and blood pressure measurements for the public.



Site of the "Action Day of Love" Public Welfare Medical Consultation

Case "Caring for the Elderly, Warmth on Double Ninth Festival" Community Free Medical Consultation Event

In 2025, Guangzhou Concord Cancer Center and the Puxin Village Committee jointly carried out a public welfare medical consultation event themed "Caring for the Elderly, Warmth on Double Ninth Festival", providing local elderly residents with free blood pressure measurement, blood glucose testing, and health consultation services. The medical team offered one-on-one answers to residents' questions on topics such as nutritional diets, prevention and treatment of common internal medicine diseases, and chronic disease management, and provided personalized health recommendations based on individual circumstances. This event brought quality medical resources to residents' doorsteps, disseminated practical health knowledge, and enhanced the elderly's awareness of health management.

Site of the "Caring for the Elderly, Warmth on Double Ninth Festival" Free Medical Consultation Event

6.3 Knowledge Popularization Activities

We are committed to disseminating cancer prevention and health science knowledge through multiple online and offline channels. Online, we rely on platforms such as WeChat official accounts, WeChat video accounts, and Weibo to conduct science live streams, release short videos, and other activities, continuously delivering professional and easily understandable health information to the public. Offline, we collaborate with communities to carry out health science activities, organizing professional medical teams to go deep into the grassroots, providing residents with face-to-face medical knowledge explanations and consultation services.

In 2025, we systematically advanced health science popularization and professional communication: online, we published over a hundred original science articles and videos and conducted multiple thematic live streams; offline, we went deep into communities and campuses, organizing several science lectures and study activities. Simultaneously, we actively participated in and hosted domestic and international academic conferences, undertaking significant roles on multiple professional association platforms, taking professional action to lead industry dialogue and service enhancement.

Case Building a Proton Therapy Science Popularization Base to Dispel Misconceptions About "Black Technology"

In 2025, the Group systematically carried out public awareness guidance on "proton therapy". To address prevalent misunderstandings in society, such as "protons = miracle drugs", the Group released real-case reports like "International Childhood Cancer Day | Proton Radiotherapy, 'Guarding' the Healthy Growth of Pediatric Patients", which restored the complete treatment process for complex disease conditions. Through live-streamed science lectures, we objectively presented clinical data (such as complete response (CR) and partial response (PR)) for indications like nasopharyngeal carcinoma and pediatric tumors. This was complemented by organizing "Proton Center Open Day", inviting media and community representatives into the treatment areas to closely observe the operation of Varian ProBeam equipment, thereby enhancing public trust.

Case Launching Online Science Popularization on Tumor Prevention and Treatment

In 2025, relying on our all-media communication matrix of "Weibo, WeChat, mobile app and Douyin", we continued to promote the dissemination of tumor prevention and treatment knowledge. Throughout the year, we released over 100 original science popularization articles and videos, covering topics of public concern such as tumor prevention, nutritional diet, and rehabilitation exercises. Leveraging important occasions like "National Cancer Prevention and Treatment Publicity Week", we organized thematic publicity campaigns and invited renowned experts to conduct live Q&A session, with the number of viewers per session constantly setting new records. This initiative broke down information barriers through digital means, achieved efficient delivery of scientific knowledge, and effectively enhanced public health literacy.

Live Science Popularization and Q&A Session on New Media

Case Organizing Medical Humanities Study and Visit Activities

In 2025, Guangzhou Concord Cancer Hospital focused on primary and secondary school students as well as children from low-income families in surrounding communities. The hospital meticulously planned and successfully conducted two medical humanities communication activities, benefiting a total of 66 participants. Under the personal guidance of the hospital dean, students and teachers visited featured exhibition areas such as the medical stamp gallery and medical humanities sculptures. They engaged in an immersive experience to learn about the history of medical development and the essence of humanistic spirit.

Site of Medical Humanities Study and Visit Activity

Case Life Science Summer Camp

Guangzhou Concord Cancer Hospital, in collaboration with Guangzhou Zhengxin Charity Foundation and Guangdong Meixian Dongshan High School, successfully organized the third “Life Science Summer Camp”. We arranged for middle school students from the eastern Guangdong region to visit the South China New Drug R&D Center to learn about the new drug development process. Participants also experienced cardiopulmonary resuscitation, practiced medical endoscopic procedures, and studied the principles of proton therapy. This initiative continues to explore the integration of “medicine + education” to help cultivate future talent in the life sciences.

Life Science Summer Camp

VII. Integrity in Self-Discipline, Honesty in Operation

Concord Healthcare adheres to the concept of "fairness and integrity", prioritizes compliant operations, opposes all forms of corruption and fraud, and is committed to creating a clean and healthy working environment. In strict compliance with the requirements of laws and regulations such as the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), the Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》), the Code of Conduct for Employees in Medical Institutions (《醫療機構從業人員行為規範》), the Nine Guidelines for Honest Practice by Medical Institution Staff (《醫療機構工作人員廉潔從業九項準則》), and the provisions of the Criminal Law of the People's Republic of China (《中華人民共和國刑法》) concerning commercial bribery, corruption, duty-related crimes, money laundering, infringement of trade secrets, data security, and personal information protection. We also comply with applicable laws and regulations such as the Law of the People's Republic of China on Combating Telecom and Online Fraud (《中華人民共和國反電信網絡詐騙法》), the Civil Code of the People's Republic of China (《中華人民共和國民法典》), the Data Security Law of the People's Republic of China (《中華人民共和國數據安全法》), and the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》).

The Group has initially established a compliance governance system with the Board of Directors and its committees as the core of supervision, managed by the Risk Management and Internal Control Audit Department, and operated collaboratively across multiple departments. Moreover, we continuously improve the anti-fraud reporting and complaint system. We will adopt a "zero-tolerance" attitude towards corruption, fraud, money laundering and other violations of law and discipline. During the year, the Group did not have any concluded litigation cases relating to corruption, bribery, extortion, fraud and money laundering.

We continuously promote the regular learning of systems such as the Nine Guidelines for Honest Practice by Medical Institution Staff (《醫療機構工作人員廉潔從業九項準則》), the Commercial Behavior and Code of Ethics (《商業行為與道德守則》) and the Regulations on Anti-Fraud and Whistleblowing Mechanism (《反舞弊與舉報機制條例》). Through various forms of comprehensive thematic training, compliance awareness and behavioral norms are deeply integrated into the entire process of daily operations and management. In February 2025, the Risk Management and Internal Control Audit Department organized a special training session titled "Corporate Compliance in the New Landscape" for the Digital Healthcare Business Department. The training systematically explained corporate compliance management requirements, anti-fraud mechanisms, whistleblowing channels, and other relevant content, effectively enhancing the compliance performance capabilities of personnel in key positions.

Anti-Money Laundering

The Group has formulated the Anti-Money Laundering Management Measures (《反洗錢管理辦法》), which clarify core management requirements such as customer identification, transaction record retention, reporting of large and suspicious transactions, confidentiality management, and handling of violations. The Group has established an Anti-Money Laundering Leadership Team headed by the President, with members including the General Manager of the Risk Management and Internal Control Audit Department and other members from the President's Office, responsible for coordinating and advancing the Group's anti-money laundering efforts, establishing sound management mechanisms, reviewing major related matters, reviewing annual work reports, and cooperating with regulatory authorities in investigations.

Employees can report any suspicious signs of money laundering via dedicated email (anti-money-laundering@concordmedical.com) to the Anti-Money Laundering Leadership Team.

VII. Integrity in Self-Discipline, Honesty in Operation

Anti-fraud

The Regulations on Anti-Fraud and Whistleblowing Mechanism (《反舞弊與舉報機制條例》) clearly define the types of fraud. The Risk Management and Internal Control Audit Department takes the lead in relevant work. A dedicated reporting email (compliance@concordmedical.com) has been established to encourage employees to report suspected fraud via email, either by name or anonymously.

When handling reports involving suspicious but unverified allegations against employees, we follow a strict evaluation procedure: for suspicious reports concerning general employees, the head of the Risk Management and Internal Control Audit Department, depending on the severity of the circumstances, will jointly assess with human resources department and relevant departments and decide whether to initiate an investigation; if the report involves senior management personnel of the Company, a special investigation team may be formed by the head of the Risk Management and Internal Control Audit Department together with relevant department personnel to conduct a joint investigation after approval by the Board of Directors or the Audit Committee, and external experts may be invited to participate if necessary. During the investigation process, formal tracking records are established through paper documents or databases, resulting in a fraud case investigation report, and the report and post-processing case materials are promptly archived. We report investigation results of fraud cases and anti-fraud work reports to the Board of Directors and Audit Committee in a timely manner according to the nature of the reports.

Business Ethics

Our "Business Ethics and Code of Conduct" clearly outline the Group's moral requirements in business activities, covering specific regulations on aspects such as conflicts of interest, gifts and hospitality, fair trading, protection and use of company assets, intellectual property and confidentiality, company records, and insider trading. Instances of code violations or related queries involving senior management officials (including the Chairman, CEO, CFO, etc.) will be reported to the Independent Directors of the Board of Directors or members of its committees (such as the Audit Committee) for deliberation. Any waiver to the Code must be deliberated and decided by the Board of Directors or its committees, ensuring the independence of the governance mechanism.

Whistleblower Protection

The Group places high importance on whistleblower protection. According to the Regulations on Anti-Fraud and Whistleblowing Mechanism (《反舞弊與舉報機制條例》), we have established a whistleblower protection system to ensure that anti-fraud personnel maintain strict confidentiality during the report reception and verification process to prevent the disclosure of whistleblowers' identities, and explicitly stipulate that the Company shall not unjustifiably dismiss or discriminate against whistleblowers, and strictly prohibits any form of retaliation against whistleblowers. Additionally, the Anti-Money Laundering Management Measures (《反洗錢管理辦法》) clearly stipulates that all employees must strictly maintain the confidentiality of customer identity information, transaction information, and anti-money laundering work information obtained in the course of fulfilling anti-money laundering obligations, and may not disclose such information to any third party unless permitted by law.

VII. Integrity in Self-Discipline, Honesty in Operation

Building a Culture of Integrity

To further implement the Nine Guidelines for Honest Practice by Medical Institution Staff (《醫療機構工作人員廉潔從業九項準則》) jointly issued by the National Health Commission, the National Healthcare Security Administration, and the National Administration of Traditional Chinese Medicine, continuously promote the professional conduct development in the healthcare industry, standardize medical service behaviors, and elevate the level of integrity in professional practice, the Group has issued the Notice on Further Implementing Requirements on Integrity in Professional Conduct Across All Departments, Member Organizations and Staff (《關於進一步貫徹落實集團各部門、各成員機構及其工作人員廉潔從業的通知》), which requires all departments and member organizations to organize comprehensive, in-depth learning of the Nine Guidelines for all staff. It also mandates regular, full-coverage thematic training that incorporates internal systems such as the Group's Commercial Behavior and Code of Ethics (《商業行為與道德守則》) and Regulations on Anti-Fraud and Whistleblowing Mechanism (《反舞弊與舉報機制條例》). We firmly prohibit any form of fraudulent practices, illicit benefit transfers, or actions that infringe upon patient rights, and strictly forbid disciplinary violations and illegal acts such as accepting kickbacks, illegal profiteering, and abuse of authority. Through systematic learning and dissemination, the Group is committed to effectively strengthening employees' awareness of bottom-line thinking and red-line boundaries, ensuring that all staff deeply understand the requirements for integrity in professional conduct, consciously uphold professional ethics in the healthcare industry, and continuously drive the Group's high-quality development.

Environmental, Social and Governance Reporting Code in Appendix C2 enclosed in the Main Board Listing Rules on Hong Kong Exchange and Clearing Limited.

Part B Mandatory Disclosure		Disclosure section
Governance Structure	A statement from the board containing the following elements: (I) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	1.1 Board Statement 1.2 ESG Governance Structure 1.3 Stakeholder Communication 1.4 Materiality Assessment
Reporting Principles	A description of, or an explanation on, the application of the reporting principles in the preparation of the ESG report: **Materiality:** The ESG report should disclose (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. **Quantitative:** Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. **Consistency:** The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	About this Report
Reporting Scope	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About this Report

Part C: "Comply or Explain" Clauses		
Aspect	**Performance Indicator**	**Disclosure Section**
A Environment		
A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green Operations and Low Carbon Development – 2.1 Emission Management
	A1.1 The types of emissions and respective emission data.	Green Operations and Low Carbon Development – 2.1 Emission Management, 2.3 Environmental Performance
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes), and (where appropriate) intensity (e.g., per unit of production volume, per facility).	Green Operations and Low Carbon Development – 2.3 Environmental Performance
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Green Operations and Low Carbon Development – 2.3 Environmental Performance
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Green Operations and Low Carbon Development – 2.3 Environmental Performance
	A1.5 Description of emission target(s) set and steps taken to achieve them.	Green Operations and Low Carbon Development – 2.1 Emission management, 2.5 Environmental Goals
	A1.6 Description of how hazardous and non-hazardous waste are handled and a description of reduction target(s) set and steps taken to achieve them.	Green Operations and Low Carbon Development – 2.1 Emission management, 2.5 Environmental Goals

Aspect	Performance Indicator	Disclosure Section
A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Green Operations and Low Carbon Development – 2.2 Resource Management
	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).	Green Operations and Low Carbon Development – 2.3 Environmental Performance
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Operations and Low Carbon Development – 2.3 Environmental Performance
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Operations and Low Carbon Development – 2.2 Resource Management, 2.5 Environmental Goals
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, and water efficiency target(s) set, and steps taken to achieve them.	Green Operations and Low Carbon Development – 2.2 Resource Management, 2.5 Environmental Goals
	A2.5 Total packaging used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Green Operations and Low Carbon Development – 2.3 Environmental Performance
A3 The Environment and Natural Resources	General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources.	Green Operations and Low Carbon Development
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them.	Green Operations and Low Carbon Development

Aspect	Performance Indicator	Disclosure Section
B Society		
B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Empower the Company with Talents and Building the Future Together – 4.1 Employment and Labor Management
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Empower the Company with Talents and Building the Future Together – 4.1 Employment and Labor Management
	B1.2 Employee turnover rate by gender, age group and geographical region.	Empower the Company with Talents and Building the Future Together – 4.1 Employment and Labor Management
B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Empower the Company with Talents and Building the Future Together – 4.2 Occupational Health and Safety
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Empower the Company with Talents and Building the Future Together – 4.2 Occupational Health and Safety
	B2.2 Lost days due to work injury.	Empower the Company with Talents and Building the Future Together – 4.2 Occupational Health and Safety
	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	Empower the Company with Talents and Building the Future Together – 4.2 Occupational Health and Safety

Aspect	Performance Indicator	Disclosure Section
B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training and may include internal and external courses paid for by the employer.	Empower the Company with Talents and Building the Future Together – 4.3 Employee Development and Training
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Empower the Company with Talents and Building the Future Together – 4.3 Employee Development and Training
	B3.2 The average training hours completed per employee by gender and employee category.	Empower the Company with Talents and Building the Future Together – 4.3 Employee Development and Training
B4 Labor Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing children and forced labor.	Empower the Company with Talents and Building the Future Together – 4.1 Employment and Labor Management
	B4.1 Description of measures to review employment practices to avoid child and forced labor.	Empower the Company with Talents and Building the Future Together – 4.1 Employment and Labor Management
	B4.2 Description of steps taken to eliminate such practices when discovered.	Empower the Company with Talents and Building the Future Together – 4.1 Employment and Labor Management

Aspect	Performance Indicator	Disclosure Section
B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	Responsible Procurement, Quality Assurance
	B5.1 Number of suppliers by geographical region.	Responsible Procurement, Quality Assurance
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Responsible Procurement, Quality Assurance
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Responsible Procurement, Quality Assurance
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Responsible Procurement, Quality Assurance

Aspect	Performance Indicator	Disclosure Section
B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Proficient Healthcare with Ethics, Health Protection
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Proficient Healthcare with Ethics, Health Protection – 3.1 Medical Safety and Quality Service
	B6.2 Number of products and service-related complaints received and how they are dealt with.	Proficient Healthcare with Ethics, Health Protection – 3.1 Medical Safety and Quality Service
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Proficient Healthcare with Ethics, Health Protection – 3.2 Innovative R&D and Intellectual Property Management
	B6.4 Description of quality assurance process and recall procedures.	Proficient Healthcare with Ethics, Health Protection – 3.1 Medical Safety and Quality Service
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Quality Healthcare, Health Protection – 3.3 Privacy Protection and Information Security

Appendix

Aspect	Performance Indicator	Disclosure Section
B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Integrity in Self-Discipline, Honesty in Operation
	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.	Integrity in Self-Discipline, Honesty in Operation
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Integrity in Self-Discipline, Honesty in Operation
	B7.3 Description of anti-corruption training provided to directors and staff.	Integrity in Self-Discipline, Honesty in Operation
B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Charity Unites Us, Harmony Advances Us
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Charity Unites Us, Harmony Advances Us
	B8.2 Resources contributed (e.g. money or time) to the focus area.	Charity Unites Us, Harmony Advances Us

Part D: Climate-related Disclosures		
Aspect	**Performance Indicator**	**Disclosure Section**
Governance	19. An issuer shall disclose information about:	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.1 Climate Governance We have not yet incorporated climate-related considerations into our remuneration policy
	(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities;	
	(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	
	(ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
	(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	
	(iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and	
	(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about.	
	(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	
	(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	

Aspect	Performance Indicator	Disclosure Section
Strategy	**Climate-related risks and opportunities**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.2 Climate Resilience Analysis
	20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:	
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	
	(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	
	(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur;	
	(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	
	Business model and value chain	
	21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain;	
	(b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	

Aspect	Performance Indicator	Disclosure Section
Strategy (continued)	**Strategy and decision-making**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.2 Climate Resilience Analysis
	22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:	
	(a) information about how the issuer has responded to, and plans to respond to, major climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation;	
	(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	
	(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	
	(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan;	
	(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40;	
	(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	
	23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	

Aspect	Performance Indicator	Disclosure Section
Strategy (continued)	**Financial position, financial performance and cash flows – current financial effect**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.2 Climate Resilience Analysis
	24. An issuer shall disclose qualitative and quantitative information about:	
	(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	
	(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	
	Financial position, financial performance and cash flows – anticipated financial effect	
	25. The issuer shall provide qualitative and quantitative disclosures about:	
	(a) how the issuer expects its financial performance to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	
	(i) its investment and disposal plans;	
	(ii) its planned sources of funding to implement its strategy;	
	(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

Aspect	Performance Indicator	Disclosure Section
Strategy (continued)	**Climate resilience**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.2 Climate Resilience Analysis
	26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	
	(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	
	(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	
	(ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience;	
	(iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	
	(b) how and when the climate-related scenario analysis was carried out.	
	(i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	
	(ii) the key assumptions the issuer made in the analysis;	
	(iii) the reporting period in which the climate-related scenario analysis was carried out.	

Aspect	Performance Indicator	Disclosure Section
Risk Management	27. An issuer shall disclose information about:	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.3 Climate Risk Management
	(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks and opportunities, including information about;	
	(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	
	(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	
	(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	
	(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	
	(v) how the issuer monitors climate-related risks; and	
	(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	
	(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related risks and opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities);	
	(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	

Aspect	Performance Indicator	Disclosure Section
Metrics and Targets	**Greenhouse gas emissions**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.4 Metrics and Targets Green Operations and Low Carbon Development – 2.3 Environmental Performance
	28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as:	
	(a) Scope 1 greenhouse gas emissions;	
	(b) Scope 2 greenhouse gas emissions;	
	(c) Scope 3 greenhouse gas emissions.	
	29. An issuer shall:	
	(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	
	(b) disclose the approach it uses to measure its greenhouse gas emissions,	
	(i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions;	
	(ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
	(iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	
	(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	
	(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

Aspect	Performance Indicator	Disclosure Section
Metrics and Targets (continued)	**Climate-related transition risks**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.2 Climate Resilience Analysis Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.4 Metrics and Targets
	30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	
	Climate-related physical risks	
	31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
	Climate-related opportunities	
	32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
	Capital deployment	
	33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	

Aspect	Performance Indicator	Disclosure Section
Metrics and Targets (continued)	**Internal carbon prices**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.2 Climate Resilience Analysis Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.4 Metrics and Targets
	34. An issuer shall disclose:	
	(a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis);	
	(b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;	
	or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	
	Remuneration	
	35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	
	Industry-based metrics	
	36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	

Aspect	Performance Indicator	Disclosure Section
Metrics and Targets (continued)	**Climate-related targets**	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.4 Metrics and Targets Green Operations and Low Carbon Development – 2.5 Environmental Goals
	37. An issuer shall disclose	
	(a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals;	
	(b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	
	For each target, the issuer shall disclose:	
	(a) the metric used to set the target;	
	(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	
	(c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region);	
	(d) the period over which the target applies;	
	(e) the base period from which progress is measured;	
	(f) milestones or interim targets (if any);	
	(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	

Aspect	Performance Indicator	Disclosure Section
Metrics and Targets (continued)	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.4 Metrics and Targets Green Operations and Low Carbon Development – 2.5 Environmental Goals
	(a) whether the target and the methodology for setting the target has been validated by a third party;	
	(b) the issuer's processes for reviewing the target;	
	(c) the metrics used to monitor progress towards reaching the target;	
	(d) any revisions to the target and an explanation for those revisions.	
	39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	
	40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	
	(a) which greenhouse gases are covered by the target;	
	(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	
	(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	
	(d) whether the target was derived using a sectoral decarbonisation approach;	

Aspect	Performance Indicator	Disclosure Section
Metrics and Targets (continued)	(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset). Applicability of cross-industry metrics and industry-based metrics	Green Operations and Low Carbon Development – 2.4 Climate Change Actions – 2.4.4 Metrics and Targets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