



Changsha, Hunan, China



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Global Vision for Your Vision



Aier Eye WeChat Official Account

Aier Eye Investor Relations WeChat Account





Social Responsibility

AIER EYE HOSPITAL GROUP CO., LTD.

About the Report

Introduction

The 2022 Social Responsibility Report of Aier Eye Hospital Group Co., Ltd. (hereinafter referred to as the "report") is the 14th social responsibility report issued by Aier Eye Hospital Group Co., Ltd. Following the principle of objectivity, normativity, transparency, and comprehensiveness, the report provides a genuine and exhaustive disclosure of the Company's management strategies, practices and performances in environmental, social and governance (hereinafter referred to as "ESG") aspects and other spheres of social responsibility in 2022. The report intends to effectively communicate with all stakeholders and systematically respond to their expectations and requirements.

Reporting Period

The reporting period is from January 1, 2022, to December 31, 2022. To make the report more comparable and complete, some contents are beyond this scope.

Release Cycle

The report is an annual report. The most recent report was published in April 2022.

Reporting Scope

The report covers Aier Eye Hospital Group Co., Ltd., subsidiaries of Aier Eye Hospital in the People's Republic of China, and the branches of Aier Eye Hospital in Hong Kong, China, the United States, Europe, and Southeast Asia.

Preparation Basis

Global Reporting Initiative (GRI Standards) issued by the Global Sustainability Standards Board (GSSB) *Guidelines for Standardized Operation of Listed Companies on ChiNext in Shenzhen Stock Exchange* China's National Standard - *Guidance on Social Responsibility Reporting* (GB/T 36001-2015) *Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises* issued by the Chinese Academy of Social Science (CASS-CSR3.0) ISO 26000:2010 - Guidance on Social Responsibility issued by the International Standardization Organization

Data Sources

The data in the report come from public government data, internal statistical reports of Aier Eye Hospital, and thirdparty documents and reports. Aier Eye Hospital guarantees that the report is free of any false recording, misleading statement, or major omissions.

Data Specification

Data and cases disclosed in this report are derived from official documents and statistical reports of Aier Eye Hospital and reviewed by relevant departments. Unless otherwise specified, all financial data in this report are stated in CNY.

Language

The report is published in both simplified Chinese and English. In case of any divergence, the simplified Chinese version shall prevail.

Statement

The report has been reviewed and approved by the Board of Directors, with no deceptive content, misleading descriptions or significant omissions discovered.

Report Disclosure

The report is available in Chinese and English on the official website of Aier Eye Hospital (www.aierchina.com) for download. For any questions or suggestions concerning the report, please email us at zhengquanbu@yeah.net or call us at +86-0731-85136739.

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Message from the Chairman

Persistent and Earnest Efforts for a Promising Future



Chairman of Aier Eye Bang Chen

Stay arduous to outcompete peers.

2022 was a milestone for Aier, marking not only the 20th anniversary of its establishment, but also the 13th anniversary of its listing. 20 years ago, Aier set sail from Changsha City, Hunan Province as a small ophthalmic medical services provider, with a firm commitment to pioneer the industry and constantly drive transformation of public eye health.

Stay diligent to create a bright future.

Today, Aier has built an ophthalmic medical service network covering Asia, America and Europe, serving global patients suffering from eye diseases with high-quality technologies and services. On the new starting point of the 20th anniversary, Aier will embark on a new journey and uncover a new chapter for China's and even the World's eye health. I would like to take this opportunity to report our experiences and achievements in social responsibility, environmental protection, and corporate governance in the past year to the patients, employees, investors, partners and friends from all walks of life who care about and support Aier.

2022 was a year full of opportunities and challenges for Aier. The successful conclusion of the 20th National Congress of Communist Party of China marked a new stage in China's political life. Besides, the introduction of the national eye health program under the "14th Five-Year Plan" signaled closer attention to and greater investments on eye health from the government. With two decades of constant efforts, Aier follows the national strategic planning and adapts to the industry policies to strive for sound and sustainable growth. Looking backward, Aier has gone through a bumpy long journey. Its good reputation and well-recognized brand image have been reinforced by high-quality ophthalmic surgery and heart-warming diagnosis and treatment services throughout the past two decades. The establishment of every new hospital, and every globalization attempt and strategical move have been mulled over by the Group's management. Today's Aier, as a global leading hospital in scale and diagnosis and treatment competence, is created by Aier's tens of thousands of hard-working employees around the world. Such a success, from the beginning, is attributed to the original mission to put people first and give back to society.

The past three years were of great extraordinariness for Aier, which had lived through ups and downs in the past two decades. The external uncontrollable factors had hit the whole society and people's livelihood a heavy blow with the medical industry bearing the brunt. Many of our hospitals were subjected to abrupt shutdowns for months. However, we didn't stand idly by when the unexpected raged throughout the world, as we live in a community of shared future. We spared no efforts in donating money, materials and labor forces. In the past three years, we also made global efforts to assist other countries, including cross-border deployment of resources between Italy, Spain, Germany, Singapore, the United States, Malaysia and the Philippines. In collaboration with more than 30 global eye hospitals, we held academic seminars, and successively released five editions of Guidelines for Pandemic Prevention of Eye Hospitals in both Chinese and English. In addition, Aier kept innovating approaches and sharing experience and wisdom in this regard with peers around the world.

In the process of experiencing external uncontrollable factors, Aier was also faced with challenges such as cyber-violence, policy updates and complicated market competitions, testing the spirit and resilience of all employees. Today, people's life are gradually back on track, Aier will step into a new stage. It is our firm belief that nothing can defeat us as long as we make concerted efforts to forge ahead and overcome anxiety and difficulties in adversity, transforming invisible pressures into driving forces for development. At the beginning of 2022, through "A Letter to Aier Employees", we stepped on a transformation journey focusing on the internal side to further improve the service quality and patients' experience, adapting to the demands of both the nation and the people.

Only transformers can advance forward and only innovators can stand out. What Aier has achieved today is inseparable from the opportunities arising from the national medical system reform and the vigorous development of the private economy, as well as from the progress in ophthalmic medical technologies and the hard work and enterprising spirit of all employees. What Aier will accomplish is to adapt to and meet the growing demands for eye health, and spare no efforts in reinforcing the "patient-centered" value proposition through corporate culture, innovation and technologies. In doing so, we will further improve our competence in diagnosis and treatment of eye diseases, laying a solid foundation for clinical services and consolidating our core competitiveness.

With the support of the massive data accumulated by professional eye hospitals and centers all over the world, Aier's Research Department takes the challenges encountered in clinical practices as research topics. By making breakthroughs in such topics, we transform the research findings into new strategies and approaches for clinical diagnosis and treatment to better serve patients. Meanwhile, we have issued big data reports such as the *Big Data Report on Fundus Lesions of Chinese People of Aier Eye Hospital*, the *Multi-center Big Data Report on Dry Eye of Chinese People*, the *White Paper on International Myopia Surgery in China and Europe*, and the *White Paper on Prevention and Control of Myopia in Chinese Children and Adolescents.* With these efforts, we have been trying to explore the pathogenesis and clinical symptoms of eye diseases of Chinese people, providing scientific basis for the development of standardized and precise diagnosis and treatment procedures for the industry.

While striving to resolve technical difficulties through scientific research and innovation, Aier keeps digging into the uneven distribution of primary medical resources. With chain hospitals at different levels, we have created a threedimensional ophthalmic service network to bridge our medical resources and patients with eye diseases. In this way, we promote the sharing of more high-quality medical resources to meet primary medical demands and eliminate the industry pain points.

Aier should not only introduce overseas cutting-edge

diagnosis and treatment technologies, but also embrace "globalization" to seek new vitality for sustainable and sound development. To this end, Aier has initiated its international layout with the acquisition of Hongkong Asia Medical Group in 2015, followed by the buyout of AW Healthcare Management, a well-known ophthalmology center in the United States, and Clinica Baviera, the largest listed ophthalmic chain of hospitals in Europe, in 2017, and ISEC, the leading ophthalmic medical group in Southeast Asia, in 2019. Up to now, Aier has expanded to North America, Europe and Southeast Asia.

In the future, Aier will forge ahead with the strategy of "Global Vision for Your Vision". We will establish a sharing platform for global top ophthalmologists, industry experts, and medical scientists, and build comprehensive strategic partnerships with world-renowned ophthalmology and optometry institutions. By focusing on the development of cutting-edge technologies and strengthening clinical innovation, we aim to promote the application of research achievements to empower diagnosis and treatment technologies, education and training, academic research, etc. at home and abroad.

When eating fruits, one should think of the fruit trees; when drinking water, one should think of its source. Any

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enterprise cannot be separated from society. Throughout the two-decade entrepreneurship, Aier has been adhering to the harmonious balance between social responsibility and business growth. While providing high-quality ophthalmic medical services, Aier actively fulfills its obligations and duties as a corporate citizen, in a bid to give back to society and serve the people's livelihood with concrete actions. Aier has repeatedly sent medical teams to support Myanmar, the Philippines, Cambodia, Ethiopia and other countries. We have carried out international public assistance projects such as "Safeguard Bright Eyes along the Mekong" and "The Belt and Road Initiative - Safeguard Bright Eyes of Overseas Chinese". While treating patients with eye diseases in developing regions, we have helped improve the local ophthalmic medical level with cuttingedge technologies. So far, Aier has supported more than 600 public welfare projects and has helped nearly 1 million poor patients with eye diseases recover their sight.

Learning from the past, we are expecting a promising future. In the face of the severe and complex competition and subsequent unknown challenges, we will stick to our original mission. With firm confidence, we will further consolidate the scale advantage, innovate service modes, and practice the brand connotation.

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Besides, we will increase strategic supports for and investments in talent cultivation, and drive the digital and smart medical practices and applications to steadily improve the medical quality and services. With a focus on the "1+8+N" ophthalmic medical service network, we will further promote the strategy of "Eye Healthcare Ecosystem" to contribute to China's and even the world's ophthalmic medical capabilities and the development of ophthalmology and vision science.

Without public wisdom and efforts, Aier can never accomplish the centenary goal. In future, keeping to the great mission of "enabling everyone, no matter rich or poor, has the right to eye health", we will make concerted efforts in pushing forward with the public eye health step by step with unyielding persistence, firm confidence, and striving spirit. Despite the formidable and long journey, I believe that only with a higher starting point, a broader vision and stricter requirements, can we accomplish the centenary goal. This requires the efforts of several generations, but we just need to do our best.



Scientific Research Achievements
Invested RMB 271.719 million in R&D
Published 121 papers in international and Chinese core j Edited or co-edited 7 monographs
Obtained 154 new patents, with a total of 489 vali
R Employee Growth
100 % of employees were included in the training program
34.62 % of female executives at Deputy Director level of
🏈 Charity
Donated RMB 180 million in 2022 Supported more than 600 public welfare programs in tot
Helped nearly 100 thousand disadvantaged patients with
with accumulative nearly 1 million public aids carried out in

About Aier

ore journals

valid patents owned

gram, with a total of **744,366** hours of training

el or above in the Group

total

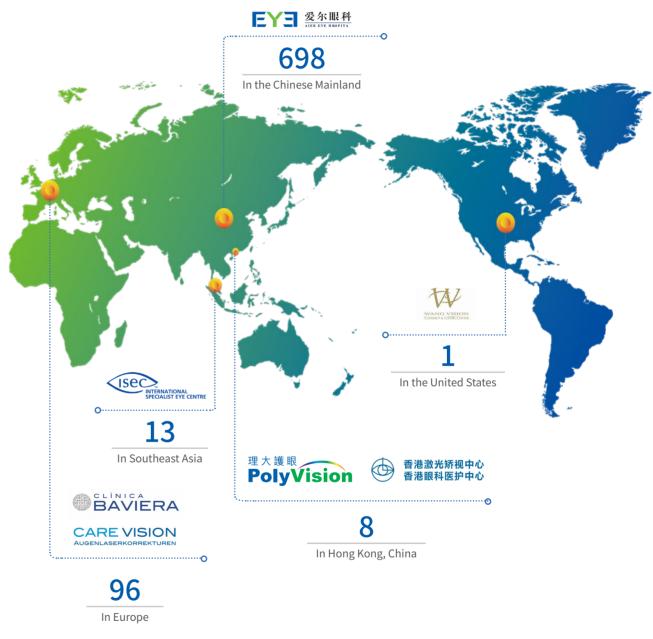
vith eye diseases in 2022,

in total

Company Profile

Aier Eye Hospital, established in 2003, has a vast medical presence in Asia, Europe, and North America. Aier Eye Hospital was listed in 2009 in Shenzhen, China (Stock code: 300015), and its branches in Europe and Southeast Asia were listed in Madrid, Spain (CBAV.MC) and Singapore (SGX:40T), respectively. As of December 31, 2022, there were 816 eye hospitals, eye centers and clinics under Aier brand. Among them, there were 698 in the Chinese Mainland (including 363 under the Company and 335 under M&A Funds), 8 in Hong Kong, China, and more than 110 located overseas, including 1 in the United States, 96 in Europe, and 13 in Southeast Asia.





About Aier

* The logos in the picture are medical institutions of Aier Eye at home and abroad

Business Layout

Aier Eye Hospital is the world's largest ophthalmology medical group. As a professional ophthalmology hospital chain, Aier is devoted to providing general and hierarchical eye healthcare services for all kinds of people. At present, the Company is mainly engaged in surgical services, medical optometry, and the diagnosis and treatment of various eye diseases, including:

ORE Refractive surgery

Refractive surgery is to correct ametropia (such as nearsightedness, farsightedness, and astigmatism). According to the location of the operation, it can be divided into three categories: corneal surgery, intraocular refractive surgery, and scleral surgery. Aier Eye Hospital has developed customized refractive surgeries that can be matched with patients according to various indications and individual needs, such as implantable contact lens (ICL) surgery, small incision lenticule extraction (SMILE) eye surgery, contoura vision (personalized femtosecond) surgery, TransPRK surgery, and presbyopia correction surgery. The five major techniques can cater to patients' various needs, and the Company has been ranked the first in myopic surgeries in China for many years in a row.

Optometry

Optometry refers to non-operative correction of myopia, hyperopia, presbyopia, astigmatism, and other eyes ametropia. Aier Eye Hospital has proposed "5P Myopia Prevention Mode", and developed high-end technologies, such as "Cloudclip", a smart wearable device for myopia prevention, and an AI diagnosing system for ophthalmology, providing one-stop customized diagnosis and treatment plan for children and teenagers with myopia. The Mode consists of "file establishment for prevention, scientific anticipation, control and intervenes and scientific popularization and education". Based on the vision-function check on both eyes, the Company can also provide comprehensive solutions for people with ametropia, which synchronizes with the state-of-art ideas and diagnosing methods in the world, and thus makes the Company's technological advantages and its social cognition more significant.

O Cataract

Cataract is one of the common causes of blindness worldwide, which is mainly treated by surgery. The Company constantly upgrades the quality of services for cataract projects, synchronizes with the cutting-edge technologies for treating refractive cataracts in the world, customizes diagnosis plans based on eye measuring, projects an image of high-quality technical service, and soundly develops medium and high-end surgical methods, so as to improve the added value of its service while meeting the diversified needs of patients.

Keratopathy

Keratopathy is one of the main causes of visual deterioration, resulting in white or yellowish stromal deposits in the transparent cornea, thus leading to blurred vision, declining vision, and even vision loss, and it is also one of the eye diseases causing blindness. As one of the earliest eye healthcare institutions in China to offer corneal transplant surgery and pterygium removal surgery, Aier Eye Hospital is among the top in China in terms of the number of annual outpatient visits and surgeries. Besides, to supply enough resources for corneal transplants, Aier Eye Hospital has established 9 Aier Eye Banks and 41 corneal donation stations as of the end of 2022, which has made corneal transplants more convenient.

O Fundus diseases

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Fundus diseases mainly refer to the lesions of the retina, choroid, optic nerve, and vitreous body, including inflammation, vascular disease, degenerative changes, congenital abnormalities, etc. Common fundus diseases include diabetic retinopathy, macular degeneration, high myopic retinopathy, and retinal detachment. In 2022, by introducing more experts and further strengthening subject construction, Aier Eye Hospital continued to improve the academic level and diagnosis and treatment level of the Group's fundus disease project.



Development Strategy

Vigorously Promoting the "1+8+N" Strategy on the 20th Anniversary

On the 20th anniversary of the establishment, Aier Eye Hospital proposed a "Culture-Oriented, Innovation-Driven, Technology-Empowered" centennial vision in 2022, which called for a "1+8+N" eye care service network. Under this strategy, the Group intends to build 1 world-class eye hospital, 8 national and regional eye centers, and accelerate the establishment and development of eye medical institutions. It is expected that these efforts will improve the ophthalmic medical technology in China, and enable Aier to catch up with and even surpass advanced international levels, gain a good reputation among patients, and sustain a steady and consistent business level.

Continuing to Reinforce the "Eye Healthcare Ecosystem"

With the strategic goal of creating an "Eye Healthcare Ecosystem", Aier makes sustained efforts in six dimensions, namely hierarchical chain, intra-city network, digital ophthalmology, education and technology, globalization, and sustainable public welfare. By doing so, Aier aims to become a world's leading innovative eye healthcare service group.

$\bigcap_{i \in \mathcal{S}}$ Hierarchical Chain

To solve the "difficulty to visit the doctor" caused by the mismatch of demand and supply, Aier Eye Hospital has explored and established a hierarchical chain mode, covering "flagship hospitals in central cities, hospitals in provincial capital cities, hospitals in prefecture-level cities, and hospitals in county-level cities". In this mode, hospitals of higher level could support those of lower level with medical technologies, while hospitals of lower level could transfer patients suffering intractable diseases to higher-level hospitals. We strive to cover more cities and counties in China and provide more patients with high-quality and affordable eye health services.

Intra-City Network

To achieve hierarchical diagnosis and treatment, make hospital visits more orderly, and bring convenience to patients, Aier Eye Hospital, following the national initiative of "Healthy China - Preventing and Controlling Childhood Myopia", has established an Intra-City Network Ecology, where ophthalmic hospitals take the lead, ophthalmic (optometry) clinics play a major role and Eye Health e-Stations work as extensions, to further improve the resource allocation in regions, optimize the resource distribution, and provide patients with more convenience.

O Digital Ophthalmology

Placing considerable value on precision medicine, Aier has made full use of digital intelligence technology to develop digital products and encourage interdisciplinary integration, striving for breakthroughs in medical technology, management efficiency, and innovative scientific research. The Group plans to optimize the practical application, R&D, delivery and O&M of data with the construction of data centers, in a bid to raise the digitalization level at major regional hospitals and promote region-wide adoption of the medical cloud platform system. We also work to expedite the realization of digital scenarios, promote the application of AI intelligent diagnosis and launch the federal learning platform, as part of our effort to build a comprehensive and intelligent medical service network and develop a set of new standards for digital ophthalmology.

Education and Technology

Scientific research, innovation and talent cultivation are the foundation of long-term development. Aier Eye Hospital has developed a comprehensive education and training system through independent school-running, school-enterprise cooperation, and self- and co-building of training centers. With a focus on clinical applications and major scientific difficulties in ophthalmology and visual science, we have speeded up investments in scientific research and set up a "multilocation" ophthalmology research system, looking to achieve a breakthrough. We also rely on the model of "platform + project + talent" to advance the development and research of cuttingedge technologies, common industry technologies and clinical practical techniques. These efforts are aimed at creating a technologically innovative closed-loop of "clinic-researchincubation-conversion", and contributing our wisdom and strength to the evolution of ophthalmology and visual science in China.

Aier Eye Hospital has reached strategic partnerships with many well-known universities and colleges in hospital coconstruction, talent and teacher cultivation, and scientific research, in the hope of setting an exemplary model of a "renowned university plus prestigious enterprise". Meanwhile, the Group constantly promotes the construction of talent introduction and cultivation system, and develops a diversified training and teaching mechanism, to guarantee talent supply for the Company's development and provide more excellent ophthalmology talents for the society.

Based on the above, Aier Eye Hospital has been constantly building an all-dimension scientific research platform. As of the end of 2022, we had achieved a clinic-teaching-scientific research-integrated innovation pattern nationwide, consisting of "multiple hospitals/schools" "8 institutes" "5 stations" "3 bases" "3 centers" and "1 platform". Making use of rich clinic resources, and connecting the academic education, scientific research, physician training, and clinical practices, we have truly transformed the research fruits into treatment approaches and teaching cases, and thereby improve the clinical service quality.

Globalization

While concentrating on the Chinese market, the Group is trying to strike a balance whereby domestic and overseas markets reinforce each other. Aier has been steadily implementing its globalization strategy to learn high-end service modes and philosophy, and cutting-edge medical technologies and management experience. The Company keeps introducing the world's leading technology and equipment by merging and acquiring leading ophthalmic institutions, such as Hong Kong Asia Medical, Ming Wang Ophthalmic Center in the United States, Clinica Baviera in Europe, International Specialist Eye

Centre (ISEC) Healthcare in Southeast Asia. Also, the Company has built a sharing platform for the world's ophthalmic doctors and scientists, so as to carry out comprehensive strategic cooperation with well-known ophthalmology and vision science institutions in the world. We have also established research and incubation platforms for technological innovation in many countries and regions, including Europe, the United States, and Israel, in order to achieve two-way empowerment in medical technology, education and training, scientific research and other dimensions. All these are anticipated to promote the popularization and application of international advanced technologies in China, strengthen, broaden and deepen the Company's goal of "Global Vision for Your Vision", advance the development and progress of human ophthalmology and visual science, and ultimately demonstrate the international influence of Chinese medical brands.

Sustainable Public Welfare

Taking on its corporate social responsibility actively, Aier Eye Hospital seeks to strike a harmonious balance between fulfilling social responsibility and achieving better development. In addition to popularizing basic eye health knowledge, the Group has pioneered a "cross-subsidy" model to aid poor patients with eye diseases, attempting to truly implement the national "targeted poverty alleviation" strategy in the ophthalmology sector. We continue to engage in philanthropic initiatives around the world by providing medical assistance and technical training for developing countries and regions, hoping to drive the development and progress of local ophthalmic medical services. In light of the Company's strategic planning for public welfare, we deepen our cooperation on public welfare programs, collaborate with the Eye Care Foundation and other charitable institutions, and make vigorous inputs to effectively help underprivileged patients. For instance, Aier has been working with Hunan Xiangjiang Philanthropy Foundation (hereinafter referred to as HNXJ Philanthropy Foundation) and other research institutions to improve the education and scientific research level of ophthalmology and visual science, striving to project a positive public welfare image in China's ophthalmic medical industry.

Corporate Culture

Awards and Recognitions





The above does not include awards for subsidiaries



About Aier



Social Responsibility Management

Social Responsibility Goals and Directions for Action

Aier has made unremitting endeavor to advance the cause of universal eye health, all the while pursuing the harmonious combination of social responsibility and self-development. As a responsible corporate citizen, we work tirelessly to gradually realize our ideal mission of "enabling everyone, no matter rich or poor, has the right to eye health". By benchmarking against the United Nations Sustainable Development Goals (SDGs) and taking into account the realities of the Group, we seize the opportunities for change in this new era, and make constant efforts in governance, business ethics, medical quality and service, industrial chain, employees, environment and social investment. In doing so, we are responding to the concerns and expectations of internal and external stakeholders. Our social responsibility goals and directions for action are as follows:

Directions	Material Issues Involved	Actions	Major Contribution to SDGs
	Product safety and quality	 Improve the Group's medical quality and safety control system Develop a Group-wide medical risk management system Inspect all hospitals for medical quality and safety on a regular basis Rigorously control the quality and safety of clinical drugs using the big data management platform Regularly assess safety risk of medical supplies in use 	3 GOOD HEALTH AND WELL-BEING . A
Providing Quality Eye Care Services by Putting	Excellent medical service	 Formulate "Four Service Principles" to standardize services Create a smart service system to provide convenient, customized and accurate medical services for patients Establish and keep improving the normalized supervision mechanism for medical services Develop a sound training system of service capability to enhance service personnel's awareness and strengthen their competence Establish a multi-department linkage mechanism to deal with doctor-patient disputes, and ensure sufficient communication with patients 	
Patient First	Privacy and data protection	 Establish an information security working group Perfect the information security and privacy protection management system 	17 PARTNERSHIPS FOR THE GOALS
	Responsible marketing - Health education	 Establish internal system to regulate marketing and advertising activities Conduct audits on responsible marketing 	
	Supply chain management	 Improve the whole life cycle management and audit of suppliers. Set up a product inspection and analysis laboratory to perform random inspections of raw materials Sign the <i>Integrity Agreement</i> with suppliers to create a sustainable supply chain 	_

Directions	Material Issues Involved	Actions	Major Con to SDGs	tributio
Promoting Medical	Accessibility of ophthalmology medical care	 Organize primary doctors to attend professional training and arrange experts to work in different hospitals, so as to increase the accessibility of medical resources and expert services 	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION
Innovation and Accessibility to Protect Health	Digital transformation	 Continue to upgrade the "Internet Hospital" mini-program, with a number of online services and functions newly-added Independently develop numerous new digital management systems to provide targeted services for patients with different eye diseases 	9 NOUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINAB
	Training of professionals	Establish a comprehensive education and training system for researchers		
	Intellectual property protection	 Respect intellectual fruits and continuously improve the management system and process that support scientific research 		
Facilitating Coordinated Industrywide Development		 Provide timely, convenient and accurate services to patients in the form of "technology + medical treatment" Form a clinic-teaching-scientific research integrated pattern Continuously improve the management system and support mechanism for scientific research 	3 GOOD HEALTH AND WELL-BEING 	9 INDUSTRY, I AND INFRA-
Development with Innovation and Scientific Research	R&D and Innovation	 Scale up input in scientific research and enlarge the ranks of scientific researchers Accelerate the development and research of cutting-edge technologies, common industry technologies and clinical practical techniques using the "platform + project + talent" model 		Ť
	Industrial cooperation and development	 Actively participate in industry exchanges and seminars to co-formulate industry standards and support industry development 	_	
	Labor management and rights protection	 Ensure compliant employment and protect employees' rights and interests Establish multi-dimensional recruitment channels and expand the talent pool Respect employees' rights of free association, sign collective agreements with employees, and conduct regular collective bargaining to contribute to participatory democracy Establish incentive mechanism and offer a range of welfare benefits to all employees 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATIO
Creating an Employee- oriented and Sustainable Workplace	Occupational health and safety	 Strengthen the daily safety prevention and management at operating sites to ensure the health and safety of employees Organize safety emergency drills to improve employees' abilities to respond to emergencies and prevent accidents 	5 GENDER EQUALITY	8 DECENT WI ECONOMIC
	Staff training and development	 Establish and improve the system and mechanism for staff career development and promotion Add a series of employee training-related policies to perfect the training system Build a distance education platform of Aier Management Institute as well as a cloud live class platform to improve employees' learning efficiency and convenience Forge ahead with on-job postgraduate program relying on the academic education platform built in partnership with universities 		

Directions	Material Issues Involved	Actions	Major Contributions to SDGs
Safeguarding Bright Eyes for a Beautiful and Harmonious Society	Charity	 Continue to engage in public welfare activities relating to rural revitalization, care for the disadvantaged, education, etc. Set up a Public Welfare Strategic Advisory Committee to further the systematization and Professionalization of public welfare 	1 NO 3 GOOD HEALE Image: A constraints Image: A constraints Image: A constraints Image: A constraints 1 Statistandes cortes Image: A constraints Image: A constraints Image: A constraints 11 Statistandes cortes Image: A constraints Image: A constraints Image: A constraints
Embracing	Climate change and carbon emission	 Develop a management system for energy consumption reduction Monitor greenhouse gas (GHS) emissions, implement energy conservation and emission reduction measures in all business processes, and explore new energy resources Identify and manage climate change risk step by step with reference to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) 	6 CLEAN WATER AND SANTIATION 7 ATEGRADABLE DEBUG 11 SUSTANABLE COTTES 12 RESFORMSE
Environment- Friendly Operations with	Waste discharge management	Dispose of wastewater and other types of waste in compliance	
Green and Low- carbon Practices	Management of resource consumption	 Continuously improve the efficiency of water use and strengthen the daily management and maintenance 	
	Green operation	 Develop a management system for office supplies Implement measures to save electricity and water, promote paperless office, and encourage employees to be green travelers 	
Promoting Steady Development with Integrity and Compliance	Integrity and compliance operation	 Set up "three lines of defense" of risk control to realize compliance operation targets Provide training for all employees and foster a compliance culture 	16 PEACE, JUSTICE INSTITUTIONS
	Risk management	 Establish a risk library, improve the mechanism for risk identification, evaluation and early warning, and conduct regular internal audits across all business lines 	_
	Business ethics and anti-corruption	 Improve the business ethics management system and form an effective supervision mechanism Make internal and external reporting channels accessible to the public to foster a culture of integrity and compliance 	

Social Responsibility Management Structure

To deepen its social responsibility governance, Aier has developed a three-tier social responsibility management system that motivates all functional departments to shoulder social responsibilities. Under the leadership of Strategy Committee of the Board of Directors, the Group has established a Social Responsibility Management Committee, which is composed of senior management members. It decides the Company's social responsibility strategies, deliberates on material ESG issues identified, supervises the implementation progress of various objectives, reviews the Company's social responsibility reports, and integrates social responsibility management into the Company's business management. The committee regularly reports to the Strategy Committee of the Board. Under the Social Responsibility Management Committee, there is a Social Responsibility Working Group. It is responsible for formulating the Company's special working plans, promoting the implementation of material ESG issues in accordance with management requirements, and ensuring proper management and regulation of ESG-related risks. The Group regularly reports the progress of relevant objectives to the Committee. We also appoint a ESG coordinator in the working group of each functional department, who is in charge of organizing and coordinating the collection of ESG information and data and preparing the Company's social responsibility reports.



Working group of each functional department

- Formulate the Company's special working plans • Promote the performance of material ESG issues in accordance with management requirements
- . Regularly report the progress of relevant objectives to the Social Responsibility Management Committee
- Ensure that risks in all aspects are properly managed and . addressed

deliberate and approve

• Supervise the implementation progress of various objectives • Review the Company's social responsibility reports

implement

ESG coordinator in each functional department

• Organize and coordinate the collection of ESG information and data

• Prepare the Company's social responsibility reports

Stakeholder Communications

Aier Eye Hospital highly values stakeholders' expectations and requirements, and thus carefully weighs its impact on all parties. The Company is open to supervision from all stakeholders with a diversified communication mechanism, in an endeavor to fulfill its social responsibilities in a high-standard and high-quality manner. Through both online and offline channels, we interact positively with all parties and actively respond to their demands, which enable us to assess the

luence of our decisions and adjust strategic direction as appropriate.			Stakeholders	Main Communication Methods	Expectations and Requirements	Communication and Re	
2022, the Compar sponses: Stakeholders	ny sorted out the expectations and Main Communication Methods Patient satisfaction survey	·	Communication and Responses Quality comprehensive service platform Information security Compliant health education	Governments and regulators	Information submission Information disclosure Institution inspection	Compliance with laws Taxation in accordance with law Response to national calls Support for local development Ensure the security of medical services	Legal and compliant bu operation Tax payment in full and Active implementation policies Active fulfilling of socia responsibility More accessible health services
Patients	WeChat Official Account Service hotline	Patient information security Protection of patient rights and interests	services Improvement of complaint and feedback mechanism Strict control over the whole process of medical services Stick to green operation	Partners	Expert training Communication meetings Company research activities	Market synergy Resource sharing Management efficiency Improvement	Establish a database fo synergy Access to the Group's q resources Empower and support and professionals
ociety and the Iblic	Press reports Company's official website WeChat Official Account Voluntary services Community activities	Focus on resources, energy and the environment Care for disadvantaged groups Support for public welfare Adhere to corporate responsibility	Engage in targeted poverty alleviation Devote to charity Provide employment opportunities Popularize health knowledge	Suppliers	Supplier audit Supplier assessment Supplier communication Supplier training	Sound and stable cooperation relationship Business ethics and reputation Supply chain sustainability	Foster a responsible sup Promote daily commun Conduct project cooper Fulfill contractual obliga
mployees	Workers and employees' congress Employee care activities Management suggestion box Employee research activities Employee training	Healthy and safe working environment Career development and opportunities Remuneration and benefits Employees' rights and interests Interaction with management Efficient and transparent working process	Improve career promotion mechanism Establish an employee training and education system Provide competitive salary and welfare benefits Ensure equal communication and complaint mechanism Enhance operational efficiency	Shareholders and investors	General Meetings of Shareholders Presentations for business performance Investor phone number/e-mail Company's official website Surveys on Headquarters/ hospitals Road show	Financial performance Protection of rights and interests Corporate transparency Risk control	Improve economic perfe Convene General Meetin Shareholders Disclose Daily informati Optimize internal risk co system

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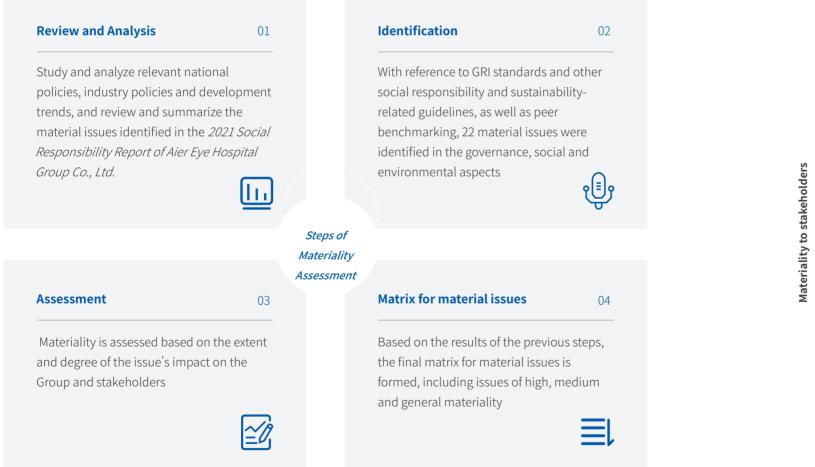
Social Responsibility Management



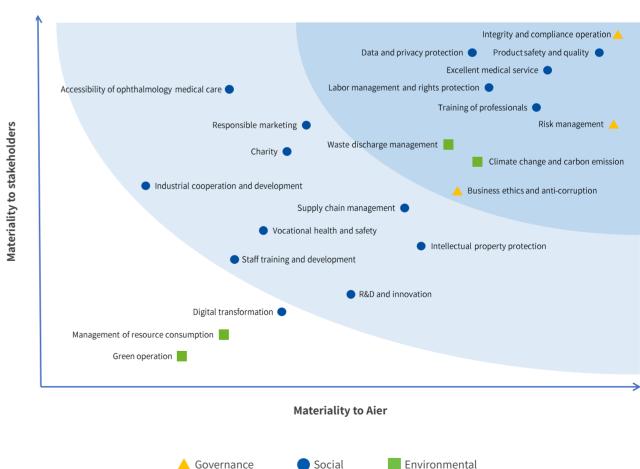


Materiality Assessment

The Social Responsibility Report aims to provide adequate disclosure on ESG issues of most concern to stakeholders so that they can better assess the Group's social responsibility performance during the reporting period. In 2022, Aier reviewed and summarized the material issues of the previous year. On this basis and taking into account macro policies, industry trends and relevant domestic and international standards, the Company identified 22 material issues in the environmental, social and governance aspects, and then assessed their materiality according to the scope and degree of impact they have on the Group and stakeholders to conclude a matrix for material issues. Of these issues, we focus on those of high and medium materiality and include them in the report. Our materiality assessment was conducted in the following steps:







Matrix for material issues

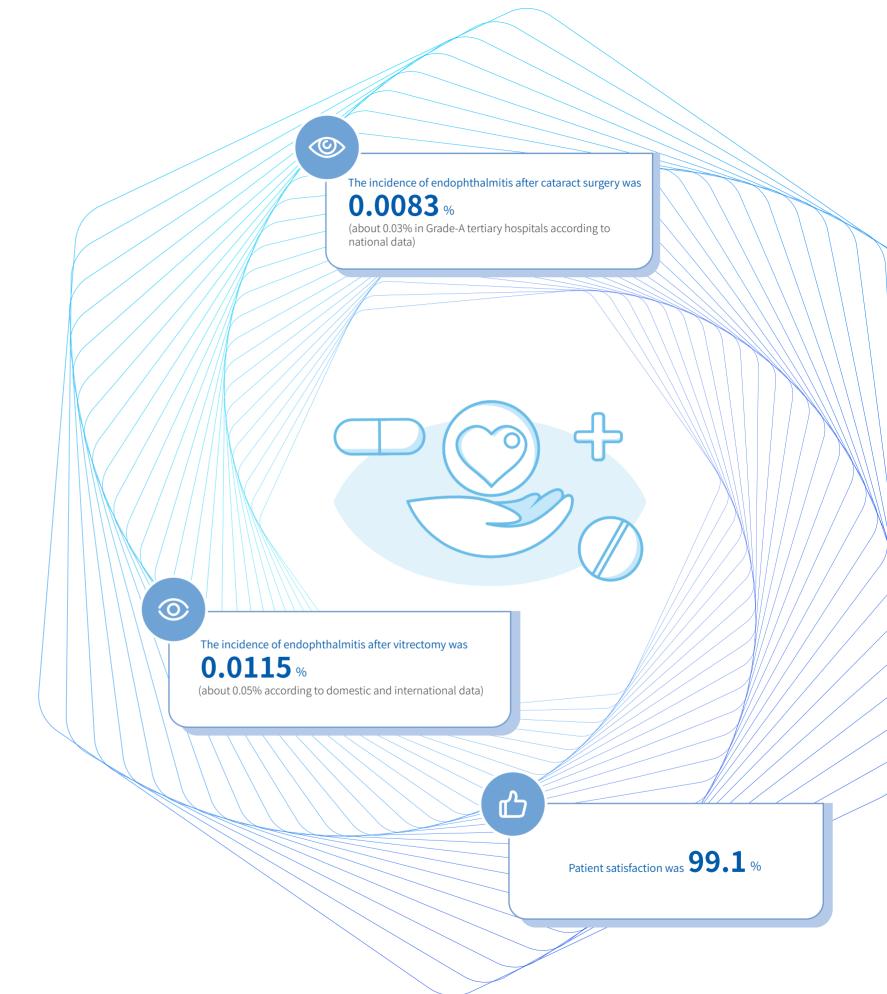
Environmental

Providing Quality Eye Care Services by Putting Patient First

Aier is convinced that maintaining the fundamental tenets of medical care and assuring medical safety and quality are the prerequisites for people to enjoy a healthy life, which is also an important pillar for the sustainable development of medical and health service enterprises. As part of our commitment to giving patients an excellent whole-process experience and contributing to a "Healthy China", we have put a comprehensive medical service quality management system in place to provide better services for patients.

Contributions to SDGs





Excellent Quality and Safety Control

The Group keeps working on the medical quality and safety management system, develops and continuously optimizes relevant policies, and takes strict actions to ensure that medical safety and quality control measures are put into practice, aiming at providing comprehensive, high-quality and safe medical services for patients.

Medical Quality and Safety Management

Attaching great importance to the quality and safety of medical services and products, Aier Eye Hospital has established a sound medical quality and safety control system. We continuously optimize the Company's internal and external supervision mechanism, and offer relevant training for all employees to raise their awareness, sparing no effort to ensure the quality and safety of medical services and products provided by the Group.

Medical Quality and Safety Control System

Aier Eye Hospital complies with a series of national medical and health laws and regulations and related policies, such as the *Law of the People's Republic of China on the Promotion of Basic Medical and Health Care*, the *Law on Doctors of the People's Republic of China*, the *Measures for the Administration of Medical Quality*, the *Measures for the Administration of the Clinical Application of Medical Technologies*, the *Implementation of the Regulation on the Administration of Medical Institutions.* In addition, the Company has established and improved the medical quality and safety management structure of the Group and its subsidiary hospitals in all provinces.

To build up medical quality and safety policies, in 2022 the Group introduced the *Aier Measures on Medical Quality and Safety Management*, the *Aier Medical Risk Management Program* and the *Aier Reporting System of Medical Incidents, etc.* Besides, the Group revised the *Collection of Aier Medical Policies,* the 18 *Core Policies for Medical Quality* and *Safety and Aier's Administrative Measures for Examination of Surgical Skills,* etc. to clearly define the safety specifications that hospitals must follow when providing medical services. All these policies are expected to provide a solid guarantee for the Group's continuous improvement in medical quality and safety management.

With a focus on medical quality and safety risk prevention, the Group has also established a medical risk management system covering all hospitals based on the concept of "prevention first". We also continuously improve our closed-loop management mechanism for regular notification, rectification, feedback and evaluation of medical safety incidents, and assist hospitals to strengthen their control over medical incidents and the quality of key surgeries. Beyond that, we regularly summarize and analyze medical incidents and quality control of key surgical operations, evaluate the Group's management over quality and safety in multiple dimensions. We have also developed a multidepartment emergency response mechanism that provides timely risk warnings, so that major public opinion events and high-risk incidents can be dealt with more effectively.

Strengthening control over the quality of key surgeries

Paying ongoing attention to the quality and safety of medical services in each hospital, Aier generates monthly newsletters on key surgeries' quality control as well as medical safety incident reviews. The Group also updates real-time internal surgical quality control and external medical safety information to normalize the publicity of surgical safety. In 2022, all key operations for cataract, refraction and fundus diseases were up to the quality standards. And all surgeries are carried out in strict compliance with the Group's internal requirements to ensure the safety and standardization throughout the whole operation process.

Incidence of endophthalmitis after cataract surgery

(about 0.03% in Grade-A tertiary hospitals according to national data)

 $_{\texttt{2021}} \textbf{0.0121} \ \texttt{\%}$

2022 0.0083 %

Medical Quality and Safety Inspection

To ensure medical quality and safety, the Group requires all hospitals to prepare medical quality and safety reports on a regular basis, such as *Group Medical Safety Incident Notification* and *Brief Report on Medical Quality and Safety*. In addition, the Group also urges them to effectively improve medical service quality and follow up on the rectification in time, so as to strengthen these hospitals' ability to deal with medical safety incidents. Aier Eye Hospital keeps improving the inspection mechanism of medical quality and safety and supervising the implementation of medical quality and safety management in various hospitals by means of the routine inspection/flight inspection by the Group, supervision by province-specific branches/cross-examination and self-examination by the hospitals. All hospitals are required to improve their medical service ability and improve safety management measures. In 2022, relying on the Group's medical supervision and evaluation system, Aier carried out quarterly medical self-examination and secondary supervision of the optometry department, with all hospitals having conducted the self-examinations.

Strictly following the management mode of "supervision by province-specific branches - rectification by hospitals - follow-up by province-specific branches", Aier has inspected flagship hospitals in provincial capitals and prefecture-level cities, intending to reinforce their medical quality management while driving the development of county-level hospitals. In 2022, the Medical Management Center has urged hospitals at all levels in all provinces and autonomous regions to complete the full coverage of medical inspections.

Incidence of endophthalmitis after vitrectomy (about 0.05% according to domestic and international data)

2021 0.0166 %

2022 0.0115 %

Medical Quality and Safety Training

The Group invests a lot in fostering medical quality and safety culture. For example, the Group organizes multi-level and all-around training for all employees in all provinces (including part-time and contractors) annually to build a highquality medical quality and safety management team and strengthen employees' relevant awareness and practical skills. In 2022, Aier continued the training series of "the Year of Private Hospital Management". To be specific, the Group conducted a series of thematic training activities around medical quality and safety for managerial staff, including the backbones of the Group and provincial hospitals. Besides, the Group set up 3 training classes on medical quality and safety management, covering a total of 326 people.

Clinical Pharmacy Quality and Safety

Strictly abiding by the relevant laws and regulations such as the Medicinal Product Administration Law of the People's Republic of China and the Measures for the Reporting and Monitoring of Adverse Drug Reactions, Aier Eye Hospital continues to refine its clinical drug management mechanism. In addition, the Group formulated management policies related to clinical drug use, such as the Provisions for the Administration of Adjuvant Drugs, the Provisions for the Administration of Botulinum Toxin Type A for Clinical Use, and the Provisions for the Administration of Temporarily Prepared Eye-Drops Preparations during the reporting period, in order to ensure the rational, safe and standardized use of clinical drugs. Meanwhile, Aier Eye Hospital has compiled templates like the *Hospital Pharmaceutical Quality* Communication Template and the Pharmacy Work Record for hospitals to advance the standardized control of drug quality and safety.

Aier maintains up with the changes being made to the national healthcare system to rationalize the layout of the medication system, striving to promptly identify and address potential irrational medication issues in all hospitals. We give full play to the advantages of the professional Rational Drug Use System (RDUS) and centralized management, and rely on the Group's big data management platform to strictly control the quality and safety of clinical drug use, trying our best to realize digital and intensive management of clinical drug use in all of the Group's hospitals.

Average qualification rate of prescriptions

2021 97.6%

2022 97.7 %

Average qualification rate of doctors' orders

2021 98.6%

2022 98.8%

The above indicators have reached the evaluation standards of national tertiary eye hospitals.

Providing Quality Eye Care Services by Putting Patient First

Usage rate of antibacterial drugs ordered by inpatients



Quality and Safety of Medical Supplies

Aier Eye Hospital makes unceasing efforts to manage and control the quality and safety of medical supplies. Aier Eye Hospital strictly abides by the *Regulations on Supervision and Administration of Medical Devices*, the *Measures for Supervision and Administration of Medical Instruments Management*, the *Standards for Quality Management of Medical Instruments*, the *Guiding Principles for On-site Inspection of Standards for Quality Management of Medical Instruments* and other laws and regulations. Meanwhile, Aier Eye Hospital has formulated a series of internal policies such as the *Management System for Unqualified Medical Instruments*, the *Management System for Complaints, Incident Investigation and Treatment of Medical Instruments*, and the *Report Form for Adverse Medical Instruments* Related *Incidents.* We have clarified the job responsibilities of personnel at all levels and controlled and supervised the whole process to strictly ensure the quality and safety of medical supplies.

All medical devices used by Aier Eye Hospital are imported from the original factory, to ensure the performance and quality of medical supplies from the source. All the drugs and consumables used were certified by National Medical Products Administration (NMPA), Food and Drug Administration (FDA) and other authoritative institutions. For daily management, hospitals carry out monthly inspections on specifications of medical supplies and regular risk assessments of the quality and safety of medical supplies. Besides, the Group and province-specific branches conduct special inspections from time to time. In 2022, the Group and province-specific branches conducted special inspections on the management of drug consumption in 115 hospitals and equipment management in 22 hospitals.





Monthly Inspection on Medical Supplies at Hospitals

Quality Services for Patients

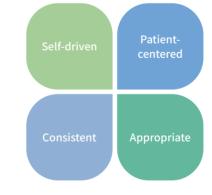
At Aier Eye Hospital, we are "centering on the patients, using caring as a connection, and taking the laws as principles". To meet patients' health needs, we constantly improve medical services, health education and patient communication. As such, we are committed to providing patients with excellent experience of medical services and improving their satisfaction with our medical services.

Medical Service Management

The Group focuses on the needs of patients, continuously optimizes the system for medical service management, and sets up a three-level service management structure from the Group's headquarters to province-specific branches and hospitals. A special service management division in charge of issues related to medical services is set up at the Group level, and specific services are carried out by provincial and local hospitals. In this way, they jointly push for the development of the medical service system and facilitate closed-loop management of service planning, implementation, supervision and improvement.

Service Standards Building

Aier Eye Hospital has placed emphasis on the development of patient service policies and standards, and formulated service standards such as the *Personnel Quality Standards*, the *Post Service Standards in Public Areas and the Nursing Service Teaching Standard of Refractive Surgery Department. Meanwhile,* We have also introduced the Measures for the *Management of Patient Appeals on the Digital Platform of Aier Eye Hospital Group,* the *Policy of Aier Eye Hospital on Patient Satisfaction Survey,* the *Policy of Aier Eye Hospital on Respecting and Safeguarding the Legitimate Rights and Interests of Patients,* the *Policy of Aier Eye Hospital on Protecting Patient Privacy,* the *Policy of Aier Eye Hospital on Respecting for National Customs and Religious Freedom* and the *Policy of Aier Eye Hospital on Patient Health Education.* We've established clear standards for the image, manners, language and roles of medical service personnel in accordance with "Four Service Principles", to internalize service standards into post responsibilities in pursuit of providing patients with meticulous and warm medical services.



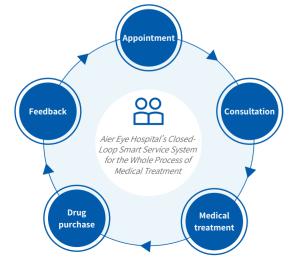
Logic map of the Four Service Principles

¹ 6S is short for SEIRI, SEITON, SEISOU, SEIKETSU, SHITSUKEI, and SAFETY. The 6S Management is often applied to the management of factory workshops and office places.

In addition, to effectively promote system-based and standardized services and processes, Aier Eye Hospital adopts the 6S lean management¹, distributes instruction manuals and toolkits to service personnel, and delivers service training courses. All these efforts aim to improve personnel quality and medical environment, as well as safeguard patient safety. In 2022, the Company facilitated the implementation of 6S management in 117 hospitals nationwide, of which 10 hospitals such as Xi'an Aier Eye Hospital and Shenyang Aier Eye Hospital won the "6S Lean Management Award" granted by the Group.

Smart Service System

In line with the development of the information age, the Group has built a digital service system of "Internet plus Smart Hospital" to enable patients with easier access to eye health treatment, providing convenient eye health medical services for patients. By applying cloud computing, big data, Internet of Things, artificial intelligence and other technologies, the Group directly provides patients across the country with online medical services such as health consultation, appointment and inter-hospital patient transfer, re-testing and re-examination, online prescription, online drug purchase and online feedback. While all hospital entities of the Group extend the clinic and services of Aier Eye Hospital beyond the traditional limits through the smart service system. By this mean, they can provide patient with pre-diagnosis intelligent triage, appointment, intelligent navigation during consultation, self-service inquiry of examination and test reports, post-diagnosis satisfaction evaluation, intelligent eye health inquiry and other diagnosis and treatment services. At the same time, they can provide consultation and film reading services online for patients only with access to primary healthcare. With these efforts, we aim to build a patient-centered closed-loop service for the whole process of "appointment, consultation, medical treatment, drug purchase and feedback". By the end of 2022, the Group's Internet Hospital had provided online consultation and consultation services for 55,600 person-times, and provided online filing services for 1.11 million people. In addition, Aier has opened smart hospitals in 144 hospitals, providing convenient, customized and precise online eye health services for 2.34 million people.



Service Quality Supervision

Aier Eye Hospital has established and continuously improved the normalized internal service supervision mechanism. To improve personnel quality, medical environment and service processes, the Group conducts a comprehensive investigation and evaluation on the service experience of patients in the whole process of medical treatment by means of online consultation, offline service experience, special inspection and telephone interviews. The inspectors issue the service inspection score sheet and report to give feedback regarding the hospital service quality. For the factors that practically affected the patient's experience, the Company conducted target analysis and formed an improvement plan to promote the implementation of subsequent improvement measures.

In 2022

The Group carried out flight inspections on the service quality of



In addition, we have actively built external quality supervision mechanisms, and continued the activity of "Service Experience Officers". We invited investors to evaluate the service ability and overall performance of the hospitals of the Group from three dimensions of personnel quality, treatment environment, and core processes according to the real treatment experience by making unannounced visits to Aier Eye hospitals in different places. After the activity, the Company formulated customized improvement plans for each hospital based on the feedback from the "Service Experience Officer", and organized the implementation in a timely manner. In 2022, 41 hospitals in 20 provinces were inspected by the "Service Experience Officer".

The "Best Aier Eye Hospitals by Investors in 2022" Award

From July to October 2022, the Group held the third "Service Experience Officer" activity, publicly inviting 100 investors to serve as "mystery visitors" in field visits. Meanwhile, we organized the selection of the "Best Aier Eye Hospital by Investors in 2022". Based on the feedback and rating from the "Experience Officers", 10 winners were chosen from all hospitals participated. In this way, hospitals were encouraged to ramp up efforts for improved service quality.

Service Capability Building

Aier Eye implements the service culture of "caring for patients". We provide professional training programs for consultation and medical service personnel. The aim is to enhance the service awareness and service ability of relevant staff, and establish a professional, reliable and caring service personnel image. We make full use of service training resources, develop service courses together with qualified internal service trainers, and set up online learning platforms to carry out three-tiered differentiated service training programs for the Group, province-specific branches and hospitals, covering general courses concerning service concepts and culture, general service standards, departmental service processes, and optometry lean management.

In addition to the daily training delivered by the headquarters and province-specific branches, the management department of the headquarters of the Group also continuously organizes nursing staff in province-specific branches and hospitals to participate in themed training by combining theoretical training, practical exercises and competitions, to standardize the medical service process, actions and time nodes. Mainly including:

	Training category for nursing services	Content of training		
	Management	Provide training for over 1, 000 man department and head nurses		
	Techniques	Conduct training for over 1,500 oper		
_	Basic nursing / Hospital infection	12 training sessions per year		
	Services	108 training sessions with a total of r27 provinces		
	STAR Project	9 training sessions on cataract, 20 t and ocular surface 8 training sessio doctors and patients with cataract		



nagement members including directors of the nursing

eration-room specialist nurses at prefectural and county level

more than 6,000 patient service managers, covering more than

raining sessions on ametropia, 26 training sessions on corneal ns on fundus diseases, **10** communication simulations among

Nursing Safety Awareness and Education

In 2022, the Nursing Department of the Medical Management Center conducted semi-annual nursing safety awareness and education campaign for members of the Nursing and Hospital Infection Quality Management Committee, chief nurses, directors of nursing departments, full-time heads of the hospital infection departments, head nurses and key nurses of each department at province-specific branches. In this campaign, we emphasized the safety responsibility of nursing services, summarized the existing and potential unsafe factors in nursing activities, and delivered targeted training on preventive measures to improve the safety responsibility awareness and ability of relevant employees, thus ensuring better patient experience in nursing services.

Hospital Environment Upgrading

Maintaining sanitary environment has always been a basic requirement for our daily operation of hospitals. We strictly comply with the requirements of relevant national laws and regulations such as the *Regulation* for Cleaning and Disinfection Management of Environmental Surface in Healthcare and the Guiding Principles on Establishment and Planning of Medical Institutions. We gradually optimize the consultation environment, and constantly optimize the layout of consultation rooms according to the treatment process and feature of different diseases. We set up clear signs and service specialists in the consultation area to effectively direct patients to designated areas, enabling patients to complete the consultation process smoothly and easily. In addition, we upgrade the in-hospital facilities. In the consultation rooms, waiting areas and inpatient wards, we use natural lighting windows, antislip and sound-absorbing flooring, sofa chairs and other facilities, along with decorations such as hanging pictures and floral art, to create a pleasant environment for rest and recuperation. We also provide wheelchairs and other auxiliary tools for patients in need, so as to ensure safe consultation environment and create experience of warm services for patients.

Aier Eye Hospital in Changsha, A Smart Hospital in the New Era, Officially Opened

In July 2022, Aier Eye Hospital in Changsha officially opened. The new hospital is built to the tertiary hospital standards. Each floor is equipped with comfortable rest areas, nursing rooms, automatic water dispensers and other facilities. Consultation rooms, examination rooms and waiting areas for each type of eye disease form a clean and comfortable "consultation island", which allows the patient to complete consultation and examination processes in one dedicated area, thus creating a smooth, efficient and high-quality experience for patients.

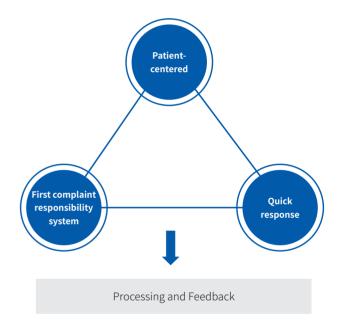




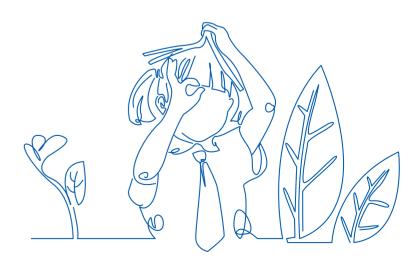
Patient Complaint Management

In light of three principles of the first complaint responsibility system, patient-centered, and quick response, Aier Eye Hospital strictly abides by the Regulations on the Prevention and Treatment of Medical Disputes, the Measures for the Administration of Complaints in Medical Institutions and other laws and regulations. To resolve medical disputes between doctors and patients, Aier Eye Hospital establishes a disposal mechanism with coordination across all developments, and appoints a dedicated complaints resolution department to collect patient complaints and feedback and track the implementation of followup measures to improve service quality. The service management department is responsible for nonmedical complaints, and the medical department is responsible for medical complaints. At the same time, the Group has formulated internal systems policies such as the Aier Reporting System of Medical Incidents and the Aier System for Management of Disputes and *Complaints,* to clearly standardize management process of patient disputes and complaints. We've set up a 24hour complaint channel, and publicized the complaint process and contact information online and clearly placed on the site in the hospital. We learn the specific situation from patients carefully and inform patients of the progress in time.

In addition, to achieve the orderly management of patient appeals, the Group's Operation Center, Health Education Service Center and Medical Management Center jointly issued the Measures for the Management of Patient Appeals on the Digital Platform of Aier Eye Hospital Group in April 2022. In 2022, the Group received 379 appeals from patients through the digital platform, with a handling rate of 96.8%. In response to common patient appeals or those most concerned about by patients, the Group revises and improves relevant service standards, such as introducing the processstandard for functional imaging examination business, and the standard for day surgery procedures, as well as updating the service standard for optometry and pediatric ophthalmology, and the service standard for cornea and ocular surface discipline.

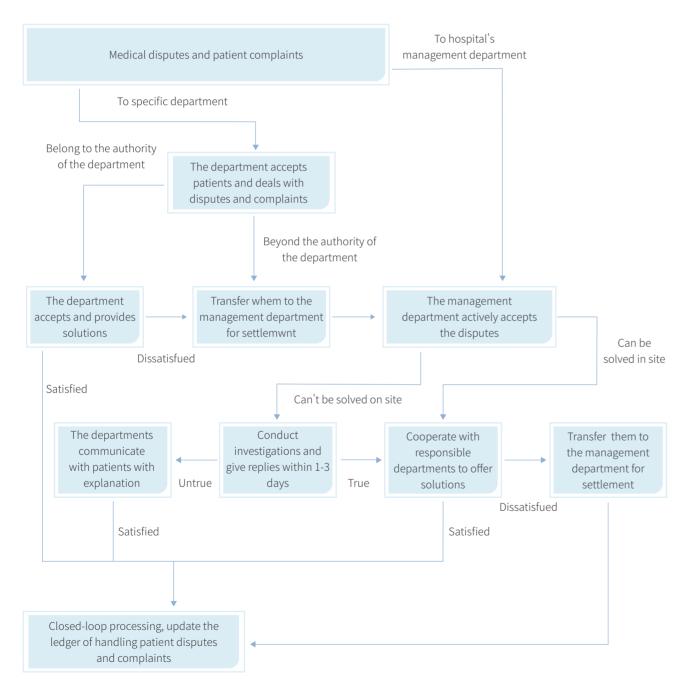


Three Principles of Handling Patient Complaints



In light of the patient-centered principle, we work in strict accordance with the patient complaint and problem resolution process to quickly respond to patient needs:

Patient Complaint and Problem Solving Process



Communication with Patients

Adhering to the attitude of being responsible for patients and seeking well-being for patients, Aier Eye Hospital provides professional ophthalmic medical and health consultation for patients by organizing exchanges on health knowledge and health education for patients to enrich their knowledge of diagnosis and treatment, and enhance their awareness and ability to protect eye health.

At the same time, the Group has introduced the *Measures for Patient Satisfaction Survey and Management of Aier Eye Hospital Group* to continuously improve the Group's service quality assessment mechanism. We set up a supervisory department to assess and monitor customer service quality. The hospitals conduct patient satisfaction surveys every day through face-to-face interviews, online or paper questionnaires and other diversified forms. Based on the survey results, optimization measures have been taken in a timely manner to effectively improve the level of medical services. At the same time, the Group conducts random sample surveys of hospital patients from time to time, and the average patient satisfaction rate in 2022 achieved 99.1%.

Responsible Marketing - Health Education for Patients

Aier Eye Hospital strictly abides by laws and regulations of the *Advertising Law of the People's Republic of China* and the Medical Advertising Management Measures, and published the Brand Image and *Art Display Standards of Aier Eye Hospital*, which clearly stipulates that the relevant content involved in the Group's marketing activities shall meet the requirements of "accuracy, truthfulness and clarity". Meanwhile, it strictly prohibits false or misleading statements about the Group's products, services, performance or performance records.

The CEO of every hospital, as required by Aier Eye Hospital, is the first to be held accountable for responsible marketing. Besides, the person in charge of hospital health education is required to manage the compliance of marketing and promotion related matters. The marketing channel personnel are responsible for the implementation of specific tasks, and the formulation of the pre-approval process for marketing launch. The audit and risk control department regularly and systematically reviews sales and marketing activities, conducts pre-approval and routine compliance audits of the distribution of publicity materials and channels. By doing this, we realize the whole process control of prior prevention, process monitoring and post-audit, and eliminate adverse marketing and promotion. In 2022, the Group's audit on responsible marketing basically covered all hospitals.

Regular Training on Compliance of Brand Promotion

In 2022, the Group's Health Education Center and the Legal Supervision Center carried out regular compliance training for all employees, including brand compliance, key project compliance, interpretation of relevant laws and regulations. The video records of the training course can be visited by all employees through the Group's online knowledge platform. This year, the Group conducted 4 training sessions on compliance with 2,243 participants.

Fostering a Responsible **Supply Chain**

Aier Eye Hospital strictly controls the quality of supply chain, builds a sound supplier management system, attaches importance to the identification and prevention of risks related to the sustainability of supply chains. Staying committed to improving supplier chain management, we build an effective communication channel with suppliers by continuous optimizing communication methods. Together with our suppliers, we aim to create a stable supply chain of high quality.

Supplier Chain Management

Our medical suppliers can be grouped into three categories, namely, medical equipment, consumables, and drugs. We strictly abide by laws and regulations such as the Pharmaceutical Administration Law of the People's Republic of China, the Good Supply Practice, the Regulations for the Supervision and Administration of Medical Devices. We have further strengthened the development of the internal policies for supplier management, and formulated the Aier Eye Hospital *Medical Devices Procurement Management Policy*, the Aier Eye Hospital Review and Approval Policy for New Medical Devices, and the Supplier Approval, Assessment, and Removal Management Policy. This year, we have revised the Management Rules on Procurement Guide to further regulate the Group's procurement. At the same time, the Group gives full play to the advantages of large-scale procurement by establishing a three-level management system, i.e., centralized procurement by

the Group, centralized procurement by province-specific branches and procurement by hospitals, striving to build a stable and efficient supply chain of high quality.

Aier Eye Hospital has established strict supplier approval, assessment, and removal processes and standards, and implemented the life-cycle control for all suppliers. In the supplier approval process, Aier Eye Hospital signs the Quality Assurance Agreement with suppliers to review, evaluate, inspect and check the overall qualification of suppliers from five dimensions including cost, supply, quality, products and services. Based on the assessment results, the supplier failing to meet the Group's requirements will be removed from the supplier list within the rectification period.

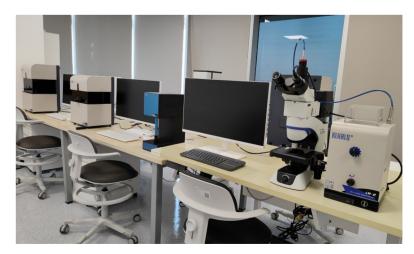
We regard supplier quality management as an important foundation to ensure quality of services and products. We strictly abide by relevant laws and regulations and the *Good Supply Practice (GSP)*¹, and have had the Procurement Quality Review Management *Policy* and other internal policies in place to select the right upstream suppliers with appropriate qualifications and qualified products. We regularly audit all suppliers from the aspects of access, supply capacity, product

¹ Good Supply Practice (GSP) refers to the product supply specification. The current GSP is a mandatory administrative regulation issued by National Medical Products Administration, which is a set of management procedures to control all factors that may cause quality accidents in the circulation of pharmaceutical commodities, thus preventing quality accidents.

quality, etc. Besides, we conduct special audits on quality and safety performance of products from all key suppliers, and require the suppliers to act on the audit results. In 2022, the supplier audit of the Group covered more than 750 centralized-purchasing /regional suppliers, and has achieved full coverage audit of all suppliers over the years.

At the same time, the Group's Procurement Department checks the qualifications of the indirect suppliers/sub-suppliers annually, and requires them to provide their corresponding business authorizations, enterprise certificates and product certificates. We file and register the documents after verifying of their authenticity to implement the supervision on indirect suppliers/sub-suppliers. Besides, we review the raw materials of the products provided by suppliers on a regular basis, and require suppliers to record the steps of supply based on the actual situation. We check the traceability information from the product packaging records during the acceptance process to ensure the traceability of the products provided by suppliers.

In addition, Aier Eye Hospital has set up a quality database for optometry products to standardize and manage quality data by brand and category based on different quality dimensions. Moreover, Aier Eye Hospital requires relevant departments to make regular internal report on quality data every month to further improve the management efficiency of raw material quality. In March 2023, the Group has established a new laboratory for the inspection and analysis of optometric products, which is responsible for conducting periodic sample inspection and analysis of raw materials of products. Once raw materials that do not meet the quality and safety requirements are found, we will hold the relevant suppliers accountable.



Laboratory for the Inspection and Analysis of Optometric Products

Sustainable Supply Chain

Aier Eye Hospital actively pays attention to the environmental, social and governance performance of suppliers, and requires all suppliers to sign the Integrity Agreement during the procurement signing process. During the reporting period, Aier Eye Hospital introduced the Code of Conduct for Business Partners, which stipulates that all business partners who do business with Aier Eye Hospital, including suppliers, shall comply with all applicable laws and regulations, and abide by business ethics. Also, business activities are required to conduct in an economically, ecologically and socially responsible manner.

Business Ethics

- Anti-corruption: All business partners shall ensure that they do not, through their employees, subcontractors or agents, offer, promise or give undue benefits to employees of Aier Eye Hospital in order to obtain orders or other preferential treatment in the course of their business dealings with Aier Eye Hospital;
- Data protection and data security: Business partners shall ensure the right to self-determination of information, the protection of personal data and the security of all business information and personal data in all business processes.

Product Service and Quality

- · All business partners are expected to establish sound quality control standards and conduct regular quality reviews and certifications to ensure that the products and services provided meet quality requirements;
- · Any changes in product specifications, service plans, indirect suppliers, raw materials, component manufacturers or place of origin provided by business partners shall be notified to the relevant business leaders of Aier Eye Hospital in advance and the potential impact shall be explained.

Labor Rights

All business partners are expected to respect and actively protect labor rights and interests at all times, including but not limited to:

- Ensuring the right of employees to fair working conditions;
- Eliminating all forms of forced labor;
- No person shall be discriminated against or harassed on the basis of his or her identity, such as race, color, age, religion, gender, pregnancy, disability or sexual orientation.

Occupational Health and Safety

• Business partners shall, at a minimum, comply with national standards for safety and hygiene at the workplace and take appropriate measures to meet occupational health and safety requirements, to ensure healthy working conditions.

Environmental Protection

- · Adopt efficient operation mode as far as possible to reduce the risks of their own business behavior to people and the environment;
- Production processes, sites and raw materials shall comply with applicable legal requirements and environmental protection standards.

The Group regularly conducts ESG risk assessment on suppliers in terms of product quality and safety, supplier integrity and anti-corruption, environmental protection, etc. Regarding quality, environment and safety-related management system certification as an important factor in supplier evaluation, we promote the construction of a healthy, stable and sustainable supply chain.

Details of the Code of Conduct for Business Partners can be found in the policy: http://en.aierchina.com/index.php?c=show&id=129

Providing Quality Eye Care Services by Putting Patient First

Communication with Suppliers

Adhering to the attitude of equal cooperation and mutual benefit with suppliers, Aier Eye Hospital always maintains smooth and stable communication with suppliers. Aier Eye Hospital holds quarterly and monthly meetings with suppliers, sharing new trends and technologies in the industry and discussing the mid- and long-term strategic cooperation plans. Also, we have signed a memorandum of cooperation with suppliers on academic collaboration, education, training, management experience, etc., and holds various forums, lectures and other exchange activities from time to time.

In 2022, we worked with suppliers to launch more than one thousand sessions of training programs for clinical and non-clinical teams, involving multiple sectors such as professional knowledge of eye diseases, practical skills, product contents, quality and safety, and doctor-patient communication, with more than 10,000 participants.

Aier Eye Hospital Worked with Strategic Partners to Promote the Development of Eye Health

In July 2022, the EyeChina 2022 Global Eye Forum and the Aier Eye Hospital Strategic Cooperation Development Forum opened, attracting senior management from various institutions and peer enterprises. During the forum, Aier Eye Hospital reviewed the past experience and achievements, shared the latest technology in the industry, discussed the industry trends and priorities of future cooperation with various partners. In the further, Aier Eye Hospital, together with various partners, will jointly promote high-quality and innovation-driven development of the ophthalmic industry.

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Data and Privacy Protection

Aier Eye Hospital values the protection of data security and patient privacy. While attaching importance to the digital infrastructure construction, Aier Eye Hospital has established a sound information security management system, formulated and kept optimizing the information protection policy to continuously improve the Group's data security management.

Infrastructure Construction

We keep working on information and data security management, and establish and improve a professional management system under the national standards and internal management policies. We also set up the Process and Standards Committee to supervise and promote the implementation of the relevant business processes, systems and standard systems of the Group and hospitals, and provide support in building standardized information systems of the Group and hospitals.

Information Security and **Privacy Protection**

Aier Eye Hospital has a deep understanding of the importance of information security and privacy protection to safeguard national network security, corporate image and customer privacy. We have established a comprehensive information security management system, and adopted a series of measures to guarantee the implementation of privacy and data security related work.

Information Security and Privacy **Protection Management System**

Aier Eye Hospital strictly abides by information security laws and regulations such as the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China and industry rules. We have formulated the Network and Information Security Management System Guide, and established an information security working group headed by the president of the Group. The working group is responsible for formulating internal systems such as hospital emergency plans, medical data management systems, and information security incident reporting

systems, as well as promoting the implementation of specific information security protection work. The Group's Audit&Risk Control Center is responsible for organizing the annual grading work for information security protection level, information security risk assessment and review on a regular basis, to achieve effective protection against information security-related risks.

The Group published the *Privacy Policy* on the official website, which is applicable to all hospitals and business lines of Aier Eye Hospital. The Privacy *Policy* clearly states that users have the right to access, rectify and delete their individual data. Aier Eye Hospital is committed to protecting users' control over their personal information to the greatest extent.

Summary of the Main Contents of the Privacy Policy			
The Company promises that users can operate on their own or request the Company to obtain, modify, and delete information.			
To ensure the information security of users, the Company has established corresponding rules and regulations and adopted security technologies such as encryption and desensitization to prevent unauthorized access, use and modification of information.			
Under the premise of complying with legal requirements, the Company promises to follow the principle of data minimization in the process of personal information collection, that is, we only collect and use information required for business operations, and will not collect personal data from third parties.			
The Company promises not to rent, sell, or provide user personal information to third parties for purposes other than completing the transactions/ services.			

Details of the Privacy Policy can be found in the policy: http://en.aierchina.com/index.php?c=show&id=129

Following the national standard specified in the Baseline for Classified Protection of Cybersecurity (GB/ T22239-2019), the Group actively conducts internal and external audits on information security and privacy protection. The Group's Audit&Risk Control Center is responsible for the internal audit of information security, and has engaged a third-party professional inspection body to conduct assessment on *classified protection* on an annual basis. Focusing on the information business system, the Group carries out multi-faceted external audits, makes scientific rectification and suggestions in response to the audit results, and continuously optimizes the protection of information security. The Group conducts information security audits every year, covering 100% of the institutions in total, and the problems found in the audit have been rectified in a timely manner.

In 2022, both the Group's medical cloud platform and myopia prevention and control system passed the annual assessment of level 3 protection certification of network security. At the same time, the Group has been recognized by authoritative institutions in 10 levels, including the secure physical environment, secure communication network, secure area boundary, secure computing environment. All these have attested our achievement in optimizing and upgrading the business system in terms of compliance, such as greater capabilities in cyber attack prevention and improved management systems.



Level 3 Protection Certification of Network Security

Measures for Information Security and **Privacy Protection**

Aier Eye Hospital is committed to maintaining the information security and personal privacy of users, and effectively safeguarding the implementation of information security and privacy protection by technical and administrative means. We continuously strengthen information security and privacy protection at the technical level to ensure that no one can access, tamper with, use or disclose users' information without authorization. In addition to continuously optimizing our internal protection technology, we worked with the Chinese Academy of Sciences this year on studying "Zero Trust Security" topic, focusing on multi-platform heterogeneous services discovery, micro-segmentation visual editing, and continuous security diagnosis and mitigation on big data platforms. This cooperation gave full play to the advantages of industry-university-research cooperation to build a fourin-one eye health security protection platform featuring "safety, efficiency, integration and sharing" with the usage of big data.

Information Security and Privacy Protection Technology

- 01 Security technologies such as encryption and desensitization are applied to prevent unauthorized access, use and modification of information.
- 02 Multi-factor authentication is used to accurately identify users' identities; access control strategy is adopted to restrict unauthorized access and tampering; and plaintext watermark is retained at the system interface to limit dissemination.
- 03 Establish a network security situation awareness system, grasp the network security situation in real time, initiate a closed-loop disposition of linkage response in the event of an information security incident, aggregate the data generated by each security system into a unified platform, analyze the overall security situation, and take scientific and process-based response measures.

To respond to and handle information leakage events in a timely manner and to avoid possible risks such as information leakage, damage and loss, the Group has clarified the classification and grading standards for security incidents and security vulnerabilities and the corresponding handling procedures. Besides, the Group has established a dedicated emergency response team to deal with information security-related incidents, and initiated security plans for different types of security incidents in accordance with the rules on handling security incidents. We have also formulated the Information System Failure Emergency Plan to supervise and guide staff at all levels of hospitals to conduct regular emergency drills and improve the Group's ability to handle information system emergencies. In this way, we can form a scientific, effective, and rapid response emergency working mechanism, and prevent incidents that affect the Group's normal operation due to the security failure of the information system.

Information Security Culture

We attach great importance to the promotion of employee information security and privacy protection, and enhance employees' awareness of information security and privacy protection in accordance with the Measures for Security Education and Training. In 2022, Aier Eye Hospital actively carried out information security and users' privacy protection education for all employees (including part-time and contractors) in the forms of animated short films, video courseware, security manuals and interactive activities through the internal training platform. The Group also delivered mandatory courses on information security and privacy protection for all employees of the Group.

Enhancement Training to Raise **Awareness of Information Security**

In 2022, the Group organized online enhancement training for all employees to enhance their awareness of information security. The training covered key and hot topics such as information security misunderstandings, network security situation and cases, security checks, encrypted emails, and WIFI usage. Meanwhile, the Group conducted simulation drills for employees on scenarios where data security incidents may occur.

Information Security Management for Partners

Aier Eye Hospital strictly requires all suppliers and business partners to comply with the Group's policies for information security and customer privacy. Besides, the Group has signed a *Data Confidentiality Commitment* with all suppliers and business partners, requiring them not to disclose any proprietary information, including project data, customer privacy, without the written consent of the Group. By the end of the reporting period, the coverage ratio of suppliers and partners who signed the letter of commitment was 100%. In addition, we regularly provide special training on data security and privacy protection for all suppliers and verify their compliance through assessment, inspection, practice. For any supplier or business partner who violates this requirement, we will require them to take corrective measures, meanwhile, we have the right to terminate cooperation with them.

Promoting Medical Innovation and Accessibility to Protect Health

Aier Eye Hospital closely follows the national initiative of "Healthy China" "Preventing and Controlling Childhood Myopia" and spares no efforts to achieve the strategic goal of "Eye Healthcare Ecosystem". Based on the model of "Hierarchical Chain" and "Intra-City Network", we keep expanding the layout of our medical services, promoting service accessibility, and we consolidate the ability of special clinics for 5 diseases to safeguard people's eye health. We make continuous efforts to promote digital innovation ability and consultation efficiency with a view to further improving accessibility to medical services.

Contributions to SDGs



In 2022, **23.78** million people filed for the eye health record, including myopia screenings and filings for more than

6.4 million children and teenagers



In October, Aier Eye Hospital officially launched AHIS (Aier Hospital Information System) which is a management system

for patients with fundus diseases

Expanding the Layout of Medical Services

Aier Eye Hospital's medical network has continuously developed both in scope and in depth. We strive to cover most cities and counties in China, and provide more patients with high-quality and accessible eye health services. At the same time, we take advantage of our own disciplinary to continuously enrich the connotation of products, and make unceasing efforts to consolidate our outpatient service level of the special clinics for 5 eye diseases according to the new changing trend of eye disease demand.

Improving Accessibility of Medical Care

Upholding the patient-oriented concept, Aier Eye Hospital is committed to expanding its own medical network, hoping to provide the society with more medical services for eye health. We further optimize the allocation of regional medical resources, and improve efficiency and sharing through the hierarchical chain mode, which aims to achieve hierarchical diagnosis and treatment, make hospital visits more orderly, and bring convenience to patients. We continue to provide professional training to doctors of primary healthcare agencies, integrate the expert resources from the Group and province-specific branches and see that expert resources are channeled down to more people, thereby enabling patients at the community level to enjoy high-quality diagnosis and treatment services in places close to their homes.

In 2022, some of the highlights of our specialist teams in improving accessibility to medical care were as follows:

Optometry

25 optometric outpatient centers/clinics were opened in 9 provinces, extending ophthalmic care to the community level.

Cataract

To provide basic training on surgery for surgeons of prefecture- and county-level hospitals, we conducted 17 basic training sessions on phacoemulsification surgery in 14 provinces, with a total of 660 participants;

We supported experts in providing mobile medical services. Core experts from various provinces carried out 295 inspection activities integrating "outpatient clinic + surgery + science popularization + talent cultivation" throughout the year, covering 154 hospitals in 22 provinces, with a total of more than 17 thousand participants.

Lacrimal passage

We continue with mobile medical services and talent cultivation by experts with the theme of "Mild Treatment for moderate cases and Worry-free treatment for complicated cases", in the hope of integrating medical resources and direct them to the community level.

Glaucoma

We engaged glaucoma specialists in providing medical services at prefecture- and county-level hospitals. In doing so, we provided high-quality glaucoma diagnosis and treatment services for more patients there, covering a total of 60 local hospitals in 13 provinces and serving more than 13,000 patients.

Fundus diseases

The National Diabetic Retinopathy (DR) Training Program for Primary Healthcare Agencies was carried out, covering more than 600 community-based health institutions such as community health service centers and township health clinics, with more than 2,000 participants from community medical facilities.

Keratopathy

We established a voluntary group of international experts on corneal blindness rescue, which brings together a total of 19 authoritative experts in the field of corneal diseases at home and abroad, and organized international experts to provide mobile medical services for corneal transplantation. We also provided technical support for the "2022-2024 You Are My Eyes ¹ - Corneal Transplantation Program in China" project, including joint consultation for patients with intractable diseases and training for doctors at community-based hospitals.

Thanks to reliable information technology including the Internet, we realize remote diagnosis functions such as remote consultation and medical imaging. To facilitate balanced allocation of medical resources, we also make efforts to see that medical resources of high quality are channeled to the community level, and provide targeted assistance for families, communities and medical agencies in areas with poor medical resources.

The program, "2022-2024 You Are My Eyes - Corneal Transplantation Program in China", is jointly launched by Aier Eye Hospital, the China Organ

Transplantation Development Foundation and the Eye Care Foundation. In the next 3 years, we will invest RMB 10 million and plan to launch a public fundraising campaign at the China Organ Transplantation Development Foundation under the supervision of the National Health Commission of the People's Republic of China to further extend our reach to people in need. It is expected that we will help 2,000 patients with corneal blindness from poor families to recover their sight in the future.

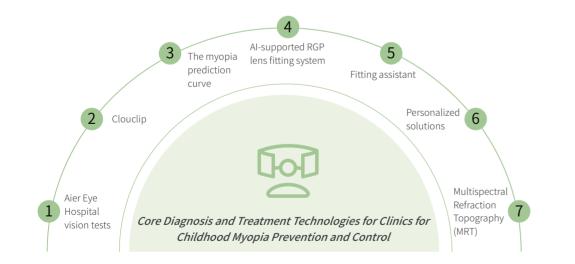
Specialized Diagnosis and Treatment for Different Diseases

In 2022, we continued to empower special clinics for 5 diseases to provide precise medical treatment for people of all ages. In addition, we have newly opened binocular vision clinics¹ and corneal contact lenses clinics in some hospitals² to provide more convenient access and professional services for people with specific needs to obtain professional diagnosis and treatment as early as possible.

Outpatient Services for Childhood Myopia Prevention and Control

In 2022, in response to the National Eye Health Plan under the "14th Five-Year Plan" (2021-2025), Aier Eye Hospital continued to deepen the development of the 5P prevention and control mode of myopia with a view to protecting the eye health of children and teenagers.

In addition to integrating the six major digital diagnosis and treatment technologies, Aier Eye Hospital's childhood myopia prevention and control clinics has introduced Multispectral Refraction Topography (MRT) and other technologies to improve the effectiveness of myopia management solutions. The Refractive Development Axis Data Table and Binocular Visual Function Examination Diagnostic Table were developed for clinicians' rapid diagnosis. We provide the 1+N comprehensive solutions for myopia prevention and control for Chinese teenagers and protect their eye health in an all-round way.



The binocular vision clinic mainly targets non-strabismus binocular vision abnormalities (insufficient collection, insufficient adjustment, etc.), strabismus treatment and rehabilitation after strabismus surgery, as well as visual problems related to learning disabilities of children and teenagers.

² The corneal contact lenses clinic is mainly aimed at patients who use orthokeratology lenses and RGP (rigid oxygen-permeable contact lenses), or the patients with multi-focus flexible lens for refractive error correction and myopia control.

The White Paper on the Big Data of Myopia Prevention and Control in Children and Teenagers in China was Jointly Released

In July 2022, the Aier Optometry Research Institute and Aier School of Ophthalmology of Central South 童青少年近视防控大数据白皮书 University jointly released the White Paper on the Big Data of Myopia Prevention and Control in Children and Teenagers in China (hereinafter the White Paper). The White Paper compares the eye behavior and visual environment of children and teenagers in China, Vietnam and the United Kingdom. The results show that 45% of 6-year-old children in China have lost their farsightedness reserves, which means the myopia prevention and control need to be planned ahead. To this end, we are committed to working with our fellow hospitals to expand the scope of health science popularization for the prevention and control of myopia in children and teenagers. Meanwhile, we improve the technical strength of myopia diagnosis, and continue to increase the accessibility to medical services to community level by promoting accessibility to medical care at full stretch.

Outpatient Services for Diabetic Eye Diseases

According to the data released by the International Diabetes Federation (IDF), the number of diabetic patients aged 20-79 in China has reached 140 million in 2021, ranking first in the world. However, the general public's lack of understanding of diabetic eye disease and the weak awareness of regular inspection have led to a high rate of diabetic blindness in China. Aier Eye Hospital expands the diagnosis and treatment services for diabetic eye diseases, and continues to provide lifelong management and dynamic services such as fundus examination, diabetic retinopathy (DR) screening, and surgery for diabetic patients. By the end of the reporting period, clinics for diabetic eye diseases had covered 145 Aier Eye Hospitals across the country. We had provided medical services for more than 200 thousand patients throughout the year.

The "AI-supported Protection for Diabetic Eye Diseases" Program was Launched

In November 2022, Aier Eye Hospital's "AI-supported Protection for Diabetic Eye Diseases" program was officially launched. The Group held more than 600 academic popularization activities nationwide, and published more than 5,000 popular science content in various forms, to extensively raise public awareness of fundus diseases. In addition, with 100 hightech AI intelligent fundus cameras³, we provided intelligent services and professional diagnosis and treatment for patients in urban and rural areas streets, communities, and pharmacies.





Relying on massive fundus photo big data, AI intelligent fundus camera has multiple core advantages such as testing without dilating pupils and high definition imaging by integrating artificial intelligence technology, which can effectively improve the diagnosis rate of fundus diseases and reduce the occurrence of missed diagnoses. Meanwhile, it greatly shortens the fundus photography process and expands the coverage of fundus photography.

Outpatient Services for Presbyopia and Cataract

According to the latest data, more than 200 million elderly people in China are suffering from presbyopia and cataract. Relying on the strong medical chain around the globe, rich medical resources and professional presbyopia and cataract team well-known at home and abroad, Aier Eye Hospital offers frontier solutions that synchronize with the world-leading concepts of presbyopia and cataract with the help of the most advanced medical devices and technologies. For this reason, since 2021, the Group launched clinics for presbyopia and cataract at Aier Eye Hospitals across the country, aiming to enable the elderly to get more convenient medical treatment, enjoy high-quality medical services more quickly and enjoy a bright and healthy life.

China's First White Paper on Refractory Cataract Surgery was Released

In 2022, Aier Eye Hospital led the publication of China's first white paper on refractory cataract surgery, i.e., the White Paper on Refractive Cataract Surgery in China and Europe. Through the analysis of gender, age, preoperative and postoperative vision, and systemic diseases of refractive cataract surgery patients in China and Europe, the White Paper deeply analyzes the current situation of global cataract surgery, objectively evaluates the differences between China and Europe in terms of cataract health education, diagnosis and treatment. All these efforts provide reference and ideas for further improvement in the quality of global cataract surgery.



Outpatient Services for High Myopia

Since the official establishment of clinics for high myopia in 2021, Aier Eye Hospital has set up a joint consultation mechanism that combines various disciplines including refraction, fundus, glaucoma, and cataract for people with high myopia and provides an overall solution for high myopia by integrating inspection, treatment and correction. We customize the solution for each patient to help them get rid of glasses and prevent blindness caused by other eye diseases.

In 2022, a number of experts from Aier Eye Hospital participated in the Juzhou Optometry Forum and discussed the new progress in the prevention and treatment of high myopia with the experts and young scholars from the fields of basic myopia research, glaucoma, refractive surgery and optometry at home and abroad.



At the Forum, Experts from Aier Eye Hospital Presented Cutting-Edge Research and Thinking of High Myopia

Outpatient Services for Dry Eyes

With the advent of the "screen reading" era and the unfavorable eye environment and poor behavioral habits, the incidence of dry eyes is rising year by year and showing a younger trend. Since the establishment of clinics for dry eyes, Aier Eye Hospital has provided patients with personalized treatment plans and life-long healthcare services through our "seven-step diagnosis and treatment strategy", technologies that synchronize with the international leading hospitals and the prevention and control system for chronic dry eye diseases.

In 2022, Aier Eye Hospital upgraded clinics for dry eyes and set up a full-cycle prevention and control system for dry eye chronic diseases. The system comprises prevention methods such as "eye blinking exercises" in the early phrase, medium-term personalized and standardized treatment, and follow-up visits by dry eye therapists and regular popularization. By the end of the reporting period, clinics for dry eyes had covered 150 Aier Eye Hospitals across the country, serving more than 600 thousand patients.

The Third "10.10 Dry Eye Care Day"

In 2022, Aier Eye Hospital organized the third "10.10 Dry Eye Care Day" and released the report, i.e. A Clinic-based Multicenter Survey of Clinic Characteristics of Dry Eye in *China,* advocating "eye blinking exercises" as a daily care method for dry eyes. In this event, the Group officially launched the "Dry Eye Care Program for 5 Major Groups" to share dry eye diagnosis and treatment ideas and daily health care knowledge of dry eye. The 5 major groups with high incidence of dry eyes are people in the media industry, white-collar workers, teachers, Internet industry personnel and children.

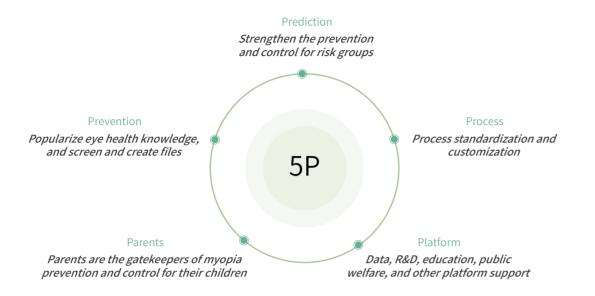
Consolidating the Foundation of Myopia Prevention and Control

Myopia Prevention and Control System

In 2022, Aier Eye Hospital continuously acted on the national myopia prevention and control strategy. In accordance with the National Health Commission's Appropriate Technical Guidelines for Prevention and Control of Myopia in Children and Teenagers (updated), Aier Eye Hospital strictly implemented the requirements of the Specification for Screening of Refractive Error in Primary and Secondary School Students, and assisted the state in building a "five-inone¹" comprehensive prevention and control system for myopia. Since the introduction of the 5P model for myopia prevention and control in 2021, Aier Eye Hospital continued to provide comprehensive myopia prevention and control solutions for Chinese youth relying on the technologies that synchronize with the international leading hospitals and expert's solid strength.

¹ The "Five-in-one" system includes prevention, inspection, diagnosis, protection and management.





The 5P Model of Aier Eye Hospital for Myopia Prevention and Control

Adhering to the concept of "prevention first, control, and cure followed", we explore the prevention and control technology of myopia in children and teenagers. We independently develop the intelligent monitoring device "Cloudclip", which can accurately monitor the 5 major influencing factors¹ affecting the occurrence and development of myopia in children. Cloudclip can generate scientific myopia prevention and control plans through data tracking and analysis.

In order to meet the national requirements for the visual health records of children and teenagers, we have developed our own control system for the prevention and control of myopia for children and teenagers. The system has the functions of automatic upload of inspection results, data collection, processing and analysis, and automatic generation of screening reports. By the end of the reporting period, the system had served more than 18 million children and teenagers.

Education on Myopia Prevention and Control

We actively shoulder the responsibility in knowledge popularization on myopia prevention and control in children and teenagers, and join hands with parents, schools and society to safeguard the bright future of children and teenagers. In 2022, the Group actively provided services for governments and schools at all levels throughout the country. We have established 120 bases for myopia prevention and control or signed long-term cooperation agreements with them to promote model innovations such as eye health guidance stations, cloudclip behavior intervention, refractive development files, science popularization bases, and eye health guidance bases. We strive to build a scientific and

¹ The five factors include duration, distance, angle, ambient light of reading, as well as outdoor time.

comprehensive science popularization education system for myopia prevention and control in an all-round way. In 2022, we offered myopia screening and created eye health files for over 6.4 million children and teenagers, served more than 6,000 schools. We also held more than 2,779 health education activities, influencing more than 1.25 million people.

In addition, the Group has actively responded to and strongly supported the Eye Care Foundation and the "Red Cross Eye Care Project". The Group has conducted eye health filing and tracking for more than 2 million children and teenagers covering 3,000 schools throughout the country, and provided ophthalmic assistance to families in need. We are committed to improving the eye habits of children and teenagers and reducing the incidence of myopia by intangible means through a wide range of knowledge popularization and education activities.



Carrying Out Scientific Popularization and Education on Myopia Prevention and Control in Schools across the Country and Establishing Science Education Bases.

Aier Eye Hospital Set Up A Myopia Prevention and Control Advocacy Group

In 2022, Aier Eye Hospital formed the "Doctoral Advocacy Group for Prevention and Control of Myopia in Children and Teenagers" (hereinafter the "Advocacy Group"). The first members of the Advocacy Group consisted of 22 senior Doctors of Medicine in the field of optometry and pediatric ophthalmology. They provided one-stop customized diagnosis and treatment plan for children and teenagers aged 3 to 18 with myopia. The Mode consists of "file establishment for prevention, scientific anticipation, control and intervenes and scientific popularization and education". Meanwhile, the Advocacy Group actively carried out popularization and education activities on myopia prevention and control for children, teenagers and their parents.





The Live Broadcast of "Aier Super Speaker of Eyes" - Myopia Prevention and Control

In 2022, we held the activity of "Aier Super Speaker of Eyes" via live broadcast. Prestigious experts were invited to answer questions about myopia prevention and control from parents, children and teenagers online, and share relevant scientific knowledges. The expert team launched a total of 24 live broadcasts throughout the year, attracting 60 million views or an average of 3 million views for each session. In 2022, more than 500 videos and 50 texts were produced to answer questions about myopia prevention and control and eye health protection from the general public.



Aier Eye Hospital Worked with Authoritative Aerospace Experts to Deliver Lectures

In May 2022, Aier Eye Hospital worked with wellknown aerospace experts from China National Space Administration to deliver lectures on "vision" and "dream" nationwide, covering approximately 1.2 million audiences. The lectures aim to call on parents to protect children's clear vision and their great dreams.



Innovating Eye Health Science Education Model

Aier Eye Hospital takes the prevention and control of childhood myopia, the prevention and treatment of eye diseases in adults and the elderly as the main topic of eye health knowledge popularization. We organize major hospitals across the country to participate in the National Science and Technology Week, the National Science Popularization Day and other science education activities. We are committed to spreading more interesting health knowledges by innovating science education models.

The Group steps up efforts in applying for and designing rearch bases, halls and works to provide venues and

resources for science education, which has been highly recognized by national, provincial and municipal government departments and all sectors of society. By the end of 2022, Aier Eye Hospital had been approved to establish over 160 bases for technology popularization, science education and the prevention and control of childhood myopia nationwide. We had won 3 national honors for science education.

Objects	Award	Awarded by	Level
"Aier Integrated Software and Hardware Solution for Smart Fundus Screening on Chronic Eye Diseases"	Selected into the "Catalogue of Typical Digital Products (Services) for Chronic Disease Prevention and Control (2022)"	National Center for Chronic and Noncommunicable Disease Control and Prevention, China Academy of Information and Communications Technology	National
Tianjin Aier	Excellent Organization in National Science Popularization Day 2022	General Office of China Association for Science and Technology	National
Wuxi Aier	Excellent Organization in National Science Popularization Day 2022	General Office of China Association for Science and Technology	Provincial

Regular Publicity Campaign for Eye Health

Relying on professional strengths and teams, Aier Eye Hospital puts more efforts in scientific education on eye health for children and teenagers. We aim to raise children's awareness of eye health protection through various activities, during which we encourage parents to engage in and take themselves as example. In 2022, during the National Scientific Education Month for Myopia Prevention and Control, we held 5,348 publicity campaigns in various schools nationwide via online broadcasts and offline interactions, covering approximately 6.52 million people.





Co-holding the Innovation Competition on Eye Health Science Popularization among Undergraduates

In July 2022, Aier Eye Hospital, together with various universities and colleges that built partnership with optometry corporations, held the "Competition of Innovation X Education for Eye Care with Love (IEEL)" for undergraduates, an innovation competition on eye health knowledge popularization, to seek innovative eye health science projects that facilitate the development of the optometric industry in universities and colleges nationwide. The Competition received attention from nearly 300 students, and even attracted participation from healthcare, digital innovation, communication and Al schools. Totally, more than 40 thousand people watched the competition, with over 40 thousand visits and over 10 thousand votes casts. The competition offered more inspirations on exploring new model for ophthalmology, pushing forward the innovation in knowledge popularization of the optometry industry.



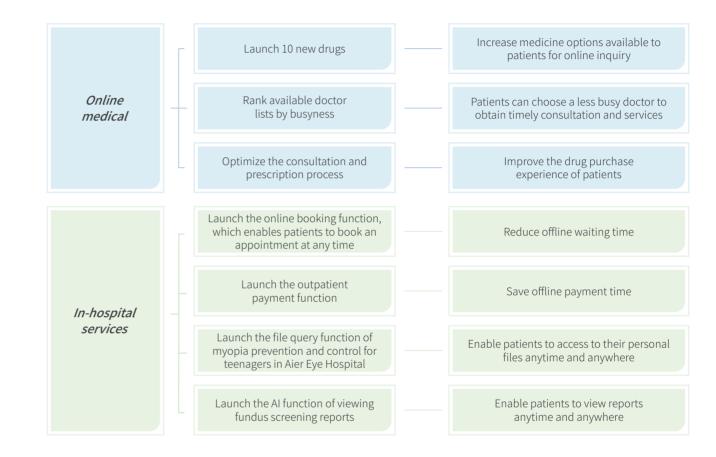
Digitalizing Medical Services

Aier Eye Hospital vigorously promotes the digitalization and intelligence of medical services, achieving significant improvements in consultation efficiency, timely intervention, compliance in follow-up treatment, targeted treatment and other areas.

In 2022, we further upgraded the WeChat mini-program for Internet hospital, and added a number of new online services and functions to smooth communication channels among doctors and patients, so as to improve communication efficiency.



WeChat Mini-Program for Aier Internet Hospital Hospital Visit Mini-Program for Changsha Aier Eye Hospital to patients, including:



At the same time, we have developed numerous new digital management systems to provide customized services for patients with different eye diseases. In October 2022, Aier Eye Hospital officially launched AHIS (Aier Hospital Information System), a management system for patients with fundus diseases. It has been applied in 50 hospitals in 46 cities of 20 provinces, providing scientific intervention to 56 thousand people in total. The system mainly provides digital tools for follow-up visits to patients with fundus diseases. It is designed to help health workers make scientific and timely interventions and improve patients' compliance in follow-up treatment.

In response to the call of "improvement in ability to treat patients with corneal blindness, establishment of a corneal donation model that is in line with China's national conditions and expansion of corneal donor sources" as defined in the "14th Five-Year Plan" for Eye Health in China (2021-2025), which is issued by the National Health Commission of the People's Republic of China, we have launched the "Bright Sight", a registration system for cornea donation and transplantation, jointly with the Eye Care Foundation. The system help alleviate imbalanced supply & demand, and unequal allocation of medical resources, enabling patients with corneal blindness to receive timely and professional medical assistance and financial support.

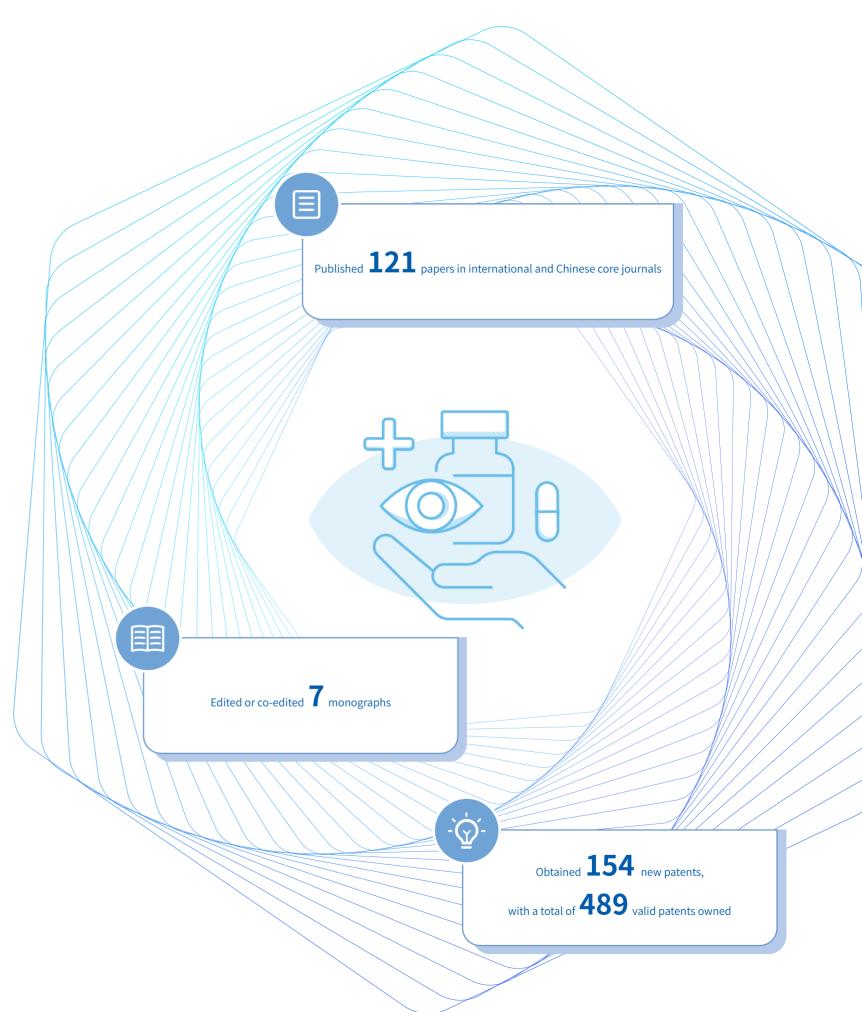


Facilitating Coordinated Industrywide Development with Innovation and Scientific Research

Aier Eye Hospital is committed to providing patients with more professional, convenient and accurate services by sharpening our own professional competence. Specifically, we solidify our scientific research team to accelerate deployment and create an all-dimensional platform integrating industries, universities and research functions. We also develop refined academic guarantee mechanism to comprehensively protect our achievements in scientific research and innovation. Besides, based on our abundant clinical resources and strong research capabilities, we continuously engage in industry academic exchanges and cooperation to jointly establish industry standards. We also actively promote school-enterprise cooperation to cultivate high-quality optometric talents, as part of our efforts to promote the innovation and synergy development of the industry.

Contributions to SDGs





Stimulating Innovation-driven Technology **Revolution**

Insisting on the overall development strategy of "driven by innovation and excel with technology", we continue to improve the R&D management system and guarantee mechanism, increase investment in R&D, and introduce and cultivate talents to build an honest and ethical platform for technological innovation that integrates refined rules, sound systems and high quality talents.

Building an Innovative Scientific Research System

Relying on the model of "platform + project + talent", the Group continues to speed up the development and research of cutting-edge technologies, common industry technologies and clinical practical techniques, so as to create a closed loop of "clinic-research-incubation-conversion", thereby contributing our wisdom and strength to the evolution of ophthalmology and visual science in China.



Achievements in Scientific Research and Incentives

In 2022, to drive innovation in an open way, Aier Eye Hospital actively explored breakthroughs in new models, technologies and services concerning eye health management and treatment on a sustained basis, and achieved gratifying results.

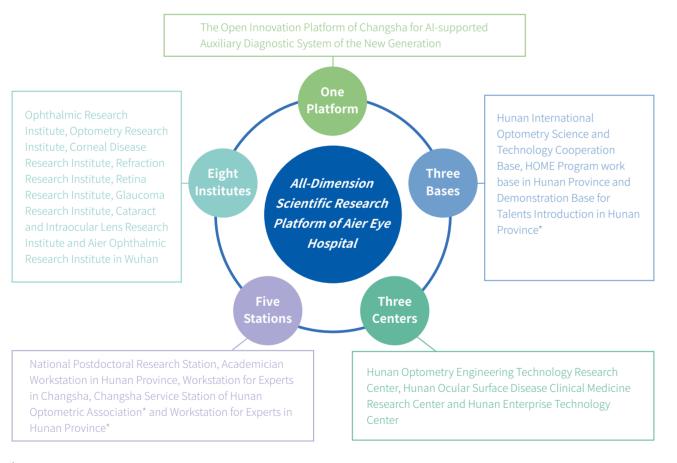
In 2022, we further improved our incentive mechanism for achievements in scientific research. We published the Incentive Rules of Aier Ophthalmic Research Institute for Achievements in Scientific Research, which provides fair, just and open incentive plans. These efforts greatly raised the enthusiasm of employees for research and development. We provide incentives for major technological innovation platforms, research projects, academic papers, monographs, patents and other achievements, which was paid on a quarterly basis.

In 2022, Aier had



Establishment of Innovative Scientific Research Platform

Making use of rich clinic resources, and connecting the academic education, scientific research and clinical practices, we transformed the research fruits into practical treatment approaches and teaching cases, to improve the clinical service quality. In 2022, the Group has been constantly building an all-dimension scientific research platform. We have achieved a clinic-teaching-scientific research-integrated pattern, with "One team" "One base" and "Two stations" newly added from the previous year. Furthermore, as our research strength, infrastructure and influence were widely recognized by the industry, we were selected as one of the enterprises for con-establishment of Hunan Furong Laboratory (Precision Medicine) ¹ in 2022. Moreover, we make sustained efforts to perfect our globalization strategy, including integrating global resources and opening up domestic and international cooperation channels, with the aim of building a world-class scientific research and innovation platform.



¹ Hunan Furong Laboratory (Precision Medicine) integrates innovative resources from high-quality universities, research institutes and medical and disease control institutions. It works with renowned enterprises engaged in life and health like Aier Eye Hospital, to innovate industrial technologies around precision medicine in line with national strategies. It is committed to addressing problems such as basic theories of precision medicine and key innovation in common technologies regarding life sciences and major public health issues and building a world-class highland for precision medicine research and advanced medical technology incubation.

(*: Newly added in 2022)

In 2022, Aier further refined the management mechanism concerning technological innovation, which incorporated project approval, research process management, intellectual property protection, fund management, results acceptance and conclusion into closed-loop management. To promote the establishment and implementation of mechanisms and policies related to technological innovation, we also issued and revised a series of internal management policies, including:

Developed and issued the Measures for the *Management of Research Topics of the* "Digital Ophthalmology Joint Lab" Project, the Measures for the Management of Research Funds of Aier Ophthalmic Research Institute and the Measures for the Management of Intellectual Property Rights of Aier Ophthalmic Research Institute;

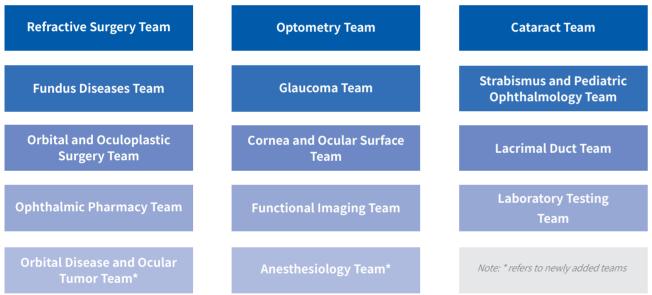
Revised and refined the Measures for the *Management of Research Projects of Aier Ophthalmic Research Institute*, the *Proposal for Project Application of Aier Ophthalmic Research Institute*, the *Policies on the Use of Biohazard Labels of Aier Ophthalmic Research Institute, the Waste Management Policies, the Emergency Plan,* the *Laboratory Technical Manual of Aier Ophthalmic Research Institute* and the *Laboratory Biosafety Manual of Aier Ophthalmic Research Institute.*



Construction of Scientific Research Team

With dedication to talent cultivation, Aier regards talents as its core resource advantages. We develop education and training systems through independent school operation, school-enterprise cooperation, and establishment or coestablishment of training centers. We strive to cultivate high-quality talents with innovative spirit and research capability by means of industry academic exchanges.

In addition, by driving the development of professional teams for eye diseases, we have created a research and innovation team involving multiple disciplines. Also, the promotion of the standardization, systematization and professionalism of scientific research has laid a solid foundation for the Group's sustainable innovation in scientific research. By the end of 2022, Aier Eye Hospital had set up 13 professional teams. In 2023, we established the Anesthesiology Team.



Aier provides special training for researchers. We comprehensively improve their academic proficiency and professional competence via academic exchanges, training on R&D skills, etc. In 2022, Aier organized a variety of scientific exchanges and training activities:

Academic Presentation Conference

• Involve researchers in more than 10 academic conferences such as the "16th Annual Meeting of CMDA China Ophthalmology Association in 2022" and the "Special Academy for Eye Genetic Diseases", to improve their academic proficiency and broaden their academic horizons.

Academic Exchange and Sharing

· Hold the Journal Club, an internal academic exchange and sharing session, and invite all R&D personnel and students to attend.

Special training

· Provide special training on the building of innovative hospitals and coaching training on writing of patent declaration, covering more than 500 trainees from more than 100 hospitals within the Group.



Research Highlights

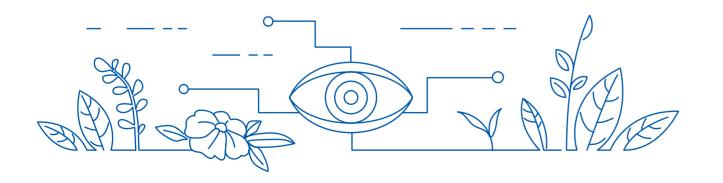
By setting our sights on clinical applications and major scientific problems in ophthalmology and visual science, we have made coordinated efforts to accelerate the layout of scientific research and set up a "multi-location" ophthalmology research system, achieving remarkable effects in 2022.

Getting Approval for the First Key R&D Project of the Ministry of Science and Technology of PRC

In 2022, as a major intergovernmental special project under the national key R&D program, the "Development and Application of Ultra Wide-Angle and High-Speed Defocus Detection Equipment for Peripheral Retina, which was led by the Optometry Research Institute of the Group, was approved, becoming the first key R&D project of the Ministry of Science and Technology undertaken by the Group.

国家科技部重点研发计划・政府间国际科技创新合作项目 《超广角高速视网膜周边离焦检测设备的研发和应用》(项目编号: 2022YFE0124600)





Establishing the Joint Fund of Hunan Natural Science Foundation and the Enterprise (Aier Eye Hospital Group Co., Ltd.)

In 2022, the Group and Hunan Provincial Science and Technology Department made joint capital contribution establish the Joint Fund of Hunan Natural Science Foundation and the Enterprise (Aier Eye Hospital Group Co., Ltd.). It will facilitate the collaborative innovation among the industry, universities and research institutes via encouraging institutional cooperation and interdisciplinary integration.

Achieving Significant Progress in the Regional Key Project of Science and Technology Service Initiative (STS Initiative) of Chinese Academy of Sciences, the First National Science and **Technology Project of Over RMB 10 million**

In 2021, Aier Eye Hospital and the Chinese Academy of Sciences jointly launched the ten-million-level project of "Building of Intelligent Unmanned Mobile Medical Treatment System and Big Data Platform for Eye Health Management" (Smart Eye Health STS project). In 2022, we made significant progress in four topics under the Smart Eye Health STS project, and completed the evaluation on key STS projects conducted by Changsha Science and Technology Bureau and Changsha Productivity Promotion Center.

The recognition accuracy of the intelligent analysis algorithm and AI-supported auxiliary diagnostic system for ophthalmic images based on deep learning technology reached 95.96%, and the algorithm was migrated to the intelligent fundus camera embedded with Cambrian, a domestic intelligent chip.

We have integrated AI chips into 3 intelligent eye health examinations, improving the examination efficiency by more than 50%.

We have built a map on eye health management knowledge and ophthalmic disease, and launched Aier Eye Health Intelligent Customer Service, with an average response time of 0.4 second. The intelligent customer service is now used in 145 hospitals.

We have built a private cloud platform (opstack+k8s) and a big data analysis platform (GreenPlug+Hadoop), which enable real-time data collection, minute-level data analysis and dynamic expansion, and help realize management of 377 nodes.

Facilitating Coordinated Industrywide Development with Innovation and Scientific Research



Setting up Well-Established Academic Guarantee Mechanism

A good research and innovation environment effectively guarantees the technology innovation of researchers in a sustained and efficient manner. For this purpose, Aier focuses on intellectual property management, creates an honest environment for scientific research and explores information technology that improves both quality and efficiency. We are committed to creating a standardized and honest environment for scientific research through a well-established academic guarantee mechanism.

Intellectual Property Management

Aier respects and protects intellectual property rights and acts in strict accordance with laws and regulations on intellectual property rights, including the Copyright Law of the People's Republic of China and the Patent Law of the People's Republic of China. We have implemented the Aier Eye Hospital Patent and Copyright Management System, the Measures for the Management of Intellectual Property Rights of Aier Ophthalmic Research Institute and other internal policies, to fully protect intellectual property rights and scientific achievements in patents, trademarks, copyrights and other areas. Besides, we standardize the application, utilization and management of patents, and promise never to infringe others' intellectual property rights.

In 2022, the team of Aier Ophthalmic Research Institute obtained multiple authorizations in patents, software copyrights and copyrights, and published several high-score papers in world-renowned medical journals, some of which are as follows:

"A lens and device for myopia prevention and control", jointly developed by the team led by Professor Lan Weizhong, Vice Director of Aier Optometry Research Institute and Pablo Artal, the Director of Optics and Nanophysics Research Center of Universidad de Murcia in Spain and the Distinguished Professor of Hunan Aier Optometry Research Institute, was granted a utility model patent;



A high-score paper named LM22B-10 Promotes Corneal Nerve Regeneration through In Vitro 3D Co-culture Model and In Vivo Corneal Injury Model, written by the team led by Dr. Cui Zekai from Aier Ophthalmic Research Institute, was published on Acta Biomaterialia, with a journal impact factor (IF) of 10.633;

Creating an Honest Environment for Scientific Research

Aier Eye Hospital attaches great importance to the construction of research integrity and academic ethics. In 2022, the Group further defined the primary responsibility of assignees, requiring them to earnestly fulfill their duties to ensure compliance with requirements on research, academics and construction of research integrity.

We ensure research integrity in an all-around way through organizational supervision, system building and awareness promotion. The Group gives full play to the supervisory and guiding role of the Academic Ethics Committee at all levels, and deals with academic misconducts seriously. We have developed management policies such as the Management Measures for Academic Papers of Aier Ophthalmic Research Institute and the Specification on Original Data of Aier Ophthalmic Research Institute, to manage achievements in scientific research in a traceable manner. We have explored and developed a file policy for researcher integrity, under which, we will give warnings to dishonest behaviors identified and investigate relevant responsibilities for serious cases. Moreover, we promote integrity among researchers. To spread appropriate scientific ethics and morality among young researchers, we invite experts to share their scholarly spirits, academic growth and research experience. By the end of 2022, the Group had no academic misconduct.

Empowering Scientific Research System with Information Technology

The Group is continuously exploring the path to empower the scientific research system through information and digital technologies. In October 2022, Aier Ophthalmic Research Institute launched the information management system. The system was designed to ensure the accuracy and security of research information submitted by researchers, and to reduce the workload in data recording, collation and statistics. At present, the system has enabled user management, training and assessment management, project management, equipment management and reservation, consumables management and environmental monitoring, which enhances the efficiency of daily research.

A high-score paper named Immune Response in Retinal Degenerative Diseases - Time to Rethink?, written by Professor Xu Heping, Honorary Director of Aier Optometry Research Institute, was published on Progress in Neurobiology, with a journal impact factor (IF) of 10.885.

Promoting Industrial Progress

By the end of 2022, Aier Eye Hospital has engaged in setting

10 standards	13 expert consensuses
2 national standards	1 international expert consensus
8 industry standards	12 domestic expert consensuses

Aier Eye Hospital takes an active part in industry exchanges and activities in eye health field by jointly setting up industry standards and international platforms for industrial communication. We make tireless efforts to promote high-quality development of the eye health industry through communication with fellow companies and learning from outstanding domestic and international ophthalmic experts. Since acting as a standing member of Chinese Non-Government Medical Institutions Association (CNMIA) and the vice-chairman of Specialty Commission of Ophthalmology of Chinese Non-Government Medical Institutions Association in 2016, Aier Eye Hospital has been keen to promote the synergy development of medical institutions over the past years.



Based on our leading research capabilities, many experts are invited to lead or participate in the discussion and formulation of research reports, standards, guidelines and clinical plans at international, national and industrial levels, covering areas of lacrimal passage, orbit, fundus, refraction, glaucoma, keratopathy and Optometry. We continuously contribute Aier Expert wisdom to the ophthalmology industry. By the end of the reporting period, some of our representative achievements are as follows:

Subspecialties of Ophthalmology	Name of Research R
Lacrimal passage	Clinic Plan for Double
	CACA Guidelines for I
Orbital Disease	Guidelines for Diagno
	Guidelines for Filling
Defre ative Surgery	International Big Dat
Refractive Surgery	International Big Dat
Cataract	China & Europe Big D
	<i>Study on Impact Fact</i> project of Health Cor
Keratopathy	<i>Study on the Effect o</i> Wuhan Municipal He
	WAEH Medical Outco
Fundus	Application of "Two-
	Application of "Com Intraocular Lens Imp
Optometry	The White Paper on t Teenagers in China w

Reports, Standards, Guidelines and Clinical Plans

le-Canalicular Catheterization in Lacrimal Duct Obstruction

r Holistic Integrative Management of Cancer

nosis and Treatment of Thyroid-associated Ophthalmopathy

Materials in Cranio-Orbital Repair

ata Report on Refractive Surgery in 2022 - Europe

ata Report on Refractive Surgery in 2022 - China

Data Report on Refractive Cataract Surgery

ctors and Forecasts of Keratoconus Treatment Efficacy, the ommission of Hubei Province

of Chitosan on Corneal Collagen Cross-Linking, the project of ealth Commission

come Set of Primary Retinal Detachment Codebook

o-Step Anesthesia for Vitrectomy"

nbined Surgery of Micro-Invasive Vitrectomy, Cataract and plantation"

the Big Data of Myopia Prevention and Control in Children and was Jointly Releadsed

Facilitating Academic Exchange

In 2022, we attended several national and international academic conferences:

International academic conferences		National academic conferences		
51 participants	34 spokesmen	308	participants	150 spokesmen
42 conference papers accept	ted	183	conference papers ac	ccepted

Aier Eye Hospital takes the initiative to participate in academic exchanges in the industry at home and abroad, and continuously builds an academic exchange platform covering the world. To this end, we promote the integration of medical research and medical services via academic forums, conferences and other channels. Moreover, we work with global ophthalmic experts to explore cutting-edge technologies and address pain points and academic difficulties in pursuit of industrial development.

The First Corneal Transplantation and Eye Bank Symposium

In August 2022, EyeChina 2022 and the First Corneal Transplantation and Eye Bank Symposium was held in Changsha. The symposium was hosted by Aier Eye Hospital Group, and co-organized by the Corneal Disease Sub-Committee of Specialty Commission of Ophthalmology of Chinese Non-Government Medical Institutions Association and Aier Corneal Disease Research Institute. The aim was to discuss the current status and trends of eye bank development at home and abroad, and the status quo and outlook of corneal transplantation.



The Second Aier EVO-ICL¹ International Summit

In December 2022, the Second Aier EVO-ICL International Summit, hosted by Aier Eye Hospital, was held in Sanya, Hainan. The summit gathered 67 renowned experts and scholars in refractive surgery from China, France, Japan, Spain and other countries. Under the model of "online broadcast + offline conference", they discussed topics such as the cutting-edge and new technologies in EVO-ICL surgery, special cases, and prevention and control of complications. Meanwhile, they shared breakthroughs and latest technologies in refraction. At the summit, Aier Eye Hospital was awarded the title of "Global No.1 Provider of ICL Surgeries (2015-2022)".



Photo of the Summit

The First Refractive Surgery Forum for Young Surgeons

In December 2022, Aier Eye Hospital held the First Refractive Surgery Forum for Young Surgeons in Sanya, Hainan. As an exchange platform in Refractive surgery, young surgeons and experts made in-depth discussions on new treatment technologies and experience in the industry.

¹ EVO-ICL refers to implantable collamer lens.

Facilitating Coordinated Industrywide Development with Innovation and Scientific Research



Certificate of "Global No.1 Provider of ICL Surgeries (2015-2022)"



Expanding School-Enterprise Cooperation

Adhering to the principle of "creating mechanisms for resources integration, complementing advantages for sustainable development", Aier Eye Hospital continues to promote school-enterprise cooperation. In this regard, we work with Jinan University, Northwest University, etc. to integrate their high-quality educational resources with our rich clinical resources, and jointly promote the construction of an integrated platform combining medicine, education, research, and production. We also launch cooperative programs on clinical scientific research and academic activities to cultivate highly-skilled ophthalmic talents with solid medical foundation and strong clinical strength. By the end of 2022, the Group had established strategic cooperative partnership with 11 universities, in which 8 were aimed at cultivating masters and doctors in ophthalmology and 3 at training technical talents in optometry.

Launching Aier-Jinan University "Joint Lab for Visual Damage Repair"

In September 2022, Aier Eye Hospital and Jinan University launched the "Joint Lab for Visual Damage Repair" to co-explore new modes of school-enterprise cooperation, expand new fields of industry-education integration, and inject new momentum into the development of the ophthalmology industry.





Co-creating the Ophthalmic Industry-University-Research Platform and Ophthalmic Medical **Center with Northwest University**

In November 2022, Aier Eye Hospital joined hands with Northwest University to establish a comprehensive industry-university-research partnership around scientific research, talent cultivation, medical training, medical services, and other aspects, and jointly create a regional first-class ophthalmic industry-university-research platform and ophthalmic medical center.

Cooperating with Hong Kong Polytechnic University to promote the development of scientific innovation in the Guangdong-Hong Kong-Macao Greater Bay Area

In December 2022, Aier Eye Hospital developed a strategic cooperation partnership with Hong Kong Polytechnic University, which prospects rich hardware and software facilities for the cultivation of optometry talents in terms of training, R&D, and practice on the basis of the solid academic foundation of the university and the massive data samples accumulated by Aier in ophthalmic medical institutions around the world. Such an initiative will further innovate the training mechanism for high-level optometry talents, accelerate the implementation of projects for the integrated development of medicine and other disciplines, and contribute to the scientific innovation in the Guangdong-Hong Kong-Macao Greater Bay Area and national scientific and technological development.

Facilitating Coordinated Industrywide Development with Innovation and Scientific Research





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Aier Postdoctoral Research Station - A Cradle for Future Ophthalmology Experts

Aier Postdoctoral Research Station is the first national "postdoctoral research station" in Hunan established by a non-public ophthalmology hospital. Since its establishment in 2020, it has had a close partnership with renowned universities and research institutes at home and abroad, such as Central South University and Chinese Academy of Science. Besides, it has gathered more than 40 authoritative doctoral tutors and 17 postdoctoral talents in ophthalmology and other fields.

By the end of 2022, postdoctoral talents within the station had led 2 national projects and 4 provincial projects, undertaken 14 horizontal research projects in the Group, developed 4 invention patents, published 4 high-level SCI papers and submitted 10 SCI papers. Under our "Five Capabilities Model¹", postdoctoral talents' capabilities in scientific research, innovation and clinical practice are becoming increasingly prominent. In October 2022, an article on postdoctoral training experience with Aier characteristics was published in China Postdocs.

¹ Five capabilities refer to research capability, clinical capability, teaching capability, leadership and digital capability. The Group continues to foster excellent postdoctoral researchers in these 5 areas.

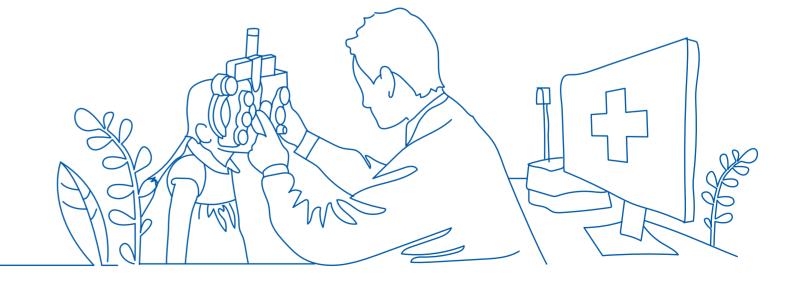






In addition, relying on high-quality resources of partner universities, Aier Eye Hospital has achieved fruitful results in basic research, applied basics research, and clinical application.

Cooperative Universities (Selected)	Project Research Achievements
Jinan University	Obtained approval for 1 National I
	Undertook 1 construction project in the Guangdong- Hong Kong-Ma
	Undertook 4 city-university (colleg Research Program
	Undertook 1 open topic of the Key
Tianjin University	Applied for national key R&D prog
	Undertook 1 key project of applied scientific research project of Tianj
	Obtained approval for 5 scientific



Facilitating Coordinated Industrywide Development with Innovation and Scientific Research

(Selected)

Natural Science Fund

t of the International Science and Technology Innovation Center acao Greater Bay Area

ge) co-funding projects of Guangzhou Basic and Applied Basic

ey Laboratory for CNS Regeneration of the Ministry of Education

gram and undertook 1 sub topic

ed basic research and 2 youth-related projects of Tianjin, and 1 jin Municipal Education Commission

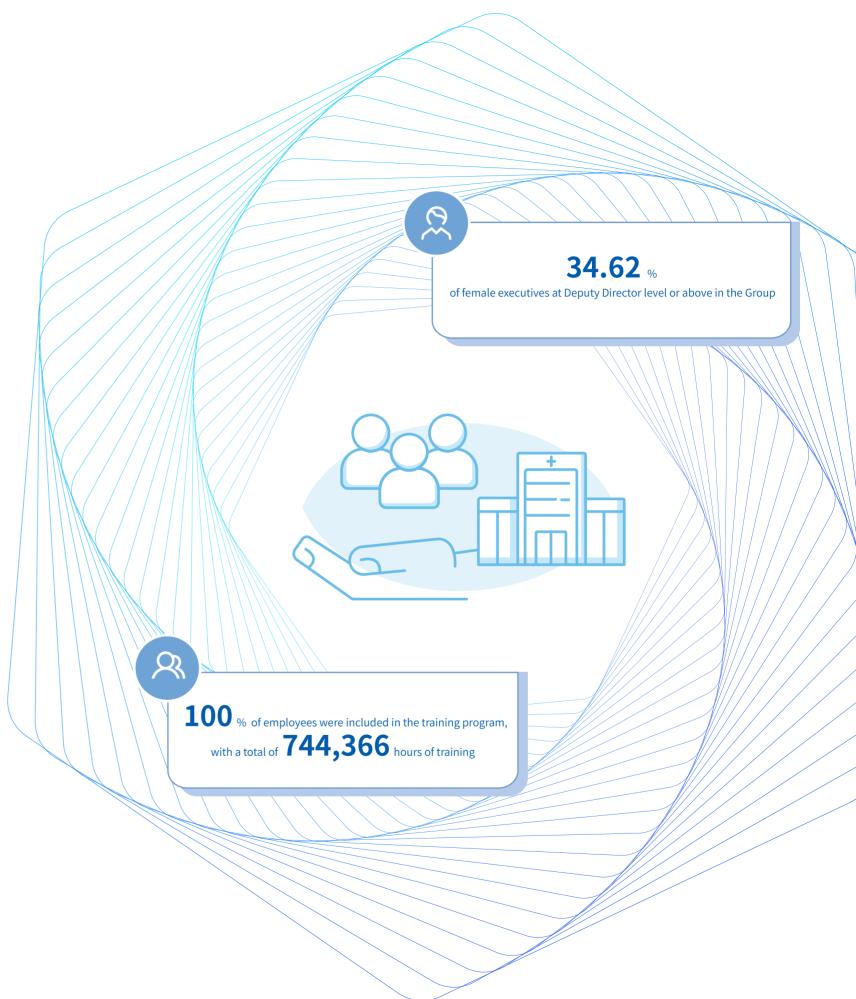
research funds of Anhui Medical University

Creating an Employeeoriented and Sustainable Workplace

Upholding the concept of "people-oriented, striking a balance between human needs and natural rules", Aier Eye Hospital follows the value of "respecting employees" to protect their rights and interests. We provide employees with diversified mechanisms for remuneration, benefits and incentives, and continue to improve the talent cultivation system to create a win-win and shared working environment for employees, empowering corporate development through employee achievements.

Contributions to SDGs



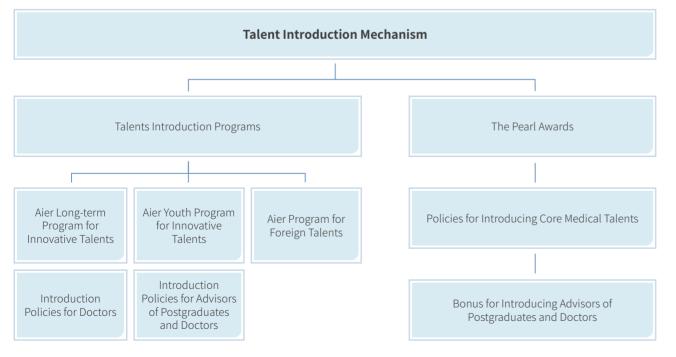


Protecting Employees' Rights and Interests

In strict compliance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Employment Promotion Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China and other laws and regulations, Aier Eye Hospital has formulated the Hospital Human Resources Management Manual, the Group Employee Handbook, the Social Security Management Measures for Hospital Employees and the Transfer Management Measure of the Hospital and other internal systems, which helps to optimize the human resource and employment management system, provide employees with competitive remuneration and diversified benefits, and create a sustainable workplace that integrates equality, inclusion and diversity.

Employment

Aier Eye Hospital has developed the *Hospital Recruitment Management Rules*, the *Hospital Management Measures for Employee Re-employment* and other employee management policies to ensure the full-process compliance from recruitment, interview, retirement to dismissal. Every year, we select appropriate talents through campus recruitment, social recruitment and internal recommendation, and attract outstanding talents in line with the Group's business development needs by improving the talent introduction mechanism. We strive to achieve common growth with employees.



The Talent Introduction Mechanism of Aier Eye Hospital

In the recruitment process, Aier Eye Hospital strictly abides by the *Provisions on Prohibition of Child Labour*, the *Regulations of the People's Republic of China on Special Protection for Underage Labors*, and relevant overseas laws and regulations. We recognize the basic rights of citizens' freedom of association and respect the core treaties of the International Labor Organization (ILO) by protecting the legal rights and interests of employees. We also resist any form of child labor and forced labor. The *Management Measures for Employment Contracts of Aier Eye Hospital* stipulates that all branches should not enter into employment contracts with minors under the age of 16. Besides, we do not advocate overtime or forced extended working hours. We insist on equal employment and put an end to any form of discrimination by gender, region, ethnicity, religion, age, nationality and physical condition. Moreover, we take on our corporate social responsibilities by supporting veterans' transferring to civilian work, and providing them with employment opportunities and corresponding benefits based on job vacancies.

We are dedicated to creating a diverse and inclusive workplace. We strictly comply with the *Constitution of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Rights and Interests of Women* and the *Special Regulations on Women Labor Protection* to ensure fair and just opportunities for employment and promotion for women workers, and encourage "women" to play their part in the workplace. By the end of 2022, the percentage of female employees within the Company was 77.30%. We attached importance to female role in senior management, with 34.62% of female executives at Deputy Director level or above in the Group.

The percentage of female employees was

77.30%

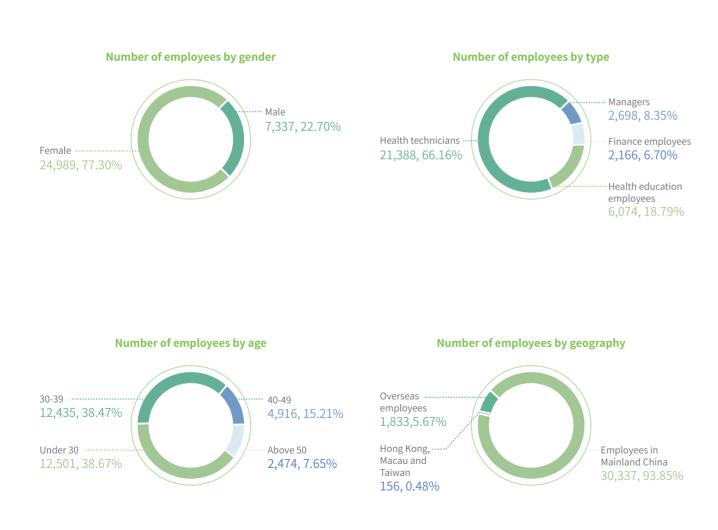


The female executives at Deputy Director level or above in the Group accounted for

34.62%

Aier Eye Hospital attaches great importance to the protection of employees' rights and interests. We have established a labor union in strict accordance with the Trade Union Law of the People's Republic of China, the Collective Contract *Regulations* and other laws and regulations. Furthermore, we enter into collective agreements such as the *Salary Collective Agreement* with employees under the principles of "equality, voluntarism and consensus". At the same time, we hold Workers' Congresses on an annual basis to carry out collective bargaining, including discussion of distribution rule, distribution form and level of employee salaries in the Salary Collective Agreement, protecting the legal rights and interests of employees.

By the end of 2022, the Group's total number of employees was 32,326, and the employee turnover rate was 12.30%, a steady decrease for two consecutive years. In the past three years, there were no major layoff or collective strikes occurred, showing employees' recognition of our management and confidence in the future development.



Total number of employees

2020	2021	2022
22,808	26,970	32,326

Percentage of employees covered by social insurances and housing fund

2020	2021	2022
100 %	100 %	100 %

The Group has received numerous honors and recognitions from industry associations, media and other organizations for our development concept of "co-creation, sharing benefits and win-win development" and refined measures to protect employees' rights and interests.

C Employer

2022

"New" Good Employers -Growth Brand

新华中国就业力

2022 Annual Case of



2022 Excellent Model Award

"Excellence Award" for Human Resource Management

2020





Creating an Employee-oriented and Sustainable Workplace







2021 "Model Mechanism Award" for talent management in China



2020 Most Promising Employer Award



2020 Employer of the Campus in Hunan Province



Employee Salary and Welfare

Aier Eye Hospital is committed to employees' wellbeing. For this purpose, we have formulated salary and welfare management policies such as the Salary and Welfare Management System of Aier Eye Hospital and the Management System for Human Resource Salary Budgets of Aier Eye Hospital. Taking into account the post value, regional differences, employee contribution, labor intensity, job skills, professional competence, and the market wage level, we define fair and competitive salary and bonuses for employees. We conduct objective and fair assessment on all employees at different levels based on their key performance indicators (KPIs). Through regular performance review and analysis, we take the assessment results as an important basis for job promotion and salary adjustment to ensure fair and balanced salary system and consistent assessment.

We have also developed an incentive mechanism that provides short-term, long-term and special incentives for employees at different positions and ranks. In addition, we implement the talent appointment evaluation system, and establish the cadre talent reserve pool to inspire the vitality of employees. In 2022, the Group fulfilled the 2021 equity incentive plan for nearly 4,900 employees. We also included additional 1,146 middle management and core employees into the equity incentive plan this year to continuously expand the coverage of the plan and share our achievements with more employees. In addition, we highlight the value recognition at the spiritual level. To this end, we have set up such awards as "Team Contribution Award" and "Star Employee", and established a development fund to reward excellent teams and individuals for their contribution.



Aier Eye Hospital Employee Incentive Mechanism

Aier strives to build a comprehensive welfare system. Besides the five statutory social insurances and housing provident fund, we also provide all employees with other benefits such as paid leaves, job subsidies and allowances to enhance their sense of happiness and belonging.

Aier Eye Hospital Employee Welfare

Statutory Welfare

- Pension insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance
- Housing provident fund
- Statutory holidays and paid leaves

Employee Training and Development

Talents are the core competitiveness for the corporate development. Aier Eye Hospital keeps optimizing the employee training system and building talent teams through well-established promotion channels and diversified training systems. In doing so, we help employees improve their comprehensive quality for promotion, striving for mutual growth and development.

Talent Development and Training

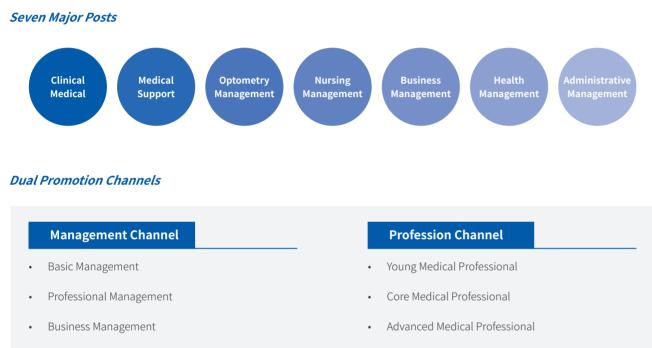
Aier Eye Hospital pays attention to improving employees' professional competence through multiple channels. For this purpose, we provide a broad platform and diversified development paths for employees of different types and at different levels. On this basis, we customize talent training plans, and constantly improve the talent training mechanism to create abundant opportunities for employee growth, thus inspiring their vitality for business development.

Corporate Welfare

- Subsidies for meals, high and low temperatures, communication, etc.
- Allowances for traditional festivals, Women's Day, Dotor's Day, Nurses' Day, hospital anniversary, hospitalization, etc.
- Characteristic recreational and sports activities such as reading parties, internal competitions, sports activities, salons, and social gatherings

Employees Career Development and Promotion

We respect the career development of all employees. Taking into account employees' career growth and corporate development plans, we have established seven major posts and dual promotion channels for mutual growth and support.



Integrated Management

• Leading Medical Professional

We have formulated the *Management System for Human Resource Internal Lecturers*, and regularly deliver TTT¹ training. Adopting the approach of "on-site learning + classroom exercises + after-class guidance", we aim to cultivate qualified internal lecturers to develop and deliver courses, helping us accumulate organizational experience. As of 2022, we have trained accumulative 316 internal lecturers, of which, 96 were cultivated in 2022. Meanwhile, leveraging the internet resources, Aier Management Institute has built a remote education platform and a livestreaming platform for cloud classroom to expand the training coverage through innovative technologies.

The training performance on the remote education platform of Aier Management Institute in 2022:

58 online virtual colleges

2,153 new courses

1,783,114 participants

694,748.50 learning hours

644 online examinations

Employee Training System

Insisting on customizing talent training plans, we keep optimizing the *Training Management System of Aier Eye Hospital Group* to establish a sound talent training mechanism, and lay a solid foundation for the high-quality corporate development. In 2022, we carried out leadership and expertise training for all employees (including part-time and contractors), and designed scientific and effective training courses based on job characteristics, with the coverage of 100%.

¹ TTT is short for Training the Trainer to Train.



Special Topic: Empowering Employees for a Bright Future

Degree Promotion Training

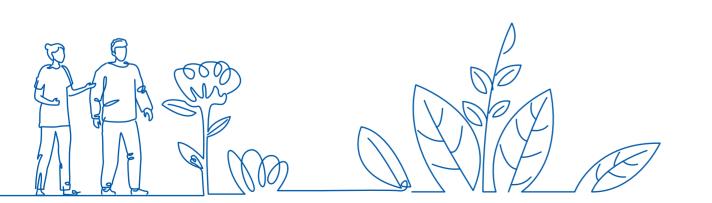
Aier Eye Hospital encourages all full-time employees to advance their academic degrees. We have formulated the Management Measures for Degree Promotion Expenses for Medical Talents of Aier Eye Hospital, specifying tuition reimbursement and living allowances for employees with different degree promotion goals, to encourage them to improve professional and academic capacities. In 2022, the degree promotion program covered 725 employees, and supported 685 employees to obtain certificates. Meanwhile, relying on the academic education platform jointly built by Aier Eye Hospital and universities, we promote the training of on-job postgraduates. We select outstanding physicians to pursue advanced studies at universities such as Jinan University, Anhui Medical University and Wuhan University. By the end of 2022, a total of over 69 medical personnel had been admitted by the cooperative institutions for advanced study and training.

Strategic Talent Cultivation

Talents are the most valuable assets for Aier Eye Hospital. We attach great importance to employee management and competence cultivation. For this purpose, we have built a multi-level talent training system covering business management training, medical management training and core medical talent training to help employees realize selffulfillment and pool diversified talents for sustainable development. In 2022, 31 strategic training programs were conducted, which covered 954 participants, of whom there were 455 core medical talents and 499 core management talents.

Business Management Training

	Participants	Contents	Achievements
Yuelu Program	Business management talents	With each session planned to last for 2 years, Yuelu Program adopts the learning methods of "course teaching + case study + investigation & communication + project practice", and requires participants to complete the themed study of 6 modules.	By the end of 2022, the program had organized 3 training sessions, and all the participants in " Yuelu I" had successfully completed the training.
Program E	CEO of hospitals	Program E relies on an independently developed sandbox course "Matching People with Jobs to Empower Management" to improve the CEO's capacity to plan, lead and make decisions in management.	By the end of 2022, the program had completed 3 CEO training sessions.
Xiangjiang Program	Future leaders in ophthalmology management	Each session is planned to last between 3 and 6 months. Through online self-study, centralized training and study visits to model hospitals, the three stages of training and learning are completed includ-ing basic specification for be-ginners, elevation in specialty with practices, project opera-tion and report completion.	By the end of 2022, the program had completed 4 training sessions.
Kunpeng Program	Senior elites in health education service	The program adopts 4 mixed types of training means: online course learning, offline intensified training for empowerment, apprenticeship rotating in departments and post-practice.	By the end of 2022, the program had completed 2 training sessions, covering 4 training classes.





Completion of "Yuelu I" Training Program and Desert Hiking



"Participants from "Yuelu II" Training Program at Bo'ao

Medical Management Training

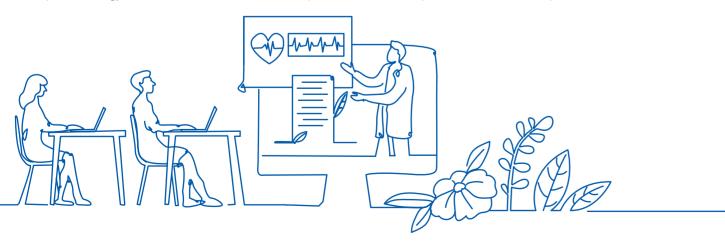
	Participants	Contents	Achievements
Training Class for Provincial Chief Hospital Directors	Chief directors experienced in senior medical management	The "Training Class for Chief Directors" program focuses on leadership development to enhance chief director's strategic commitment and overall management awareness and their capacities of introducing talents and building regional talent teams.	In 2022, 1 class had been offered.
Hospital DirectorTraining Class	Directors with mature management experience	The program focuses on management capacity improvement to enhance their abilities of teaching and team building.	In 2022, 2 classes had been offered.

Core Medical Talent Training

	Participants	Contents	Achievements
Program for the Excellence	Professional young talents in optometry and pediatric ophthalmology	The program lasts 3 years and covers a series of domestic and overseas courses in terms of most advanced technologies, progresses, multicultur-alism and international vision.	By the end of 2022, the first session had been successfully completed. The second, third and fourth sessions were in progress. The fifth session was due to start soon.

Medical Skills Training

Medical skills are the cornerstone for Aier Eye Hospital's operation. We pay attention to cultivating professional skills of medical staff by carrying out training on cataract surgery teaching, refractive surgery, optometry and pediatric ophthalmology, fundus diseases and cornea to improve their clinical expertise and service competence.



	Contents	Achievements
Cataract Teaching Training	We keep digging into cataract phacoemulsification surgery training, and develop standardized refractive cataract surgery training courses and trainers.	In 2022, we con-ducted 17 sessions of cataract phacoemulsification surgery training and 10 sessions of re-fractive cataract surgery training.
Refractive Surgery Training	We provide refractive surgery training in an all-around manner, covering theory study, simulation practices, case study, and teaching guidance.	In 2022, we trained 253 surgeons and launched 132 training sessions, covering 2,829 participants.
Optometry and Pediatric Ophthalmology Training	Centering on the "30+1" optometry talent system, we aim to cultivate diversified talents including optometry doctors, optometrists, dispensing opticians, opticians, QA specialists and base instructors.	In 2022, we delivered 106 training sessions, covering nearly 1,700 participants.
Fundus Diseases Training	Relying on the ex-isting ophthalmic medical talents, we launch an integrated training model of "theory + practice + assessment + com- petition".	In 2022, we engaged over 230 internal and external experts to deliver a total of 43 training sessions, covering more than 8,000 participants.
Corneal Diseases Training	We carry out 10 types of training and assessment for four teaching and research groups, including dry eye, pterygium, corneal transplantation and common corneal diseases.	In 2022, we trained 809 participants and assessed 1,571 people.





Cataract Teaching Training

Refractive Surgery Training



Fundus Diseases Training

Creating an Employee-oriented and Sustainable Workplace

Optometry and Pediatric Ophthalmology Training

重庆视光继续教育基地6月视光强化专题培训



Corneal Diseases Training

Employee Health and Care

Upholding the concept of healthy work and happy life, Aier Eye Hospital takes various initiatives to safeguard the physical and mental health of employees. We provide democratic and smooth communication channels and strive to create a warm and caring workplace to enhance employees' sense of identity and belonging.

Occupational Health and Safety

Aier Eye Hospital safeguards the health and safety of employees with the highest standards in daily operation. In strict accordance with the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and the Regulation on Work-Related Injury Insurances, we implement various initiatives to safeguard the health and safety of our employees in an all-around manner.

Safeguards for Employee Health and Safety

- Provide standard protective articles for medical personnel, such as medical masks, uniforms and goggles, and install sanitary facilities such as ventilators, air purifiers and sterilizers;
- Regularly disinfect the contaminated or potentially contaminated areas at hospitals;
- Collect, classify and properly handle hazardous medical wastes, and standardize the storage and label management of chemicals, sanitizers and sterilant;
- Carry out emergency training and drills in terms of fire safety, medical waste leakage, etc.;
- · Regularly inspect water and electricity utilization at hospitals, dormitories and canteens to rectify potential safety risks in a timely manner;
- Provide regular physical examinations for employees exposed to occupational risks to protect their physical health.

Fire-Fighting Knowledge Training and Emergency Drill

In October 2022, Dongguan Aier Eye Hospital organized the fire-fighting knowledge training and emergency drill. The training shared the basic knowledge and usage of portable dry powder fire extinguishers, and employees were given hands-on experience as how to use the extinguisher. After the training, the emergency leading group organized an emergency fire-fighting drill in the inpatient department, where all personnel evacuated from wards in an orderly manner. The training and emergency drill improved employees' abilities in response to disasters, and better secured the safety of employees and patients.

In addition, Aier provides free testing and protective medical supplies for employees. In 2022, we launched new policies that wages for employees who were unable to work due to virus infection will not be deducted, and their medical expenses borne by individuals will be reimbursed.



Creating an Employee-oriented and Sustainable Workplace



Sincere Communication

Aier Eye Hospital launches diversified communication channels to encourage employee participation. We have established the Workers' Congress, and regularly hold democratic communication meetings and Workers' Congresses to protect employees' rights to know, participate, express and supervise. We have also provided other channels, such as telephone, WeChat, enterprise WeChat, email, letters, and Director's Opinion Box, to receive employees' opinions. Such opinions will be reported to the management for disposal in a timely manner.

In addition, we have smoothed channels for complaints and whistleblowing. Employee complaints will be recorded in detail, and classified based on types of the compliant, i.e., medical management, business management, and employee relationship management. Such complaints will be promptly transferred to relevant functional departments such as the Medical Management Center, the Human Resource Center, and the Financial Center. In doing so, we ensure that employee complaints are handled with standardized and transparent processes in a timely and fair manner to protect their rights and interests.

In 2022, the Group conducted employee satisfaction survey for the sixth consecutive year. Through online anonymous questionnaire and offline satisfaction survey, we keep expanding the survey coverage, with the online survey covering all employees, and further optimize the survey contents and the scoring mechanism. In addition, we carry out targeted rectification based on the survey results to improve employee satisfaction and cohesion. In 2022, the employee satisfaction remained at a high level.

Caring for Employees

Striving for a harmonious and pleasant working environment, Aier Eye Hospital highlights team building and corporate cohesion. We provide employees with diverse festival celebrations, birthday blessings, and thanksgiving activities. We also set up study rooms for employees' children and nursing rooms for lactating employees. In addition, we organize numerous recreational and sports activities such as flower arrangement and basketball games, effectively reducing employees' working pressure and promoting the work-life balance.





Employee Birthday Party

Basketball Game

Aier insists on optimizing the employee caring system with refined employee caring plan. We have set up the Employee Caring Fund to help those with difficulties, bringing home-like warmth to them. We attach great importance to the mental health of our employees. In 2022, we launched the employee mental health caring project to provide comprehensive and professional mental health consultation service for all employees, in a bid to solve their problems and build a warm workplace.

Employee Caring Plan

Employee Caring in Critical Illness Assistance Plan

- emergency surgery, and special outpatient medical services;
- By the end of 2022, 145 claims had been paid, with an amount of RMB 3.79 million.

Employee Caring in Employees' Children Assistance Plan

- Qualified employees who have died of accidents or illness can be included in the Employee Caring in Employees' Children by the Group until their children graduate from universities or reach the age of 23;
- In 2022, 2 employees' children were newly included in the plan. By the end of 2022, 6 employees' children had been subsidized in total.

Employee Mental Health Caring Project

- Include psychological counselling, assessment and training, caring activities, crisis intervention and caring platform.
- provided, and 7 psychological caring activities and training sessions had been organized.

Kick-off Meeting for Employee Mental Health Caring Project and Special Lecture on Employee Mental Health Education

In September 2022, Aier Eye Hospital launched the Kickoff Meeting for Employee Mental Health Caring Project and Special Lecture on Employee Mental Health Education. During the meeting, we introduced the project in detail, and invited psychologists to share common mental health problems and suggestions, to help employees self-regulate work and life pressure for happy work and healthy life.

• Provide supplementary medical insurance for regular employees aged between 18 and 70 who have been on the job for three years or more, covering expenses for hospitalization, outpatient emergency treatments before and after hospitalization, outpatient

Assistance Plan after the application is approved. Upon the approval, tuition fees and living expenses of their children will be borne

• By the end of 2022, 341 people had participated in psychological assessment, and 35 psychological counselling services had been

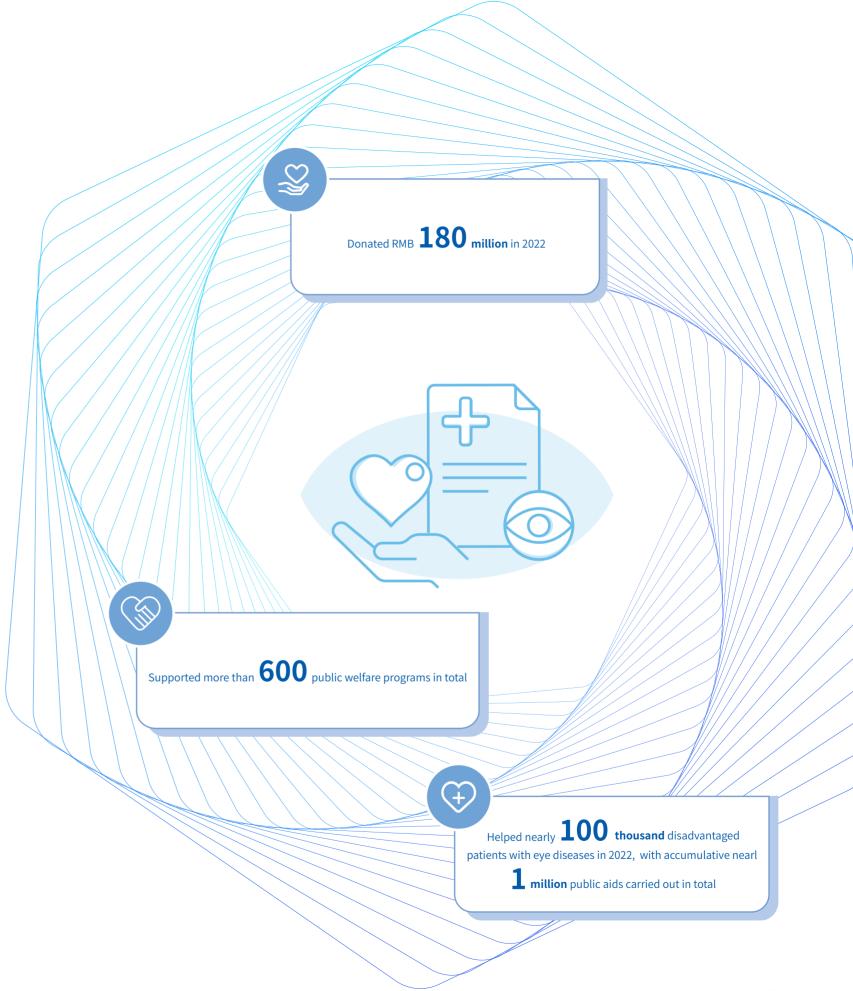


Safeguarding Bright Eyes for a Beautiful and Harmonious Society

Aier Eye Hospital adheres to the original mission of "enabling everyone, no matter rich or poor, has the right to eye health". With "love" as the core of the corporate culture, and "kindness" as the cornerstone of the corporate development, the Group actively assumes social responsibilities in pursuit of the balance between social responsibilities and business development. We insist on promoting rural revitalization, caring the vulnerable groups, and facilitating the universal healthcare and education, in a bid to contribute to a healthy China and common prosperity.

Contributions to SDGs









Honors and Recognitions in Public Welfare

Aier Eye Hospital actively performs its corporate social responsibility, and pursues a harmonious combination of social responsibility and its own growth. In 2022, our performance was widely recognized by all walks of life in the society.



"Red Cross Society of China - Medal of Contribution" in 2021



Chairman Bang Chen Won the title of "Charitable Entrepreneur of the Year" in "For Good Awards 2022

Awards and Honors in Public Welfare Won by Aier Eye Hospital in 2022 (partially)

Aier Eye Hospital has embedded public welfare in its corporate culture and promoted such culture to more than 100 subordinate hospitals during business development. In 2022, the Group's hospitals won wide appreciation from the society. Huaihua Aier Eye Hospital and Zouping Aier Eye Hospital were awarded the title of "Caring Enterprise" while Kunming Aier Eye Hospital received the title of "Enterprise Caring for the Elderly and the Public". "Bright Sichuan - Aier Public Welfare Activity", supported by multiple hospitals, won the "Most Influential Public Welfare Project" in the third "Sichuan Charity Awards".

Public Welfare Strategy

Based on the "cross subsidy" mode, Aier Eye Hospital is committed to public welfare by devoting ourselves to rural revitalization and medical poverty alleviation. In 2022, to further develop the public welfare undertakings in a systematic and professional direction, Aier Eye Hospital set up the Public Welfare Strategy Advisory Committee comprising of several senior experts in this field. Meanwhile, Aier Eye Hospital released its public welfare strategy for the next ten years, aiming at uniting all available forces to promote the sustainable development of eye health in China and the world.





Concerted Efforts against COVID-19

In 2022

Aier Eye Hospital dispatched a total of 27,203 groups of health workers in succession

collected 78.86 million testing samples

Committed to supporting the deployment and requirements of local governments and fulfilling our mission as a hospital to serve the society, Aier Eye Hospital actively donated funds and materials to local government agencies, the Red Cross, communities, streets and other relevant organizations in various forms, and organized 68 internal teams to provide voluntary services to communities, bringing warmth to more residents.

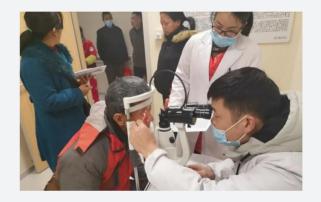
Engagement in Rural Revitalization

Aier Eye Hospital actively responds to the national strategies of "Rural Revitalization" and "Healthy China" Initiative. Relying on projects such as the "Free Treatment to Impoverished Cataract Patients" and the "Targeted Poverty Alleviation - Brightness Campaign", Aier Eye Hospital, together with national public welfare organizations, jointly launched various eye health charitable programs in rural grass-roots areas. Aier Eye Hospital has developed its unique "cross subsidy" mechanism, under which, income from high-end medical services would be used as subsidy for impoverished patients to help them prevent and treat blindness, and ultimately contribute to sustainable medical assistance and eye health services in rural areas. In 2022, key public welfare projects to revitalize rural medical services include:

- Making several donations through professional charity foundation to carry out eye health education and medical assistance in schools and rural grass-roots areas;
- In 2022, 68 branches of Aier Eye Hospital engaged in the "Brightness Project", providing assistance to over 14,000 patients in 17 provinces.
- Carrying out charitable sight tours called "Bring Warmth for Poverty Alleviation" in 11 provinces to provide medical assistance to . cataract patients and children with eye diseases from impoverished families and help them regain their sight;
- Supporting the public welfare initiative "Rural Adolescents Eye Health Care Project" by leading professional health workers to primary schools in rural and remote areas to provide vision checks and eye health education for over 95,000 students, distribute free eyeglasses for over 5,300 students, and provided assistance to several students with eye diseases.

Bringing Medical Services to Rural Areas to Safeguard Patients' Eye Health

Aier Eye Hospital has been providing free medical services to rural residents, which can spread the eye health knowledge among rural residents to raise their awareness on eye health and disease prevention and treatment and help patients with eye diseases get timely treatment. In 2022, doctors from Aier Eye Hospital went to rural areas frequently to give free eye health checks for local villagers and children.



Contributing to Rural Revitalization and Common Prosperity

In August 2022, the 16th China Brand Festival was held in Changsha. Aier Eye Hospital's programs were selected among the Excellent Cases of Promoting Rural Revitalization in 2022. It demonstrated that the Group's efforts in rural revitalization were widely recognized by the industry, which made commendable contribution to the initiative of "strengthening the country by famous brands".

In November 2022, the China Association for Public Companies ("CAPC"), with the support of local CAPCs, released the Best Practice Cases for Rural Revitalization of Listed Companies, which included commendable experience and practices of 111 listed companies in poverty alleviation and rural revitalization. Aier Eye Hospital's case was listed as an excellent practice. Aier Eye Hospital will continuously take on social responsibility and make constant contribution to poverty alleviation, rural development and common prosperity.

Safeguarding Bright Eyes for a Beautiful and Harmonious Society







Endeavors for Public's Eye Health

In response to the national eye health program under the 14th Five-Year Plan, Aier Eye Hospital takes the public's eye health as its own responsibility. With support from medical institutions nationwide and guided by the principle of "focus on prevention, integrating prevention with control", we join hands with all sectors of society to bring advanced ophthalmic medical treatment and high-quality medical services to remote areas and grass-roots communities.

In 2022, we launched more medical assistance programs in China, supporting and implementing 12 provincial public welfare projects.



Nationwide Medical Assistance Charitable Programs by Aier Eye Hospital in 2022 (partially)

2022-2024 "You are My Eyes" Corneal Transplantation Program in China

Under the program, RMB 10 million will be invested in the next three years and public fund raising campaign will be launched to further expand the assistance coverage to more patients in need with corneal blindness.

"Protecting Brightness - Special Funds for the Treatment of Ocular Tumors and Orbital Diseases"

The project provides medical assistance to patients suffering from ocular tumors or orbital diseases, aiming to lighten their burden of medical costs and make basic healthcare services more accessible to families in need



"Launching Ceremony of "You are My Eyes" Corneal Transplantation Charitable Program in China



Photo of "Red Cross Eye Care Project"

"ACFROC Charity Program - Bringing Warmth and Brightness"

In 2022, Aier Eye Hospital in 63 regions of 16 provinces provided surgery for over 38,000 patients suffering from cataracts and pterygium, helping them regain their sight.

"Red Cross Eye Care Project - Preventing and Control of Youth Myopia"

This project provided vision screening for 69,900 adolescents, over 3,900 pairs of free eye glasses and 55 cases of eye disease surgery during the year.

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Safeguarding Bright Eyes for a Beautiful and Harmonious Society

During the year, over 68,000 free vision screening activities were held by Aier Eye Hospital, with more than 3,390,000 people receiving eye health checks.



Launching Ceremony of "Protecting Brightness - Special Funds for the Treatment of Ocular Tumors and Orbital Diseases"



Launching Ceremony of the "Eye Health Assistance from Aier for Myopic Youngsters Enrolled for Military Service"

Involvement in Public Welfare by Employees

In 2022

accumulating roughly 2.34 million hours	reaching 390 thousand person-times
employees of the Group participated in nearly 135	thousand volunteer activities

Aier Eye Hospital encourages employees to participate in community volunteer activities, so as to create an atmosphere in the Group where everyone cares about and supports public welfare. Besides carrying out diverse community service projects to deliver our love and warmth, we also actively perform our environmental protection responsibilities by participating in green public welfare activities and facilitating the development of green ecology with concrete actions.

• In 2022, Aier Eye Hospital invested over RMB 200 thousand in more than 200 communities including Changsha provincial military command community, Bayigiao community and Rongyuan community, where our employees carried out 440 activities under the "Safeguarding Brightness - Community Eye Care Project", serving 65,351 residents and providing them with professional eye health checks and education.





Community Service

• In June 2022, volunteers from Xiangtan Aier Eye Hospital carried out an environmental cleaning activity in Jianshelu community of Yuetang District, contributing to the construction of a clean and civilized city.



Cleaning Activity

Participation in International Public Welfare

To support the "Belt and Road Initiative" and in response to the national call, the Group and its overseas subsidiaries utilize our own resource advantages and professional strengths to participate in international public welfare actions while carrying out businesses globally. By establishing local non-profit organizations and cooperating with international public welfare organizations, we keep innovating new models and carry out diverse international projects related to public welfare to assist in solving prominent problems in local society. In 2022, the Group and its overseas subsidiaries further contributed to the development of international public welfare by conducting a series of activities such as protecting eye health, practicing green public welfare and caring for vulnerable groups.



Protecting Eye Health Ô

• Aier Eye Hospital's European subsidiary, together with international NGOs, built eye clinics to provide quality eye services to people in Oromia of Ethiopia. So far, we have treated nearly 600 patients and distributed more than 100 pairs of glasses.



• Cooperating with local clinics and NGOs in Spain, Aier Eye Hospital's European subsidiary provided vision checks for 61 Sahrawi children.



• Aier Eye Hospital's European subsidiary and international public welfare organizations jointly built eye clinics in Ethiopia, providing local patients with basic eye checks and public services regarding blindness prevention and treatment.



• As of December 31, 2022, Clinica Baviera, a subsidiary of the Group, had provided free treatment to more than 1,500 overseas patients and children and carried out over 450 cataract assistance surgeries. The accumulative amount of donations and funding as well as equipment and supplies provided had reached more than EUR 200 thousand.

Practicing Green Charity ž

- Aier Eye Hospital's European subsidiary encouraged all employees to recycle plastic caps. A total of 150 thousand caps were collected and the selling proceeds were used to fund the life and education of local improvised kids.
- Aier Eye Hospital's European subsidiary donated 210 computers, which had been used by the clinic, to employees in need. This not only improved employees' life quality but also created an internal micro-circulation economy which promoted the recycling of office resources.
- Aier Eye Hospital's European subsidiary distributed its environmental practice guidelines to all clinics in Spain and Germany to popularize environmental knowledge to its staff.

Caring for Vulnerable Groups

• In June 2022, Aier Eye Hospital's European subsidiary launched a corporate volunteer project to help people in need through cooperation with the Spanish soup kitchens. This project will be extended to other cities in the future.

• Itn December 2022, Aier Eye Hospital's European subsidiary provided warmth supplies to all cooperated soup kitchens in Spain and Germany and distributed nearly 1,000 kits to needy people to warm them up with love.

Safeguarding Bright Eyes for a Beautiful and Harmonious Society



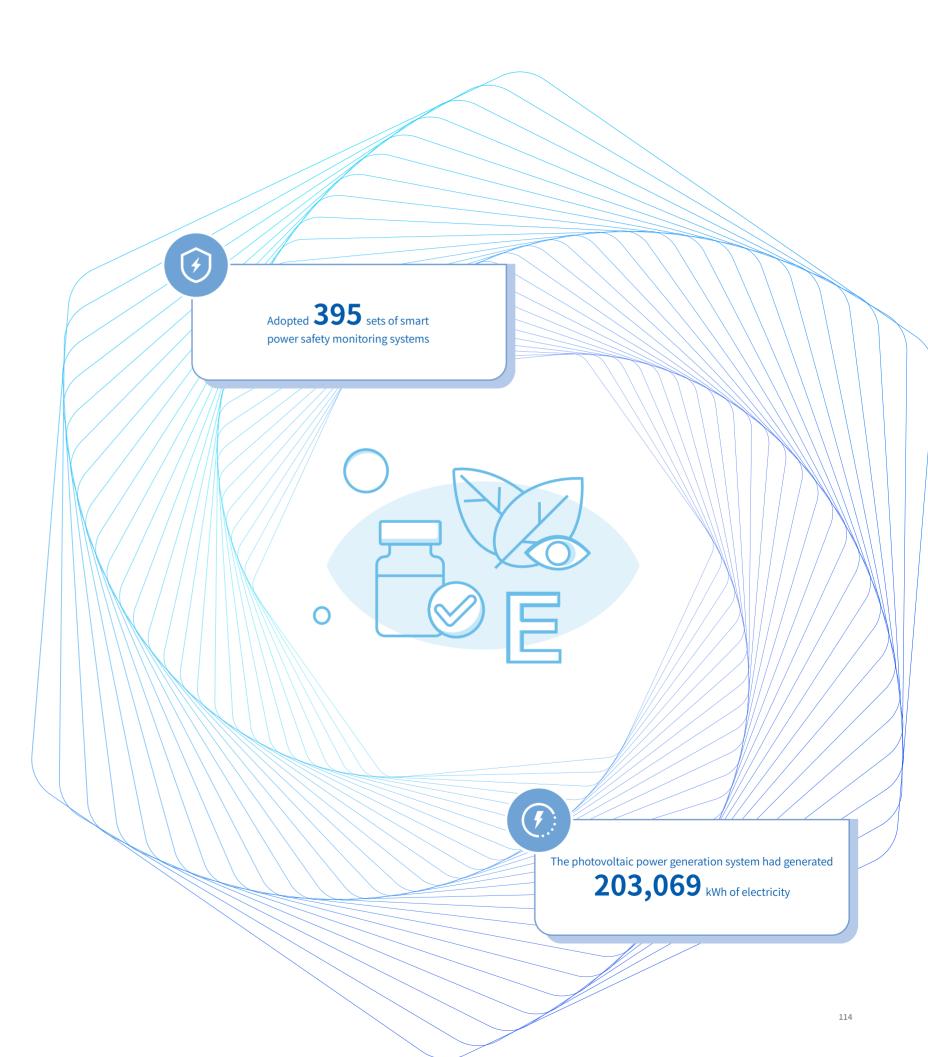


Embracing Environment-Friendly Operations with Green and Low-carbon Practices

Aier Eye Hospital upholds the philosophy of green development and low-carbon operation. We abide by laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and the Energy Conservation Law of the People's Republic of China, earnestly fulfilling the responsibility of environmental protection. We continue to build green hospitals and focus on highefficiency and energy-saving technologies and energy management to respond to climate change risks. At the same time, we incorporate environmental protection into our operation by taking various measures to promote resource conservation and waste reduction, so as to establish ourselves into an environmentally friendly company.

Contributions to SDGs





Green Hospitals

Aier Eye Hospital adheres to the construction concept of green hospitals under the principle of "compliance and safe construction and green operation". We comply with the Construction Law of the People's Republic of China, the Regulation on the Administration of Medical Institutions, the Technical Code for Engineering Security and Protection System and other laws and regulations, and formulate internal rules such as the Standard Manual for Green and *Civilized Construction.* Special funds are also provided for green and civilized construction. With these policies and funds, we aim to ensure the safety, energy saving and environment protection in the construction of green hospitals.

We strictly follow local laws and regulations to carry out green construction by fulfilling all construction application procedures and conducting environmental impact assessment, structural safety appraisal, construction drawings review, construction license application, etc. We also focus on safety management, noise and dust reduction and garbage sorting to minimize the impact on surrounding environment during construction.

Measures for Green and Civilized Construction

- · Applying for temporary road occupation as required, setting up fences and purchasing and presetting safety protection facilities to ensure workers' safety;
- · Adopting equipment with good performance and low noise and vibration, restricting the speed of operating vehicles to be under 5 km/h in the construction and residential areas, and prohibiting whistling and stepping on the accelerator;
- Taking measures such as sprinkling and covering the surfaces to control the height of dust in the construction area within 1.5 meters, washing down operating vehicles before leaving the construction area, and sealing powder materials to ensure that the dust and soil do not spread outside;
- Sorting and bagging household waste and construction waste at the construction site, separately processing toxic, harmful and polluting substances, so as not to pollute the land or endanger the health of others after being transported out.



The Group also considers the process integration, site selection and transportation, sustainable site, water saving, energy and atmosphere, materials and resources, indoor environmental quality, innovation and regional priority when building new hospitals, endeavoring to provide patients with an environmentally-friendly, healthy, warm and healing medical environment. Changsha Aier Eye Hospital adopts green equipment such as central air-conditioning that features energysaving and low noise, and the hospital has gained the LEED HC Gold certification ¹.



Leadership in Energy and Environmental Design for Healthcare ("LEED HC") is the certification and rating system for healthcare buildings launched by U.S. Green Building Council.

Embracing Environment-Friendly Operations with Green and Low-carbon Practices



Changsha Aier Eye Hospital Gained the LEED HC Gold Certification

Climate-change Response

With the ever growing impact of climate change, the corresponding response has been under the spotlight. Aier Eye Hospital actively identifies and manages climate risks. By implementing diverse energy-saving and emission reduction measures and exploring the use of clean energy, we strive to walk on a path featured by low-carbon and sustainability.

Climate Risk Identification and Management

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Governance: The Company's Governance around Climate-Related Risks and Opportunities

The Group's Social Responsibility Management Committee is responsible for formulating and reviewing policies related to climate change, identifying and managing climate risks that are closely related to and have a material impact on the Group's business, and supervising the formulation and implementation of internal management procedures on energy saving and green office, so as to strengthen the Group's resilience to climate risks.

Strategy: The Actual and Potential Impacts of Climate-Related Risks and Opportunities on the Ľ Company's Businesses, Strategy, and Financial Planning where Such Information Is Material

The Group keeps acquiring further information about the adverse impact of climate change risks may have on its business, while remaining vigilant and actively seeking relevant opportunities.

Adaptation •

In order to respond to risks related to extreme weathers, we have formulated the *Emergency Response Management* Policy for Logistics Service of Aier Eye Hospital Group. Each department should establish a leading team for logistics service emergency response to perform corresponding measures against extreme weathers in line with the principle of "unified leadership and specified responsibility". In addition, we consider the natural terrain when building or relocating the hospital. It is required that the elevation of the hospital should be higher than the highest point of the surrounding road. Ramp barriers are set in the basement and garage entrance while drainage pumps and waterproof threshold are set in underground machine rooms to prevent rainwater flowing and ensure equipment safety.

Mitigation

Aier actively explores innovative energy-saving technologies to mitigate transition risks related to carbon emissions and turn risks into opportunities for green development. We will continue to improve energy management and strive to obtain energy management system certification in the future.



In alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the Group identifies the following climate change issues that may have significant impacts on itself in two dimensions of physical risks and transition risks.

Risk type	Risk	Desc
Physical risks	Frequent extreme weather	Extre and t patie
Physical risks	Rising temperature	High consi healt
	Policy and legal risks	Laws whicl furth
Transition risks	Technology risk	Prode vario and u conse
	Increased carbon pricing	With Grou pricir



Metrics and Targets: The Metrics and Targets Used to Assess and Manage Relevant Climate-Related **Risks and Opportunities where Such Information Is Material**

Following the energy management goal of "improving energy efficiency and reducing carbon emissions", the Group has formulated the Regulations on Energy Conservation and Consumption Reduction of Aier Eye Hospital Group. To meet this goal, we take multiple measures including energy conservation, green office, and utilization of clean energy, and incorporate energy management in performance appraisal of employees. In addition, the Group continues to disclose environment-related information to public to protect stakeholders' right to know.

Risk Management: How the Company Identifies, Assesses, and Manages Climate-Related Risks

ription

eme weather may cause impairment of assets and casualties, the secondary disasters may result in travel inconvenience for ents and unstable business operation.

temperature in summer will result in great increase in electricity sumption as well as operating costs of the Group. Employees' th will also be affected by sustained high temperature.

s and regulations related to carbon emissions will be released. ch will set higher standards for environmental management and her increase environmental operating costs.

luction costs will be increased due to the implementation of ous technology transformation measures, including developing using low-carbon technologies and optimizing energysuming devices.

the launch of national carbon emission trading market, the up's operating expenses may be affected by relevant trading and ng policies.

Carbon Emissions and Energy Management

Aier Eye Hospital has a leading group for energy conservation and consumption reduction, which optimizes energy management standards and measures through goal management, technological improvement, and equipment management. Meanwhile, we reinforce energy conservation publicity and improve the incentive system to work towards the goal of energy conservation and emission reduction together with our employees.



Establish energy-saving objectives and evaluation system, and break down those objectives and tasks by classes groups and individuals. Workers in key energy management positions need to sign a letter of responsibility and be strictly assessed

Increase investment in and promote energy-saving technologies and equipment, speed up the removal of high energy-consuming equipment, and recycle surplus energy and heat, to achieve circular development of the hospitals

Improve management, maintenance, and monitoring of equipment, implement electricity submetering management, set up electricity standards, and strengthen monitoring and deployment to cope with abnormal power consumption promptly

Carry out educational and social activities themed energy conservation and consumption reduction, establish corresponding reward and punishment mechanism, and cultivate employees' awareness and habit of energy conservation

Centering on the goal of energy conservation and emission reduction and management system of energy conservation and consumption reduction, we actively develop innovative energy-saving technologies, fully exploit our potential and build green and low-carbon hospitals with intelligent designs.



Innovative Energy-saving Designs

22 Green and Eco-friendly Building Materials

- We build the wall mainly with the mineral wool board because it will not produce needle-shaped dust and it can muffle sound. insulate the heat, and prevent fires;
- We construct the floor largely with renewable plastic floors since they are durable, oil-proof, dilute acid-proof, and alkali-proof;
- reduce sound transfer and energy consumption of air conditioning.

Energy-saving Air-conditioning System

- We fully combine the on-site work conditions when designing the HVAC, rigorously calculate the cooling and heating load, and effectively save energy and reduce emissions;
- We use an air-cooled chiller with an air source heat pump (ASHP), which can save about two-thirds of electricity in winter;
- We use sewage source heat pump system, instead of direct-fired machine, to drive central air-conditioning system, realizing the recycle of surplus heat from industrial wastewater.

Energy-saving Renovation for Buildings

- We install insulation boards in the hallway of operating rooms and block the wall openings and gaps. In doing so, indoor temperature is maintained and the energy is saved;
- We install crystal door curtains to prevent wind and mosquitoes as well as insulate the heat in summer. We also set cotton wadded curtains in winter to prevent cold and dust, which improves the hospital environment and saves energy.

Smart Power Solutions

- · We adopt a smart power safety monitoring system for checking out aging wires or line faults, aiming to reduce power consumption while ensuring electrical safety. With functions of electricity consumption monitoring, energy consumption ranking, energy consumption monitoring for key equipment, the system is used to improve energy efficiency of the hospitals, to meet the energy conservation and emission reduction goal;
- By the end of 2022, we had installed 395 smart power safety monitoring systems in 30 hospitals. We will further work on energy conservation and emission reduction by energy trust. Specifically, we will leverage technologies of service providers and utilize intelligent approaches to realize integrated management of central air-conditioning, lighting system and water discharge systems.

Energy-saving Lighting

We use energy-saving LED lamps, which are directly powered by DC. Compared with energy-saving lamps, they have a lower voltage, consume less power and are more comfortable. In Shanghai Aier Eye Hospital, we apply the intelligent lighting system to realize the energy-saving and intelligent lighting system through infrared sensing, the Internet of Things, AI, big data and other technologies.

· We reduce use of paint and coating. In addition, we adopt double-layer tempered insulated glass as facade materials to effectively

Utilization of Clean Energy

Given the local conditions of good sunshine, Aier Eye Hospital has built a distributed photovoltaic power generation system to effectively cut power consumption and carbon emissions, achieving both economic and social benefits. By the end of 2022, the project had generated 203,069 kWh of electricity.

Aier Eye Hospital will gradually expand the use of clean energy in the future, for example, applying solar power solutions on its head signboard and outdoor advertising signs.



Distributed Photovoltaic Power Generation System

GHG emissions³



	2022	73,264.29	
Total GHG	2021	53,266.47	
emissions(tCO2e)	2020	65,469.80	

³ The calculation of Scope 1 GHG emissions is based on the consumption of petrol, diesel and gas according to *Guidelines for Accounting Methods and* Reporting of Greenhouse Gas Emissions from Other Industrial Enterprises. The calculation of Scope 2 GHG emissions is based on electricity consumption according to 2012 Baseline Emission Factors for Regional Power Grids in China.



Energy Consumption



¹ The environmental data covers Aier Eye Hospital Group Co., Ltd. and subsidiaries of Aier Eye Hospital in the People's Republic of China.

² The calculation of comprehensive energy consumption is based on the *General Rules for Calculation of the Comprehensive Energy Consumption* GBT2589-2020.

Embracing Environment-Friendly Operations with Green and Low-carbon Practices

	2022	CC 021 75
[≈]	2022	66,031.75
Energy indirect (Scope 2) GHG	2021	46,528.96
emissions (tCO2e)	2020	59,894.30
R	2022	0.045
	2021	0.036
GHG emissions intensity (tCO2e per 10,000 yuan of revenue)	2020	0.055
(cvenac)		

Green Operation

Green operation is at the core of Aier Eye Hospital's sustainable development. We advocate the concept of energy conservation and environment protection, and continue to improve water resources management. We also strictly control waste discharge and actively create a green workplace, taking practical actions to protect lucid waters and lush mountains.

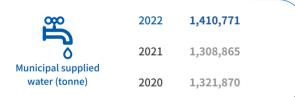
Management of Water Resources Use

Aier Eye Hospital closely follows the Water Law of the People's Republic of China, and aims to improve water use efficiency and reduce water consumption. We strengthen water management and equipment maintenance, and minimize water use while ensuring our service quality and normal operation.

Water-saving Measures

- Regularly check and repair water pipes, water tanks, faucets and other water facilities; Strengthen daily management and maintenance of water equipment to prevent leakage;
- Water and power workers are allowed to adjust water valves to save water;
- Check water switches when off work. It is forbidden to wash hands, water plants, sweep the floor and wash tea sets with direct drinking water.

Water Use



	2022	0.88	
Water consumption intensity	2021	0.87	
(tons per 10,000 yuan of revenue)	2020	1.11	

Emission Management

Aier Eye Hospital ascribes great importance to the management and control of pollutant emissions in the course of operations. Adhering to the principles and goals of "Reduction, Recycling, and Harmlessness" for waste disposal, we have formulated the Medical Waste and Sewage Management Policy to ensure the legitimate and compliant emissions.

In terms of sewage treatment, all hospitals are required to establish medical sewage and waste management teams,

build sewage treatment tanks in line with national standards, and regularly maintain the tanks. All hospitals strictly abide by the requirements of local environmental protection departments and the Group's medical sewage treatment policies in their business operations. Dedicated persons are responsible for the medical sewage treatment. Qualified third-party companies are entrusted to test the water quality on a regular basis to ensure the compliant discharge of medical wastewater. In 2022, sewage discharge by the Group's branches was 100% in compliance with standards.

In terms of medical waste treatment, all hospitals collect, store, deliver the medical waste generated by departments by categories, and appoint dedicated persons to manage it. In particular, a "medical waste recycler and transporter" is put in charge of the collection and delivery of internal medical waste, and the handover to qualified third-party companies within 48 hours for harmless centralized treatment, to minimize the negative impacts of hazardous waste discharge on ecology. In 2022, the Group had no environmental pollution incidents such as loss, leakage and spread of medical waste.

In terms of garbage sorting management, it is required to be in line with local environmental policies. We appoint a responsible person for garbage sorting in each area, improve inspection and assessment mechanism, as well as set rubbish bins of different colors and garbage bags with corresponding signs in the hospitals. Moreover, 6S Management mode is adopted to ensure effective management and monitoring of sanitary environment in the hospitals.

Due to industry characteristics, no exhaust gas is generated by Aier Eye Hospital in its daily operation.

Training on Environmental Protection and Garbage Sorting

In June 2022, Aier Eye Hospital in Zigong launched a training themed "Act to Build a Beautiful Sichuan". The hospital invited environmentalists to explain environmental laws and regulations, meanings and measures of garbage sorting, and environmental pollution hazards and prevention to all employees, aiming to enhance environmental awareness and call for action to jointly protect the ecology.







⁵ The total amount of non-hazardous waste discharged mainly refers to office, household and kitchen waste, which is regularly removed and transported by third-party professional organizations.

Green Office

Green office is an effective approach to economize social resources, and furthermore, to protect the environment. Aier Eye Hospital has formulated internal policies including the Office Supplies Management Policy of Aier Eye Hospital Group and the Regulations on Energy Conservation and Consumption Reduction of Aier Eye Hospital Group to regulate the management of water, power, office supplies, official vehicles, and to create a green workplace.

Water and Power Conservation

- Turn off office electric equipment such as computers, printers, photocopiers, or others if they are not in use, and pull the plugs;
- Make full use of day light, and turn on and off lamps as necessary. The lights in the office area should be turned off when employees leave the office for a long time or get off work;
- Use air conditioners and electrical equipment reasonably with the indoor temperature not lower than 16-24°C in summer, and not . higher than 20-22°C in winter; Minimize the frequency of opening doors and windows if air conditioner is on;. Enable instant-on mode on air conditioners in conference rooms;
- Post water-saving signs in toilets, reminding employees to turn off taps promptly. •

Management of Office Supplies

- Use low energy-consuming, environmental-friendly, and premium office equipment;
- Promote paperless office with full adoption of office automation system. It is recommended to draft, modify, circulate, and approve documents through electronic media. Double-sided printing is also suggested;
- · Reasonably plan and control presswork production, requiring advance application and approval to avoid wasting.

Management of Official Vehicles a

- Try carpooling, if possible, for business travels and advocate green travel for short trips;
- Drive in a scientific and standardized way to reduce abnormal wear and tear of official vehicle parts;
- Repair, insure and maintain official vehicles with appointed service providers. Scientifically set the fuel consumption quota to reduce fuel consumption.

In addition, Aier actively promotes green office concept and cultivates good habits among employees. Along with motivated employees, leadership spearheads the actions towards our green and energy-saving goals. We also encourage all hospitals to set assessment indicators for green office, adopt a point-based assessment system, and select green office models or share positive and negative examples among employees, to achieve full participation.



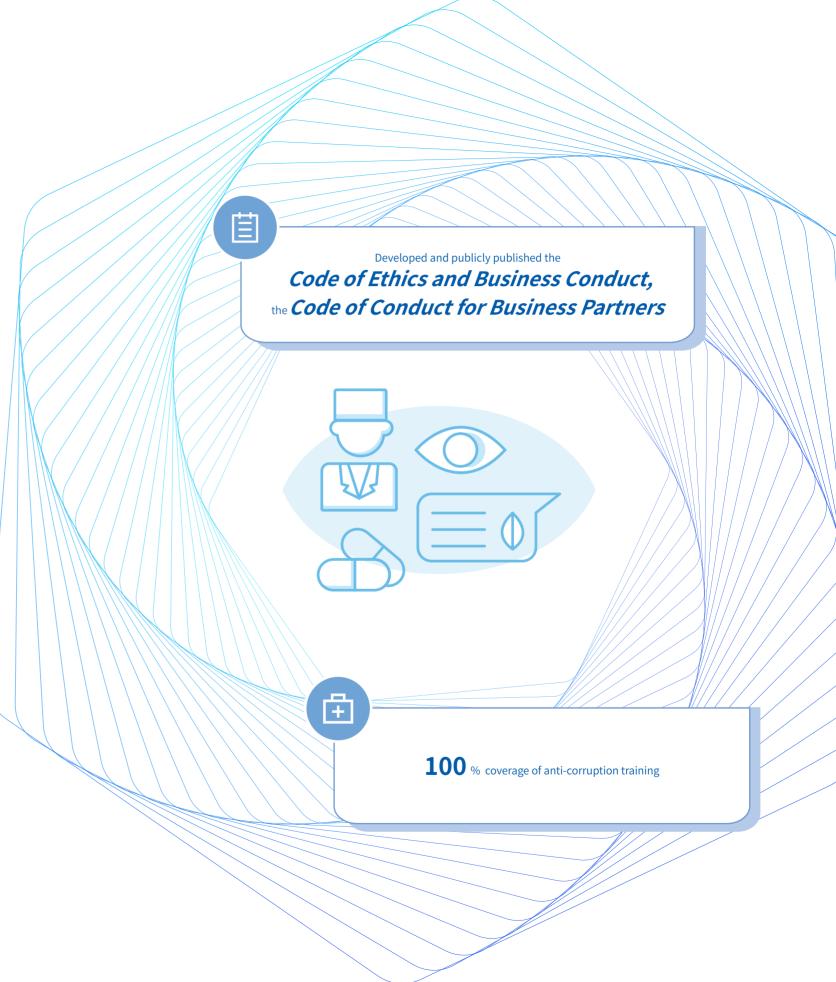
Embracing Environment-Friendly Operations with Green and Low-carbon Practices

Promoting Steady Development with Integrity and Compliance

Upholding the principle of compliant and effective corporate governance, Aier Eye Hospital proactively promotes sustainable and high-quality development. We have established a standard corporate governance framework to constantly strengthen internal compliance risk management. Adhering to business ethics, we attach great importance to the construction of an integrity culture. We also focus on improving governance and risk prevention capacity, and look to create sustainable values for shareholders and the society.

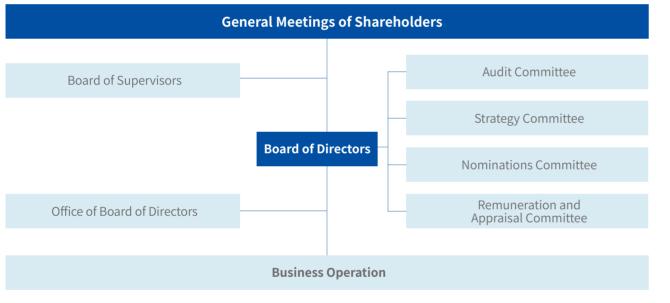
Contributions to SDGs





Governance Optimization

In strict compliance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Stock Listing Rules of Shenzhen Stock Exchange, and other relevant laws and regulations, Aier Eye Hospital continues to optimize its governance structure and improve governance ability. Based on the Articles of Association, we have established a governance structure centered on the "General Meetings of Shareholders, Board of Directors, Board of Supervisors, Special Committee, and Office of Board of Directors". Each section has clear rights and obligations, supervises each other and works in a coordinated way. Together, the five sections manage the overall operation of the Group and make progress towards "compliant, scientific, and effective" corporate governance.



Aier Eye Hospital's Governance Structure

Corporate Governance

We hold General Meeting of Shareholders, Meeting of the Board of Directors, and Meeting of the Board of Supervisors in compliance with the Articles of Association, the Discussion Rules of General Meeting of Shareholders, the Rules of Procedure of Board of Supervisors and the Discussion Rules of Board of Directors. We also strictly abide by relevant policies on voting and its procedures to protect the legitimate rights and interests of listed companies and shareholders.

Shareholders and General Meeting of Shareholders

In accordance with relevant laws and regulations, the Group standardizes the convening, holding and voting procedures of the Board of Directors, and presents remuneration proposal of directors and supervisors to the General Meeting of Shareholders for approval. We ensure that all shareholders, especially small and medium shareholders, enjoy equal rights, and facilitate shareholders' participation in shareholders' meetings as much as possible, so that they can fully exercise their rights and safeguard their legitimate rights and interests.



Picture of 2022 Annual General Meeting of Shareholders

Directors and Board of Directors

The Group strictly regulates the election, convening, and voting procedures of the Board of Directors, and holds elections every three years via Directors Election Mechanism.

We highly value diversity and independence of the Board of Directors, for diversity on directors is crucial in maintaining competitive, obtaining diversified development advice, and establishing a comprehensive talent reserve for the Group. As of December 31, 2022, the Board of Directors consisted of 7 directors, including 1 female director, accounting for 14% of the total. There were 3 independent directors with professional

backgrounds in finance, law and other fields, who play their part in significant decisions and expressed independent opinions on material matters of the Group.

An Audit Committee, a Strategy Committee, a Nomination Committee, a Remuneration and Appraisal Committee comprise the Special Committee of the Board of Directors. The Special C4/19/2023ommittee is directly accountable to the Board of Directors and performs its duties in accordance with the Articles of Association and authorization by the Board. It also submits proposals for the Board's deliberation and approval, and provides professional opinions and reference for the decision-making of the Board.

Supervisors and Board of Supervisors

The Board of Supervisors consists of 3 supervisors. Being responsible to all shareholders, the supervisors actively perform their duties, including supervising the behaviors of directors and senior managers as they perform their duties in the company, reviewing documents for securities issuance and periodical reports compiled by the Board of Directors, and providing their written opinions and suggestions.

All directors and supervisors faithfully and diligently perform their duties in strict accordance with relevant laws and regulations, carefully deliberate on the content of proposals, and prudently express opinions.

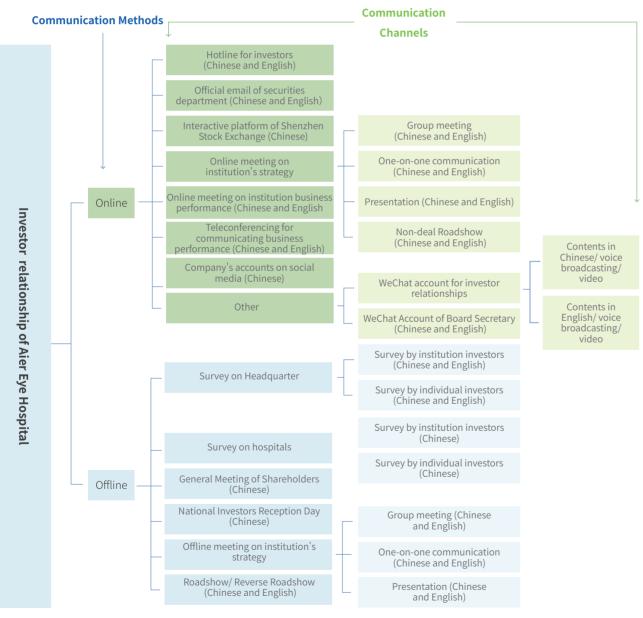
In 2022:

the Group	in	total	held	
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2 General Meetings of Shareholders;
20 Meetings of the Board of Directors; and
13 Meetings of the Board of Supervisors.

Investor Relations

As the registration-based IPO system has been officially launched, supervisors have become more strict about investor relation management of listed companies. In response, Aier Eye Hospital innovates and optimizes its investor relation management, establishing a multidimensional communication platform for investors. Based on compliant information disclosure, the Group keeps building and maintaining sound corporative relations with investors, and effectively protects their legitimate rights and interests, and fully undertakes its commitment and responsibilities in capital market.



The Communication Methods and Channels for Investors

In 2022, Aier Eye Hospital, along with various securities companies, jointly held performance exchange meetings in terms of annual report, interim report, and the third-quarter report, attracting hundreds of domestic and overseas investors each time. In the meeting, management of Aier Eye Hospital had timely, frank, and effective communication with investors, and listened to their demands and expectations for the Group.

In 2022, chain hospitals received over 60 investors' investigations. Through various forms of communication, chain hospitals effectively interacted with investors on business performance, sustainable development, and other issues of concern to investors, helping them fully understand the governance and future development strategy of the Group. In addition, by carefully listening to investors' opinions and suggestions on the Group's development, mutual communication is realized.



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2 online presentations for business performance	
	•
ers	
g in an over 99 % of response rate	

$\%^\circ$ The 4th "Investors Reception Day in Aier Eye Hospitals"

On October 30, 2022, Aier Eye Hospital successfully held the 4th "Investors Reception Day in Aier Eye Hospitals". Themed on "Stay True to Our Founding Mission and Forge Ahead with Determination", we provided an open and transparent profile of our business development nationwide to the public, which enhanced investors' understanding of the updates in our business and boosted the Group's quality development.

Nearly 300 investors across the country visited our hospitals in over 50 provinces and cities and communicated face-toface with hospital management. As our management attaches great importance to communication with investors, all visitors are treated with care and passion in our hospitals. Following a process of "visit, exchange and experience", the management of each hospital showed visitors around and answered their questions frankly, who arrived in high spirits and then went back satisfied.













Comprehensive Risk Control Management

In order to regulate the Group's governance and control operational risks, Aier Eye Hospital has established a groupwide risk control management system in the light of the requirements of comprehensive risk management for enterprises. A risk database has been built up to improve risk identification, evaluation and early warning mechanisms. Medical institutions at all levels are organized to conduct self-management of compliance risks. Daily internal control audits are reinforced, and measures and assessment methods are rectified. Special audits against issues with high frequency and importance are performed, and improvements are supervised together by all functional offices. A digital risk control platform has been established to realize IT-based and intelligent risk management in all respects.

Establishing Risk Control System

Our compliance management system consists of three lines of defense. Our staff is the first line of defense against risks. We integrate risk management deeply into business processes, and employees strictly perform their duties under the risk management system. The Risk Management Department and business departments act as the second line of defense. The Risk Management Department leads the development of risk management policies and strategies and the establishment of risk management measures and enforcement regulations to form a top-down and inside-out risk management mechanism. Finally, the internal audit functions provide the third line of defense, which is led by our Audit Committee to implement a diversified assessment of enterprise risks based on our financial data, operating performance and administrative regulations.

Three lines of defense for our compliance management



Intensifying Risk Control and Compliance Management

In order to promote the standardized operation and healthy development of the Group, prevent business risks, and avoid operating losses, we continue to strengthen the early risk warning system, carry out risk self-assessment, put forward requirements for risk management of each business unit, and clarify risk management organization and responsibilities. We also build up a leading domestic digital risk control platform with our characteristics and upgrade the risk control database, so as to lay a solid foundation for risk recognition, analysis and warning for Aier Eye Hospital's all business segments.

In 2022, Aier Eye Hospital organized risk self-assessment and special audits for all medical institutions at all levels across the Group. We made continuous efforts to innovate risk management techniques and optimize the digital risk control platform to implement our risk management approach:

The third line of defense

The Group's Audit Committee and nternal audit functions

Refining Risk Management System

- · Made comprehensive investigation on the Group's major risks and high-frequency risks, focused on hospital compliance risks, and improved Risk Pool 3.0;
- Constantly optimized the Group's risk management systems, process controls and standard operating procedures;
- Identified the rectification mechanism implemented by Aier Eye Hospital, supervised by the provincial authorities and guided by our functional departments. Summarized issues with high frequency and importance by month and released risk reminders for discussion together with other functional offices to urge relevant hospitals and clinics to make prompt adjustment and strengthen the effectiveness of risk control.

Strengthening Risk Assessment, Audit and Dynamic Inspection

- Organized risk self-assessment for medical institutions at all levels across the Group and insisted on risk selfmanagement covering medical, nursing, financial and other business sectors;
- Carried out special risk assessment on compliance, operation and other sectors, and implemented dynamic monitoring on multiple risks to effectively improve business models and risk management process;
- The Group's Audit Department conducts risk-oriented hierarchical audits on operations and internal control, compliance and thematic issues per annum.

Upgrading Risk Control Platformt

- Conducted risk monitoring, risk warning and risk follow-up by digital means;
- Implemented multi-faceted dynamic risk monitoring to optimize business models and risk management process;
- Continued the R&D of digital risk monitoring models.

Fostering Risk Control and Compliance Culture

Aier Eye Hospital has set up a compliance training system for all empolyees and regularly arranges publicity on laws and regulations, covering legal risks and prevention, responsible marketing and interpretation of systems, in a bid to popularize risk management knowledge and raise their awareness of compliance.

In 2022, the Company organized nearly 100 compliance training sessions for 1,000 employees across all business segments to foster their awareness of compliance, internal control and risk control. The business departments also incorporated compliance into daily training to effectively enhance the compliance practices of all staff.

High Quality Risk Training

Policy training Compliance training Internal and external train Online and offline Group courses

Business Ethics and Anti-corruption and Anti-corruption

Pursuing a culture of fair competition, integrity and honesty, Aier Eye Hospital always puts emphasis on business ethics and anti-corruption in the internal risk control. We have set out detailed requirements for honest practices of all employees, including part-time and outsourced employees, and all business partners, and have zero tolerance for any form of corruption and bribery. In strict accordance with laws and regulations prescribed by the Supervision Law of the People's Republic of China, Anti-Unfair Competition Law of the People's Republic of China, and Anti-Money Laundry Law of the People's Republic of China, Aier Eye Hospital has formulated a batch of internal management policies in this regard. Furthermore, we continue to build a comprehensive anti-corruption management system with enhanced supervision mechanism, improved reporting channels and educational activities.

Anti-corruption System

Anti-corruption Policy for Employees

- the prohibited acts and scope of commercial bribery for all departments at headquarters and province-specific branches, and all hospitals (including outpatient departments and clinics);
- Develop the Code of Ethics and Business Conduct, defining business ethics behaviors in the Group in terms of anti-corruption, anti-bribery and other sectors. The Code applies to all regular, part-time, contractors and temporary employees of Aier Eye Hospital and its subsidiaries as well as members of the Board of Directors.

Anti-corruption Policy for Business Partners

- Set up the Code of Conduct for Business Partners, which specifies that the Group's business partners shall adhere to commercial moral and conduct their business activities in an economically, ecologically and socially responsible manner;
- The Code also regulates the commercial moral of suppliers and business partners with whom we engage in business cooperation.

Training Methods

Range

Basic level - All employees Enhancement - Management Specialized class - Specific positions

• Establish Employee Handbook, Supervision Management System, and Reporting Management Regulations, which clearly define

We make unceasing efforts to improve our supervision and management system. The Board of Directors of the Group performs the highest management responsibility for our business ethics and anti-corruption matters, and monitors and makes decisions on such issues. The Legal Supervision Team of the Group is responsible for anti-corruption investigations and reports the progress directly to the responsible Vice President and the Board of Directors. In 2022, the Group had no significant incidents on suspected corruption or commercial bribery.

Aier Eye Hospital plays an active role in various activities organized by the Enterprise Anti-Fraud Alliance¹, such as anti-fraud training courses and inter-company anti-fraud experience sharing events. In January 2022, the Group was awarded the "Most Influential Institution in Anti-Fraud" by the Alliance. In August 2022, the Group was invited to attend the Central China Experience Exchange Meeting arranged by the Alliance to share our practices.



Photo of the 2022 Anti-Fraud Experience Exchange Meeting

¹ Enterprise Anti-Fraud Alliance, also known as Guangdong Enterprise Institute for Internal Controls, (GEIIC), is the only enterprise institute for internal controls. By the end of 2022, the alliance had 1,072 company members, with over 50% as listed companies. Since its establishment in 2013, the institute is devoted to the concept of "being honest, strengthening internal controls, and fighting against fraud", and has been focusing on internal auditing, supervision, risk control, legal affairs, anti-corruption, compliance, and other office functions.

Business Ethics Audit

We value business ethics and anti-corruption audit as the top priority for the job audit of all personnel (including part-time and contractors). The internal audit functions of the Group implement internal control audit, compliance audit and special audit for all business operations per annum, thereby ensuring the compliance and sustainability of the Group's operations. The scope of audit includes group culture, team building, business ethics and anti-commercial bribery. The Group identifies risks through the regular audit and helps medical institutions at all levels improve their business systems and risk management processes, effectively reducing their operational risks.

Reporting Channels and Protection of Informant

Aier Eye Hospital maintains an open reporting channels on malpractices, and offers multiple reporting methods such as telephone, enterprise WeChat and e-mail. Persons are assigned to receive and register reporting cases and ensure confidentiality. And cases are divided into violation, management and other categories according to the actual situation, and are disposed of by category in a timely manner under the relevant policies and processes of punishment on discipline violations. Since we attach great importance to the protection of commercial secrets and informants' privacy, the acceptance, investigation and implementation of reported information are carried out by different procedures and permissions to fully protect the rights and interests of informants.

The Group also stringently takes protective measures for informants and has developed the Reporting

Management Regulations to safeguard their legitimate rights and interests. We promise that the confidentiality of the reporting is of top priority. The personal information of the reporting employee and all the reporting materials should be strictly confidential. If any responsible employee violates the confidential requirements, they will be disposed of strictly and severely, and behaviors that constitute crime will be investigated for criminal responsibility according to the law. Anyone who retaliates against whistleblowers, witnesses and investigators in any form will be strictly investigated and punished, and will be held legally responsible in serious cases.



Reporting Channels

- Tel: 18975199961
- Email: jcjb@aierchina.com
- WeChat: Enterprise contacts Aier Eye Hospital - Employee services -supervise and report (anticorruption)
- Letter receiving address: North Tower of Aier Eye Hospital Building, No. 188, Furong South Road, Changsha City, Hunan Province (postcode: 410015)

Promoting Business Ethics and Anti-corruption Culture

In order to raise employees' awareness of integrity and self-discipline, Aier Eye Hospital and medical institutions at all levels organize plentiful publicity campaigns on anti-corruption and clean practice to create a culture of integrity for progress and goodness. In 2022, the Group actively pressed ahead with the annual training programs on business ethics and anti-corruption, covering all employees (including part-time and contractors), suppliers and partners. In 2022, the major training programs on business ethics and anti-corruption included:

Recording the course explaining the Nine Guidelines for Honest Practices of Medical Institutions' Employees for the learning and sharing among employees.



Releasing the interactive game "Workplace Challenge" on 9 December 2022, the International Anti-corruption Day, for publicity on laws by the joint efforts with media and Enterprise Anti-Fraud Alliance, with over 3 million viewers and more than 760,000 winners of the game.

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Launching 20 online training sessions themed on "Learning from Cases and Upholding Integrity in Medical Industry", with a total of 4,420 employees joining in the training.

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Organizing 3 induction training sessions on integrity for new hires at headquarters, covering 101 new joiners.

Anti-bribery Management of Suppliers

All suppliers are required to observe the principle of honesty and self-discipline, commercial bribery and any other unfair commercial competition in the business process are firmly prohibited, and the behavior of suppliers and partners are restrained by policies.

The Group has established the Code of Conduct for Business Partners, which regulates the code of conduct for the Group's business partners as well as suppliers and other third parties engaged with business partners for the performance of their contracts with the Group in terms of commercial moral and other topics, and discloses the Group's supervision and reporting channels. The right to inspect compliance with the Code as appropriate is retained by the Group and business partners are expected to cooperate with inspections on business ethics and anti-corruption.

We have established the Notice on Regulating Supplier Management and Procurement Practices of Aier Eye Hospital and signed the Commitment to Lawful and Honest Business Conduct with all suppliers to ensure that they are aware of the Group's requirements on anti-corruption and establish their own policies onbusiness ethics and anti-corruption. If any supplier is identified with violation of integrity or laws and regulations, they will be held accountable in accordance with the agreement.



Party Building

By the end of the reporting period:



According to the Constitution of the Communist Party of China, Aier Eye Hospital has set up a party organization, and carried out party building actively. We give full play to political leadership and the core role of the party organizations in non-public enterprises, injecting strong momentum into the Group's development. In 2022, following the guiding ideology of "starting a new undertaking led by culture and transforming towards a high-quality ophthalmic medical service system", the Party Committee of the Group focused its efforts on integrating Party building with business development, and launched a campaign themed on "Embracing the 20th CPC National Congress and Ushering in a New Journey of Hard Working". In doing so, the committee achieved the target of "Four More" and boosted the Group's high-quality development with its high-quality work.



Some of awards of the Party Committee of the Group in 2022 are as follows:



The Group's party building practices are compiled into the Typical Cases of Party Building at Two New Organizations of Hunan Province by the two new working committees of the Hunan Provincial Party Committee, and have been proposed as "Innovation Project of Party Building Work in Hunan Province"

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A total of 126 hospital party organizations in the Group have been rated as "Excellent Grass-roots Party Organizations" and "Star Party Branches" by local government party committees

As of December 31, 2022, eye health activities were

a total of **2,788** party building

serving **89,292** people

Since we attach importance to the education and management of our party members, we organize training sessions, seminars and exchanges and other party building activities on a regular basis to unify the thoughts of party members, improve the internal party building level and achieve mutual advancement of enterprise development and party building.

Taking the Lead in Fully Embracing Social Supervision

In 2022, under the theme of "Taking the Lead in Fully Embracing Social Supervision", the Group's Party Committee organized more than 100 meetings for all Party members, urging them to shoulder responsibilities and improve service level.



carried out in **191** Aier Eye Hospitals

Appendix

GRI Reference

Disclosure number	Disclosure title	Chapter
General disclosure		
GRI2: Organization and its Report	ing Practices	
GRI 2-1	Organizational details	About the Report
GRI 2-2	Entities included in the organization's sustainability reporting	About the Report
GRI 2-3	Reporting period, frequency and contact information	About the Report
GRI 2-4	Restatements of information	About the Report
GRI 2-5	External assurance	About the Report
GRI2: Activities and Workers		
GRI 2-6	Activities, value chain, and other business relationships	Company Profile
GRI 2-7	Employees	Protecting Employees' Rights and Interests
GRI 2-8	Workers who are not employees	Protecting Employees' Rights and Interests
GRI2: Management and Governa	ince	
GRI 2-9	Governance structure and composition	Optimizing Governance Structure
GRI 2-10	Nomination and selection of the highest governance body	Optimizing Governance Structure
GRI 2-11	Chair of the highest governance body	Optimizing Governance Structure
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Optimizing Governance Structure
GRI 2-13	Delegation of responsibility for managing impacts	Optimizing Governance Structure
GRI 2-14	Role of the highest governance body in sustainability reporting	Social Responsibility Management Structure

Disclosure number	Disclosure title	Chapter	
GRI2: Management and Governance			
GRI 2-15	Conflicts of interest	Stakeholder Communications	
GRI 2-16	Communication of critical concerns	Stakeholder Communications	
GRI 2-17	Collective knowledge of the highest governance body	Optimizing Governance Structure	
GRI 2-18	Evaluation of the performance of the highest governance body	Optimizing Governance Structure	
GRI 2-19	Remuneration policies	Protecting Employees' Rights and Interests	
GRI 2-20	Process to determine remuneration	Protecting Employees' Rights and Interests	
GRI 2-21	Annual total compensation ration	Protecting Employees' Rights and Interests	
GRI2: Strategy, Policies and Pract	ices		
GRI 2-22	Statement on sustainable development strategy	Social Responsibility Goals and Directions for Action	
GRI 2-23	Policy commitments	Social Responsibility Goals and Directions for Action	
GRI 2-24	Embedding policy commitments	Social Responsibility Goals and Directions for Action	
GRI 2-25	Process to remediate negative effects	Stakeholder Communications	
GRI 2-26	Mechanisms for seeking advice and raising concerns	Stakeholder Communications	
GRI 2-27	Compliance with laws and regulations	Optimizing Governance Structure	
GRI 2-28	Membership associations	Promoting Industrial Progress	
GRI2: Stakeholder Engagement			
GRI 2-29	Approach to stakeholder engagement	Stakeholder Communications	
GRI 2-30	Collective bargaining agreements	Protecting Employees' Rights and Interests	
GRI3: Material Topics in 2022			
GRI 3-1	Process to determine material topics	Materiality Assessment	
GRI 3-2	List of material topics	Materiality Assessment	
GRI 3-3	Management of material topics	Materiality Assessment	

Disclosure number	Disclosure title	Chapter
Economy		
GRI201: Economic Performance		
Management approach disclosure	25	Preserving Integrity and Compliance for Steady Development
GRI 201-1	Direct economic value generated and distributed	Preserving Integrity and Compliance for Steady De-velopment
GRI 201-2	Financial implications and other risks and opportunities due to climate change	Climate Change Mitigation
GRI 201-3	Mandatory fixed benefit plans and other retirement plans	Protecting Employees' Rights and Interests
GRI203: Indirect Economic Impac	cts	
Management approach disclosure	25	Public Welfare Strategy
		Concerted Efforts against COVID-19
		Engagement in Rural Revitalion
GRI 203-1	Infrastructure investment and services supported	Endeavors for Public's Eye Health
		Involvement in Public Welfare by Employees
		Participation in International Public Welfare
		Concerted Efforts against COVID-19
		Engagement in Rural Revitalion
GRI 203-2	Significant indirect economic impacts	Endeavors for Public's Eye Health
		Involvement in Public Welfare by Employees
		Participation in International Public Welfare
GRI205: Anti-corruption		
Management approach disclosure	es	Commercial Morals and Anti-corruption
GRI 205-1	Operations assessed for risks related to corruption	Commercial Morals and Anti-corruption
GRI 205-2	Communication and training about anti-corruption policies and proce-dures	Commercial Morals and Anti-corruption
GRI2016: Improper Competitive B	Behavior	
Management approach disclosure	25	Commercial Morals and Anti-corruption
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Commercial Morals and Anti-corruption

Disclosure number	Disclosure title	Chapter
Environment		
GRI301: Materials		
Management approach disclosures	5	Green Operation
GRI 301-2	Recycled input materials used	Green Operation
GRI 301-3	Reclaimed products and their pack-aging materials	During the year, Aier Eye Hospital had no recycled products and packaging materials
GRI302: Energy		
Management approach disclosures	5	Embracing Environ-ment-Friendly Practices
GRI 302-1	Energy report within the organization	Climate Change Mitigation
GRI 302-3	Energy intensity	Climate Change Mitigation
GRI 302-4	Reduction of energy consumption	Climate Change Mitigation
GRI 302-5	Reductions in energy requirements of products and services	Climate Change Mitigation
GRI303: Water and Effluents		
GRI 303-1	Interactions with water	Green Operation
GRI 303-2	Management of water discharge-related impacts	Green Operation
GRI 303-3	Water withdrawal	Green Operation
GRI 303-4	Water discharge	Green Operation
GRI 303-5	Water consumption	Green Operation
GRI305: Emissions		
Management approach disclosures	5	Green Operation
GRI 305-1	Direct (Scope 1) GHG emissions	Climate Change Mitigation

Disclosure number	Disclosure title	Chapter
GRI305: Emissions		
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Climate Change Mitigation
GRI 305-4	GHG emissions intensity	Climate Change Mitigation
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	During the year, Aier Eye Hospital had no exhaust emissions
GRI306: Waste		
GRI 306-1	Waste generation and significant waste-related impacts	Green Operation
GRI 306-2	Management of significant waste-related impacts	Green Operation
GRI 306-3	Waste generated	Green Operation
GRI 306-4	Waste diverted from disposal	Green Operation
GRI 306-5	Waste diverted to disposal	Green Operation
GRI308: Supplier Environme	ntal Assessment	
Management approach disclo	osures	Fostering a Responsible Supply Chain
GRI 308-1	New suppliers that were screened using environmental criteria	Fostering a Responsible Supply Chain
GRI 308-2	Negative environmental impacts in the supply chain and actions	Fostering a Responsible Supply Chain
Society		
GRI401: Employment		
Management approach disclo	osures	Protecting Employees' Rights and Interests
GRI 401-1	New employee hires and employee turnover	Protecting Employees' Rights and Interests
GRI 401-2	Benefits provided to full-time employees	Protecting Employees' Rights and Interests
GRI402: Labor/Management	Relations	
Management approach disclosures		Protecting Employees' Rights and Interests

Disclosure number	Disclosure title	Chapter
GRI403: Occupation Health and S	Safety	
Management approach disclosure	25	Employee Health and Care
GRI 403-1	Occupation health and safety man-agement system	Employee Health and Care
GRI 403-2	Hazard identification, risk assessment, and incident investigation	Employee Health and Care
GRI 403-3	Occupational health services	Employee Health and Care
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Health and Care
GRI 403-5	Worker training on occupational health and safety	Employee Health and Care
GRI 403-6	Promotion of worker health	Employee Health and Care
GRI 403-7	Prevention and mitigation of occupa-tional health and safety impacts di-rectly linked by business relationships	Employee Health and Care
GRI 403-8	Workers covered by an occupational health and safety management system	Employee Health and Care
GRI 403-9	Work-related injuries	Employee Health and Care
GRI 403-10	Work-related ill health	Employee Health and Care
GRI404: Training and Education		
Management approach disclosure	25	Employee Training and Development
GRI 404-1	Average hours of training per year per employee	Employee Training and Development
GRI 404-2	Programs for upgrading employee skills and transition	Employee Training and Development
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Employee Training and Development
GRI405: Diversity and Equal Opportunity		
Management approach disclosure	25	Optimizing Governance Structure Protecting Employees' Rights and Interests
GRI 405-1	Diversity of governance bodies and employees	Optimizing Governance Structure Protecting Employees' Rights and Interests
GRI 405-2	Ratio of basic salary and remuneration of women to men	Protecting Employees' Rights and Interests

Disclosure number	Disclosure title	Chapter
GRI406: Non-discrimination		
Management approach disclosure	IS	Protecting Employees' Rights and Interests
GRI 406-1	Incidents of discrimination and cor-rective actions taken	Protecting Employees' Rights and Interests
GRI407: Freedom of Association and	d Collective Bargaining	
Management approach disclosure	25	Protecting Employees' Rights and Interests
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	During the year, Aier Eye Hospital had no operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
GRI408: Child Labor		
Management approach disclosure	2S	Protecting Employees' Rights and Interests
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	During the year, Aier Eye Hospital had no operations and suppliers at significant risk for incidents of child labor
GRI409: Forced or Compulsory La	abor	
Management approach disclosure	15	Protecting Employees' Rights and Interests
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	During the year, Aier Eye Hospital had no operations and suppliers at significant risk for incidents of forced or compulsory labor
GRI413: Local Communities		
Management approach disclosure	'S	Safeguarding Bright Eyes for a Beautiful and Harmonious Society
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Concerted Efforts against COVID-19 Engagement in Rural Revitalion Endeavors for Public's Eye Health Involvement in Public Welfare by Employees Participation in International Public Welfare
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	During the year, Aier Eye Hospital had no operations with significant actual and potential negative impacts on local communities

Disclosure number	Disclosure title	Chapter
GRI414: Supplier Social As	ssessment	
Management approach disclosures		Fostering a Responsible Supply Chain
GRI 414-1	New suppliers that were screened using social criteria	Fostering a Responsible Supply Chain
GRI 414-2	Negative social impacts in the supply chain and actions taken	Fostering a Responsible Supply Chain
GRI416: Customer Health	and Safety	
Management approach disclosures		Providing Reliable Eye Care Services by Putting Quality First
GRI 416-1	Assessment of the health and safety impacts of product and service categories	Excellence in Quality Control
		Quality Customer Service
		Data and Privacy Protection
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	During the year, Aier Eye Hospital had no incidents of non-compliance concerning health and safety impacts of products a services
GRI417: Marketing and La	beling	
Management approach disclosures		Fostering a Responsible Supply Chain
GRI 417-1	Requirements for product and service information and labeling	Fostering a Responsible Supply Chain
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	During the year, Aier Eye Hospital had no incidents of non-compliance concerning product and service information and labeling
GRI 417-3	Incidents of non-compliance concerning marketing	During the year, Aier Eye Hospital had no incidents of non-compliance concerning marketing
GRI418: Customer Privacy	r	
Management approach disclosures		Data and Privacy Protection
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	During the year, Aier Eye Hospital had no substantiated complaints concerning breaches of customer privacy and losses customer data