



麥迪衛康健康醫療管理科技股份有限公司  
MEDIWELCOME HEALTHCARE  
MANAGEMENT & TECHNOLOGY INC.

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2159

# 2024

Environmental, Social and Governance Report



# Environmental, Social and Governance Report

## INTRODUCTION

Mediwelcome Healthcare Management & Technology Inc. (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**” or “**we**”, “**us**”, “**our**”) is hereby to present this Environmental, Social and Governance Report (“**ESG Report**”) in accordance with the applicable requirements as set forth in the Environmental, Social and Governance Reporting Guide (the “**ESG Guide**”) in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Group has complied with the “comply or explain” provisions contained in the ESG Guide.

The Group will keep exploring to develop internet hospital business and healthcare management services based on digital healthcare platforms to create an innovative digital healthcare business model.

Based on the real-world data and its experience covering the entire journey of patients, the Group will further explore the unmet needs of stakeholders in the healthcare industry to define and establish a comprehensive healthcare service system covering disease prevention and screening, diagnosis and treatment, rehabilitation and healthcare management. It will contain multiple innovative healthcare management tools, products and customized services for patients before admission to the hospital, receiving in-ward treatment, and after discharged from the hospital, including but not limited to genetic testing, disease screening, auxiliary diagnosis and treatment, digital medical treatment, healthcare education prescription, disease rehabilitation, doctor assistant, enterprise customer health management, etc. It is also critical for the Group to introduce talents that are specialized in healthcare technology, as well as managing and marketing professionals. With joint efforts of the Group’s internal and external stakeholders, the Group expects to establish an innovative healthcare ecosystem by leveraging its inherent advantages. With the continuous business development of the Group, it has realized the importance of environmental, social and governance (“**ESG**”) issues and is committed to promote corporate social responsibility to meet the needs of social progress.

## SCOPE OF REPORT

The information stated in this ESG Report covers the period from 1 January 2024 to 31 December 2024 (the “**Reporting Period**”) in alignment with the financial year in the 2024 annual report of the Group. This ESG Report covers the Company and all its subsidiaries. The information in this ESG Report was gathered and organized through various channels, including but not limited to the internal control policies of the Group, the factual evidence of the implementation of ESG-related initiatives, the key performance indicators (“**KPIs**”) set out in the ESG Guide, and the annual performance quantitative data of the Group in its business operations and ESG management.

This ESG Report is organized into two subject areas, i.e. environmental and social. Each area will be discussed in different aspects with the relevant policies and laws as addressed by the ESG Guide.

# Environmental, Social and Governance Report

## ESG GOVERNANCE STRUCTURE

The board of directors of the Company is responsible for our ESG strategy and reporting, as well as for the assessment and identification of ESG risks, and for ensuring that appropriate and effective ESG risk management and internal control systems are in place, while the Group's management focuses on monitoring and managing the Group's ESG risk and management effectiveness. We engage management and employees across all functions to understand our stakeholders' concerns, and identify relevant ESG issues in our business operations.

## STAKEHOLDERS ENGAGEMENT

The Group has established diversified communication channels in order to maintain constant communication with stakeholders. Through engaging with the following key stakeholder groups and understanding their expectations and demands, the Group identified their concerns on ESG issues:

Major Stakeholder Engaged		Major Communication Channels	Major Concerns
Internal stakeholders	Shareholders and investors	<ul style="list-style-type: none"><li>• Regular reports</li><li>• Announcements, press release and circulars</li><li>• Annual general meetings</li><li>• Corporate website</li><li>• Investor briefings</li></ul>	<ul style="list-style-type: none"><li>• Return on investments</li><li>• Profitability and financial stability</li><li>• Information disclosure and transparency</li><li>• Corporate governance</li><li>• Business compliance</li></ul>
	Employees	<ul style="list-style-type: none"><li>• Performance appraisals</li><li>• Regular meetings and training</li><li>• Focus groups</li><li>• Emails, notices, circulars, hotline and team building activities with management</li></ul>	<ul style="list-style-type: none"><li>• Employees' remuneration and benefits</li><li>• Health and safety working environment</li><li>• Career development and training opportunities</li></ul>

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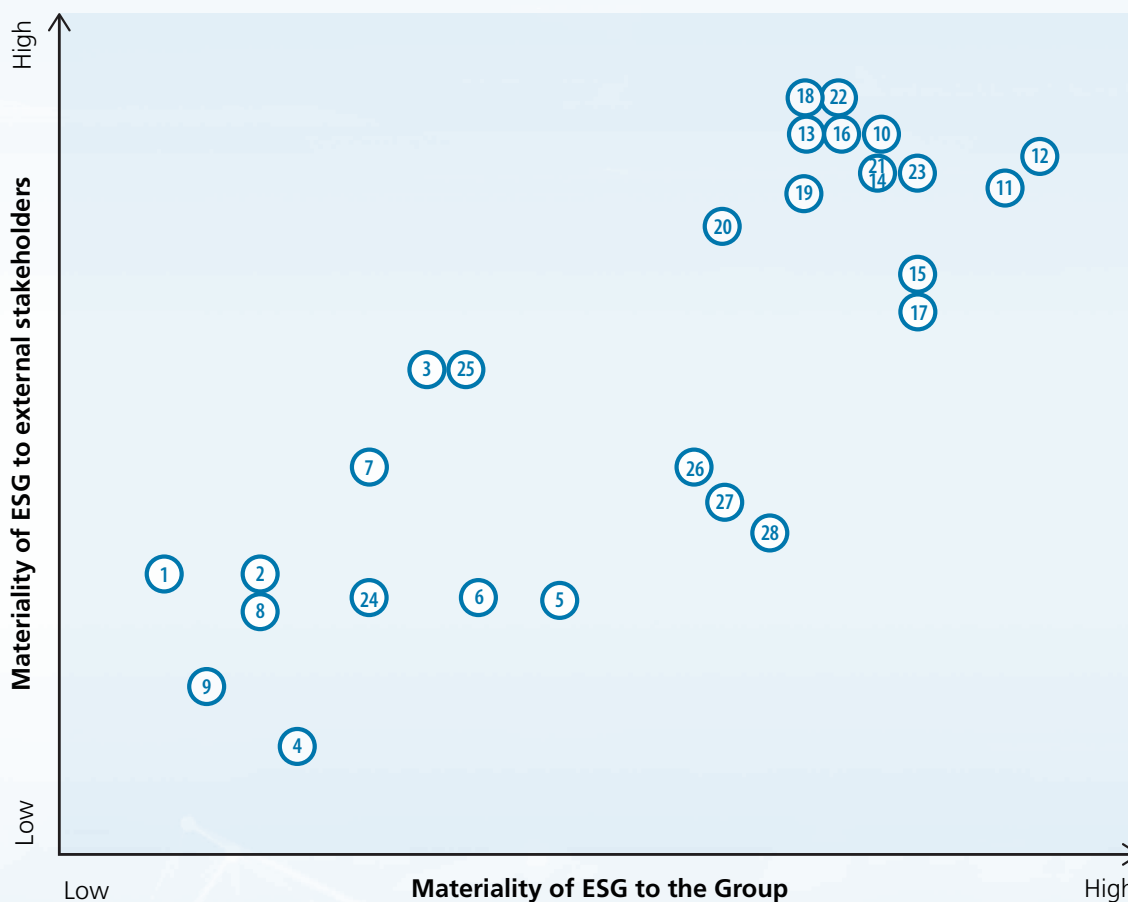
Major Stakeholder Engaged		Major Communication Channels	Major Concerns
External stakeholders	Customers	<ul style="list-style-type: none"> <li>Customers' satisfaction surveys</li> <li>Face-to-face meetings and onsite visits</li> <li>Customer service hotline and emails</li> </ul>	<ul style="list-style-type: none"> <li>Quality products and services</li> <li>Protection of customers' privacy and rights</li> <li>Continuous promotion of reliable products/services to customers</li> <li>Customer satisfaction</li> </ul>
	Suppliers	<ul style="list-style-type: none"> <li>Open tender</li> <li>Contracts and agreements</li> <li>Telephone discussions</li> <li>Face-to-face meetings and onsite visits</li> <li>Industry seminars</li> </ul>	<ul style="list-style-type: none"> <li>Fair and open procurement</li> <li>Win-win cooperation</li> <li>Environmental protection</li> <li>Protection of intellectual property</li> </ul>
	Community and Public	<ul style="list-style-type: none"> <li>Video conference</li> <li>Telephone</li> <li>Questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>Involvement in communities</li> <li>Business ethics</li> <li>Setting out targets and formulating policies in energy conservation and emission control</li> </ul>
	Government and regulatory authorities	<ul style="list-style-type: none"> <li>Supervision on the compliance with local laws and regulations</li> <li>Routine reports and tax payments</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Anti-corruption policies</li> <li>Occupational health and safety</li> </ul>

During the Reporting Period, through various communication channels, we have learned the important concerns of the major stakeholders, including product and service quality, occupational health and safety, customer information and privacy protection, employee remuneration, benefits and rights (e.g. working hours, rest periods, working environment).

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## IDENTIFICATION OF ISSUES OF MATERIALITY

The Group assessed the materiality of ESG issues to stakeholders and to the environment and society through questionnaires in respect of relevant environmental, social and governance issues in accordance with the Environmental, Social and Governance Reporting Guides in Appendix C2 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange. The materiality of ESG issues to stakeholders is shown in the following chart:



# Environmental, Social and Governance Report

The following chart shows the process of the assessment:

## Identify Issues of Materiality

According to the actual business development of the company, feedback from stakeholders and relevant laws and regulations, 28 major issues are determined.

## Stakeholders Survey

Invite parts of stakeholders inside and outside the company to participate in anonymous online questionnaire and collect the achievements of 28 important issues, as well as their opinions and expectations of ESG governance

## Assessment of Issues of Materiality

According to the results of the questionnaire, "importance to external stakeholders" and "importance to the Group" are combined and arranged as x-axis and y-axis, and the important matters matrix of ESG is compiled.

## Environmental, Social and Governance Report

The breakdown of topics is listed in the following table:

Item	ESG Topic	Item	ESG Topic
1.	Air emissions	15.	Suppliers selection and review
2.	Greenhouse gas emissions	16.	Social risk in the provision of products and services by suppliers (e.g. monopoly)
3.	Hazardous waste production	17.	Environmental risks in the provision of products and services by suppliers (e.g. pollution)
4.	Non-hazardous waste production	18.	Product health and safety
5.	Energy use (e.g. electricity, gas, fuel)	19.	Customer satisfaction
6.	Water use	20.	Marketing and promotion (e.g. advertisement)
7.	Use of materials (e.g. paper, packaging, raw materials)	21.	Observing and protecting intellectual property rights
8.	Measures to protect environment and natural resources	22.	Customer information and privacy protection
9.	Climate change	23.	Product and service quality
10.	Diversity and equal opportunity of employees	24.	Number of legal cases on corruption
11.	Employee remuneration, benefits and rights (e.g. working hours, rest periods, working environment)	25.	Anti-corruption policies and whistle-blowing procedure
12.	Occupational health and safety	26.	Anti-corruption training provided to directors and staff
13.	Employee development and training and promotion	27.	Community support (e.g. charitable donation, volunteering)
14.	Preventing child and forced labour	28.	Cultivation of local employment

Through the materiality analysis, the Group identified product and service quality, occupational health and safety, customer information and privacy protection, employee remuneration, benefits and rights (e.g. working hours, rest periods, working environment) as issues of high materiality. Given the high degree of concerns on the material issues mentioned above, the Group has elaborated feedback and countermeasures on these major issues in detail under the sections headed “3. Product Responsibility and Privacy Protection” and “5. Caring for Our People and Achieving Mutual Growth” in this ESG Report.

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The following sections provide more information about the Group's practices in the areas of good operating practices, the environment, employees' engagement and development and our contribution to the community.

## 1. *Technology-led Smart Services*

As a service provider in medical industry and health management with a focus on chronic diseases, Mediwelcome provides integrated services such as online healthcare, screening and assessment of risk factors, online video patient education and healthcare dissemination through technical means and innovative medical service models to reduce the cost of managing patients for doctors and improve management efficiency. With the vision of "Building a Technology-based Service Platform for Chronic Diseases", the Group has built a digital management system for medical conferences based on mobile internet technology to manage conferences in a mobile and digital way, providing digital conference services throughout the whole process and achieving mobile, intelligent, standardized and convenient management of conferences. This not only provides convenience to participants, but also increases the execution efficiency of the conference organisers in an effective manner. In addition, in response to national policy documents on the development of medical big data and the construction of medical information technology, Mediwelcome has developed its own research data reporting system based on the clinical research system to provide technical services for the collection of clinical research data on a single disease through the web and smartphone terminals, which can meet the needs of doctors for clinical research data reporting and analysis. In recent years, the research data reporting system has been providing technical support services to clinical research institutions in China.

## 2. *Serving Patients with Hearts*

To better serve doctors and patients, Mediwelcome has leveraged its resources and strengths to create a sophisticated public media matrix for medical and health education. Mediwelcome collaborated with societies, foundations, community groups and volunteers to launch a variety of patient education activities and screening management programs, including offline patient education sessions, opportunistic screening programs, online video disease education, disease risk detection applets, health media matrix, etc., so as to provide education and management services for patients with chronic diseases. In the future, Mediwelcome will make use of Internet hospitals, mobile medical technology and medical assistant teams from medical institutions nationwide to provide integrated health management services for doctors and patients throughout the entire patient journey, thereby improving the efficiency of doctors in managing patients, reducing the risk of acute events in patients with chronic diseases and alleviating the burden of illness on society and patients.

The Group adopts a customer-first mentality and listens to the suggestions and opinions of its customers so that it can enhance their experience of the Group's services. Therefore, the Company attaches great importance to the resolution of complaints and is committed to responding to any complaint in an accurate, timely and courteous manner. The Group has set up complaint handling channels, and customers can complain to relevant business leaders. Employees, customers, suppliers and other third-party organizations are encouraged to report or complain about possible violations of relevant laws and regulations, industry guidelines or company policies. All complaints will be handled seriously, and corresponding action plans will be immediately formulated and improvement measures will be taken to resolve them.

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## 3. Product Responsibility and Privacy Protection

### Quality Control

The Group has a well-established quality control system to identify, assess and manage the quality issues of the services it provides. Mediwelcome strictly complies with the laws and regulations related to product liability, including but not limited to the Law of the People's Republic of China on the Protection of Consumer Rights and Interests, Internet hospital management approach and CRO related laws and regulations. For internet hospital services, the Group has established policies and internal procedures for screening the registered physicians and pharmacists' records from the national electronic registration system on an annual basis to ensure the registered physicians and pharmacists are qualified. The Group has also set up internal prescription review system and dual-pharmacist verification system to ensure that registered physicians' prescriptions comply with the relevant rules and regulations in the PRC. For medical conference services and patient education and screening services, quality controls are mainly conducted by personnel designated on each project. Project managers have been assigned to each project to specifically oversee the project implementation process. For our marketing strategy and consulting services, standard operating procedures are in place to ensure that the quality of our services meets customers' expectations. In addition, we have a professional medical team whose members possess a bachelor's degree or above in medical-related fields to ensure that we can provide high-quality products and services to customers. During the Reporting Period, the Group did not identify any cases of non-compliance with laws and regulations related to product liability that are material to the Group; and any cases of customer complaints related to products and services.

### Protection of Intellectual Property Rights

As at 31 December 2024, the Group owned 51 registered trademarks, 84 software copyrights, 33 domain names, 9 WeChat public numbers, 6 work copyrights and 10 Apps in Mainland China. The Group strictly complies with the Patents Ordinance (Chapter 514 of the Laws of Hong Kong), the Copyright Ordinance (Chapter 528 of the Laws of Hong Kong), Patent Law of the People's Republic of China, Trademark Law of the People's Republic of China, and other applicable laws and regulations. Mediwelcome relies on a combination of intellectual property laws, trade secrets, confidentiality procedures and contractual provisions to protect its intellectual property including know-how. We require our employees and customers in respect of marketing strategy and consulting services to enter into written confidentiality agreements, which generally require that any confidential or proprietary information disclosed or otherwise made available by us be kept confidential.

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## Privacy and Security

As a service provider in medical industry and health management, protecting the privacy of our customers' data is therefore one of the Group's priorities. The Group has established a privacy policy, including practices and measures regarding the collection, protection or use of personal data or other privacy-related matters. The Group strictly complies with applicable standards, laws and regulations relating to data privacy. In order to protect patients' personal information and prevent information leakage, we strictly limit the number of employees who can access patient data and enhance password authority management, strictly prohibiting copying customer data without permission. Our employees are not allowed to disclose such data to any third party without the consent of the physician or patient, unless required by applicable law. We also engage an independent third-party cloud service provider to store patient data at its data centers in Beijing, Guangzhou and Shanghai. As per our agreement with the cloud service provider, unauthorized access to the content of our data is prohibited to ensure the confidentiality of the data.

## 4. *Green Operation for Energy Conservation and Emission Reduction*

The Group mainly carries out daily operations in its office premise and its business activities do not have significant impact on the environment or natural resources. In order to pursue the sustainable development of environment and community, the Group is becoming more and more cautious in controlling its emissions and resource consumption, and strictly abides by the relevant PRC environmental laws and regulations in its daily operations, including but not limited to: Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法), Law of the People's Republic of China on Conserving Energy (中華人民共和國節約能源法) and Work Plan for Sorting and Collection of Household Waste (生活垃圾強制分類實施工作方案).

During the Reporting Period, the Group had strictly complied with relevant environmental laws and regulations, including but not limited to, air and greenhouse gas emissions, hazardous and non-hazardous waste generation and treatment, and we are not aware of any non-compliance with the relevant environmental laws and regulations that had significant impact on the Group relating to air and greenhouse gas emissions, hazardous and non-hazardous waste generation and treatment. The following primarily discloses the Group's policies, measures, and quantitative data on emissions, use of resources, the environment and natural resources and climate change in the Reporting Period.

# Environmental, Social and Governance Report

## A.1. EMISSIONS

### Air Emissions

The Group took the initiative to review its emissions in its business activities. Due to the nature of business, the Group is not involved in any combustion or industrial production, which will directly pollute the atmosphere. Therefore, the Group's business activities have no substantial impact in respect of air pollution. In view of the nature of the Group's business, air emissions mainly come from fuel combustion during the daily use of private cars.

During the Reporting Period, the air pollutant emissions of sulphur oxides ("SO<sub>x</sub>"), nitrogen oxides("NO<sub>x</sub>") and particulate matter ("PM") were 1.65kg, 0.03kg and 0.12kg, respectively, such amounts were considered insignificant and thus the harm to the environment is relatively small. Besides, total emissions from vehicles decreased by 36.53% compared with the last reporting period. This is mainly because the Company's newly purchased vehicles are new energy vehicles and reduction in the use of fossil energy vehicles.

The Group strives to minimize the negative impact on the environment, encourages low-carbon travel, and is committed to contributing to environmental protection. To comply with environmental protection and to fulfil our social responsibility actively, the Group opted to purchase more environmentally friendly electric vehicles for the new office vehicles. In addition, the Group actively encourages employees to use green travel, taking public transportation or carpooling when going out, so as to reduce the emission of pollutants caused by business travel. The Group will periodically review these measures and adopt new ways to further reduce the Group's use of energy in the future.

The following sets out the types of emissions for the year ended December 31, 2023 and 2024:

Emission	Unit	2024	2023	Increase/(decrease) in percentage
Sulphur oxides ("SO <sub>x</sub> ")	kg	1.65	2.61	(36.77%)
Nitrogen oxides ("NO <sub>x</sub> ")	kg	0.03	0.04	(22.82%)
Particulate Matter ("PM")	kg	0.12	0.19	(36.05%)
<b>Total emissions from vehicles</b>	<b>kg</b>	<b>1.80</b>	<b>2.84</b>	<b>(36.53%)</b>

Remarks: The reduction of air emissions for the year is mainly because the Company's newly purchased vehicles are new energy vehicles and reduction in the use of fossil energy vehicles.

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## Greenhouse Gas (“GHG”) Emissions

In addition to complying with the laws and regulations of the places where we operate, the Company is actively developing practical and operational management processes to improve our awareness and ability in managing air emissions and GHG emissions from various dimensions, with reference to the relevant content of the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances That Deplete the Ozone Layer, and the Framework Convention on Climate Change. During the Reporting Period, the Group emitted a total of 52.30 tonnes of carbon dioxide equivalent (“CO<sub>2</sub>e”) (carbon intensity: 0.25 tCO<sub>2</sub>e/employee). Scope 1 emissions accounted for approximately 9.48%, Scope 2 emissions accounted for 90.52%. The collection and analysis of greenhouse gas data provides guidance and direction for the Group to further reduce energy consumption and emissions, and to increase GHG emissions by 16.13% as compared to 2023. The Group has been closely monitoring the level of GHG emissions and exploring different ways to reduce our carbon footprint.

During the Reporting Period, the emissions of GHGs from our operations were as follows:

Aspects	Unit	2024	2023	Increase/(decrease) in percentage
Scope 1 Direct GHG Emissions	tCO <sub>2</sub> e	4.96	6.20	(20.06%)
Scope 2 Indirect GHG Emissions	tCO <sub>2</sub> e	47.34	38.83	21.91%
<b>Total</b>	<b>tCO<sub>2</sub>e</b>	<b>52.30</b>	<b>45.03</b>	<b>16.13%</b>
<b>Intensity of total GHG Emissions</b>	<b>tCO<sub>2</sub>e/no. of employees</b>	<b>0.25</b>	<b>0.17</b>	<b>44.42%</b>

Remarks: The increase in intensity of total GHG Emissions for the year was mainly due to the decrease in the number of employees.

Notes:

The intensity calculation method is to divide the total GHG Emissions during the Reporting Period by the Group’s total labour force of 213.

Air emission is the waste gas pollution caused by the use of private cars.

The methodology adopted for reporting on greenhouse gas emissions set out above was based on “How to Prepare an ESG Report? — Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange.

# Environmental, Social and Governance Report

## Waste Control

As the Group mainly provides services for healthcare marketing solutions, no notable level of air or water pollutants were produced during the Reporting Period. Our waste is mainly attributed to our daily office activities, where hazardous waste such as printer cartridges and toner cartridges are sent to a dedicated hazardous waste bin. For paper used for office documents, our employees are encouraged to adopt an effective use of paper, including recycling single-sided printing paper for reuse and using digital technology to replace paper. Other types of general office waste are handled directly by the property companies and therefore the Company is unable to compile data on general waste.

During the Reporting Period, the use of non-hazardous waste was as follows:

Aspects	Unit	2024	2023	Increase/(decrease) in percentage
Non-hazardous waste: Paper	kg	581	501.94	15.75%
<b>Intensity of non-hazardous waste</b>	<b>kg/no. of employees</b>	<b>2.73</b>	<b>1.87</b>	<b>45.87%</b>

Remarks: kg: Kilograms

Remarks: The increase in intensity of non-hazardous waste for the year was mainly due to the decrease in the number of employees.

Notes: The intensity calculation method is to divide the total Non-hazardous Waste (Paper) by the Group's total labour force of 269.

The Group is also committed to reducing the generation of general office waste by:

- Encouraging employees to use electronic means to send documents to save paper, for example, WeChat, e-mail or encrypted Universal Serial Bus ("USB").
- Promoting the use of recycled paper for printing internal documents until both sides of the paper are used up.

The adoption of the above waste reduction measures has continuously raised the environmental awareness of employees.

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## A.2. USE OF RESOURCES

The Company strictly abides by the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and other relevant laws and regulations, actively promotes the concept of green and low-carbon office, and practices the concept of green development from small actions. It advocates green office and low-carbon commute, encouraging employees to save water and electricity, so as to minimize the impact of daily operations on the environment.

Owing to the Group's business nature, we do not consume significant amounts of water and electricity through our business activities, and the majority of our water and electricity consumption are consumed by employees at the office. The Group has adopted a green office approach to minimize the consumption of natural resources and the impact on the environment. During the Reporting Period, the electricity consumption of the Group was 77,952.00 kWh, representing an increase of 4.32% as compared with the last reporting period (2023: 74,377.85 kWh). The energy consumption intensity in 2024: 364.28 kWh/employee.

Water usage was primarily from basic cleaning and sanitation water used in the office on a daily basis and no water purchases were found to be directly required by our business. During the Reporting Period, the Group's water consumption was 183.00 tonnes (energy consumption intensity: 0.86 tonnes/employee). The Group's environmental impact and resource consumption is minimal, but the Group actively promotes and practices the concept of "green office and low-carbon operation". In order to reduce electricity consumption and thus reducing GHG emissions and conserving water, we hope to integrate energy conservation and efficiency enhancement into the business practices of the Company through technology upgrades and process improvements as well as strengthening the awareness of "water and energy saving".

- Use lighting reasonably. Turn on lights in public office areas only when needed and turn off unnecessary lightings to avoid waste;
- Raise the consciousness of saving electricity. Actively learn and master the knowledge of power saving, consciously develop good habits of power consumption, establish the awareness of power saving, and timely stop the behaviour of wasting electricity;
- Reduce standby energy consumption of power-consuming equipment. Computers, printers, copiers, water dispensers, laboratory equipment and other equipment should be turned off and the plug-in boards should be removed when not in use;
- Promote the full and repeated use of water resources, avoid waste of water, and urge employees to develop a good habit of turning off the tap at will; and
- Advocating "Green Commute". Employees were encouraged to commute or go on a business trip by public transport as much as possible when not urgent, without carrying important documents;
- Advocating "Paperless Office", "Recycling of Paper", "Environment-friendly Printing" and etc. to reduce the consumption of paper;
- Advocating the use of recycled paper or double-sided printing when printing out documents is necessary, and for the documents of no significance, used paper was recommended. Actively recycle waste paper and use recycled paper as much as possible.

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Documenting the above eco-friendly energy-consumption record, the following table shows the use of resources for the Reporting Period:

Aspects	Unit	2024	2023	Increase/(decrease) in percentage
Electricity consumption	kWh	77,592.00	74,377.85	4.32%
<b>Intensity of electricity consumption</b>	<b>kWh/no. of employees</b>	<b>364.28</b>	<b>276.50</b>	<b>31.75%</b>
Water consumption	tonne	183.00	241.75	(24.30%)
<b>Intensity of water consumption</b>	<b>tonne/no. of employees</b>	<b>0.86</b>	<b>0.90</b>	<b>(4.54%)</b>

Remark: The significant increase in the intensity of water and electricity consumption for the year was mainly due to the decrease in the total number of employees during the year.

### A.3. ENVIRONMENTAL PROTECTION AND NATURAL RESOURCES

The Group attaches great importance to the impact of its business on the environment and natural resources, and is committed to keeping the adverse environmental impacts to a minimum. The Group also integrates the concept of environmental protection into its daily operations to enhance employees' awareness of environmental protection and encourage them to promote environmental protection in their work and daily life, such as green travel, saving electricity and water, reducing the use of plastics, and so on. We will continue to report our environmental KPIs and information as well as our social information in accordance with the provisions.

### A.4. CLIMATE CHANGE

Climate change is one of the great challenges facing the world today. In order to reduce the impact of climate change as much as possible and protect the earth home, we are committed to adopting greener practices and exploring new strategies for sustainable operations. We continue to take more action to reduce our environmental footprint and drive sustainable development through innovative practices and our environmental approach.

The Group is committed to identifying and responding to the potential climate-related risks which may impact the Group's business activities. For risks arising from weather related events and changes in weather patterns, such as flood, tornados and blizzard, the impact is limited to affecting our daily business activities. Regarding with our office-based operations, only severe weather related events may cause temporary business disruptions. For instance, in case of adverse weather conditions, employees may be unable to travel to the office. The Group has adopted work from home arrangements. As most of the Company's operations has adopted electronic office, telecommuting will not have a material impact on the Company's business.

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## 5. CARING FOR OUR PEOPLE AND ACHIEVING MUTUAL GROWTH

### *Employment Compliance*

The Company strictly abides by the Labour Law of the PRC, the Labour Contract Law, the Prohibition of Child Labour Provisions and other relevant laws and regulations to eliminate the use of child labour and forced labour. In respect of the elimination of child labour, the Company strictly follows the national policy when recruiting employees and adopts effective methods to check the identity of candidates and identify the true age of candidates when recruiting employees, so as to ensure that the entry age of candidates meets the legal requirements. In respect of the elimination of forced labour, at the recruitment stage, all employees are employed by the Company on a voluntary basis and are hired after mutual communication and agreement, without any coercion. At the employment stage, the Company has formulated the Company's Employee Handbook, and the Group has strictly complied with the leave and overtime system in accordance with the national regulations, and adjusted and optimised the Company's internal management regulations in a timely manner in accordance with the national policies. For staff working overtime, the Company implements an overtime approval system to ensure a work-life balance for staff. During the Reporting Period, the Company had no violations of relevant laws and regulations in relation to employment of child labour and forced labour.

### *Diversity in Employment and Anti-Discrimination*

The Group is committed to developing a strong talent pipeline to meet our strategic needs. Our recruitment and promotion system encompass the principles of "impartiality, fairness and openness" and "employing people on their merits, integrity and competence". By adopting a holistic approach, the Group ensures that all applicants receive equal treatment, regardless of their background, religion, race, age, gender and other factors. Candidates undergo a background check and a vigorous assessment to ensure they have the relevant skills set, behaviour and sufficient experience prior to employment. This ensures new employees will be able to integrate into our Group's culture and thrive within the working environment.

In our Employee Handbook, we have outlined the general procedures and routine work processes of the Group in relation to employment, remuneration and benefits. Our remuneration scheme is reviewed annually, and the remuneration package for different positions are determined in light of market conditions. The working hours, leaves and other statutory requirements such as social insurance are all in compliance with the applicable laws and regulations. To ensure diversity and equality, our selection process is non-discriminatory and is solely based on the employee's performance, experience and skills. As at 31 December 2024, the Group has 213 employees with an overall gender ratio between male and female at 1.07:1.

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Number of Employees	Categories	2024
Gender	Male	110
	Female	103
Employment type	Full time	196
	Part time	17
Age group	Below 30	71
	31 – 40	93
	41 – 50	42
	Over 51	7
Geographical region	Mainland China	213
	Hong Kong	0

Employee composition and changes in staff turnover are monitored by the Group.

Employee Turnover Rate	Categories	2024
<b>Total employee turnover</b>		<b>133</b>
Gender	Male	66
	Female	67
Age group	21 – 30	65
	31 – 40	52
	41 – 50	15
	51 – 60	1
	Over 61	0
Geographical region	Mainland China	133
	Hong Kong	0

The Group has established a complete appeal system. Any employee who is dissatisfied with the Company's affairs or the treatment he/she receives can complain through the appeal channel. The Group also welcomes employees to discuss their targets and expectations in job advancement and career development with the senior management if they have any ideas or difficulties regarding their job. There were no non-compliance cases noted in relation to employment laws and regulations during the Reporting Period.

# Environmental, Social and Governance Report

## Health and Safety

Building a positive culture of health and safety has been one of the top priorities for the Group. A healthier workforce will lead to better productivity and higher morale, which ultimately creates an efficient and agile organisation. This has been achieved by supporting our employees in two dimensions — physical wellbeing and their mental wellbeing.

**Physical wellbeing** — As employees are the most important resource and wealth of the Company, it is of utmost importance to provide a healthy and safe working environment for the employees in a reasonable and practicable situation. The Employee Handbook provides detailed instructions on keeping a safe and healthy workplace, including the following requirements: Smoking is strictly prohibited in the office area. If unsafe phenomena or situations are found in the office, they should be brought to the attention of superiors immediately. During the Reporting Period, the Group did not violate any health and safety laws and regulations and no work-related fatal or injury was noted.

**Mental wellbeing** — In parallel with supporting our staff's physical wellbeing, it is also crucial to boost the mental health of our workforce. Our management pays close attention to the employee's mental health and have devised a series of initiatives in maintaining the employee's mental resilience. One of the key initiatives is to promote the concept of work-life balance. The Group strives to develop a working environment and a corporate culture that provides an optimal balance between the employee's private lives and professional lives. Within our business operation, the employee's working hours, rest breaks and holidays are clearly stated through the Employee Handbook, which protects the legitimate rights and interests of employees, and their rights to rest and vacation.

In addition, staffs that are in managerial positions have been provided with basic training to identify signs of mental health issues with employees. Managerial-level staffs are encouraged to proactively reach out to team members from time to time to create a more inclusive, open and friendly working environment.

## Staff Training

Internally, the Group has established comprehensive training programs. Induction program is offered to new joiners for learning the culture and the practices of the Group. Customized training programs are arranged for staff members at different levels and across its divisions on an ongoing basis. Special trainings are provided to relevant personnel when business development requires. The results and effects of all training will be considered as one of the factors for future promotion. The Group also encourages employees to take part in external training to acquire necessary technical skills and enhance team spirit.

The Group regularly evaluates the training objectives, training arrangements, training content according to the business needs and make changes when necessary. The results of the training and the performance of each individual will also be assessed regularly to ensure that all employees benefit from the training.

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Moreover, suitable performance evaluations are adopted for monitoring the development of all the employees. Comprehensive performance evaluation is effective in assessing the productivity and work efficiency of individuals that further assists in identifying the weaknesses and strengths. A regular transparent review process is conducted at the end of each period to review the employees' performance, attitude, and abilities. The comprehensive performance evaluation identifies the weakness and strengths of the employees, and also assess their productivity and work efficiency.

Percentage of employees trained	2024
<b>Total</b>	
Total employees trained	346
Percentage of employees trained	100.00%
Average training hours completed per employee	1
<b>Total trained employees by gender</b>	
Male	176
Percentage of male employees trained	100%
Female	170
Percentage of female employees trained	100%
<b>Total trained employees by employee category</b>	
Senior management	28
Percentage of senior management trained	100%
Middle management	67
Percentage of middle management trained	100%
Frontline and other employees	251
Percentage of frontline and other employees trained	100%

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### 6. WIN-WIN COOPERATION AND SYNERGISTIC DEVELOPMENT

Supply chain management directly affects the smoothness of our operations as well as the quality of our services. A comprehensive procurement guideline has been established to govern the procurement processes and maintain long-term partnering relationship with strategic suppliers. The Group is continuously reinforced in supply chain management and is committed to building a compliant supply chain management system. Consideration of ESG in the selection of suppliers, and in the course of our cooperation, is an important reference element for optimizing the entire value chain of the Group. The Group's purchasing department makes a preliminary selection of suppliers based on background information about the supplier and information about the supplier market. The purchasing department issues tenders or request for quote to the shortlisted suppliers. Generally, the purchasing department will clearly set the selection criteria for suppliers before receiving the tender or RFQ. The selection criteria should be objective and quantifiable so as to ensure the fairness and equity of the supplier selection process. All bids or quotations must be consistent with the principle of sustainability. Factors to be considered in the purchase decision include price, quality, location (logistics and warehousing costs), delivery reliability, anti-corruption, after-sales service, etc. Secondly, these processes help to identify the most suitable supplier to maximize economic benefits. Various elements. We aim to optimize the environment throughout the value chain, optimizing environmental and social principles within our value chain. The Group implements centralized, standardized and sunny management of procurement work, strictly examines the professional qualifications and reputation of suppliers, optimizes supplier resources and ensures procurement quality. A supplier list has been established in the procurement system to manage all suppliers the Group cooperates with, including the names and contact information of suppliers.

To reduce environmental and social risks in the supply chain, the company requires suppliers and purchasers to meet the requirements of honest and regulated procurement. The company regulates the anti-corruption management and performance of suppliers, and requires all suppliers who sign service contracts with the company to sign the Anti-Corruption and Anti-Bribery Letter of Commitment. Purchasers are required to strictly comply with the company's integrity system and to eliminate corruption, bribery and other violation of business integrity can be eradicated.

The Group conducts annual comprehensive evaluations of annual cooperative suppliers and conducts on-site inspections of the quality of suppliers from time to time. The evaluation results of all suppliers are recorded. Suppliers who cannot pass the evaluation will be removed from the supplier list. Also, in case of major quality incidents related to products and services, the cooperative relationship with the relevant supplier will be terminated immediately and the supplier will be removed from the list of authorized suppliers.

In order to establish a stable and reliable supply of products and services, the Group cooperates with multiple suppliers to avoid over-reliance on a single source. As of December 31, 2024, the Group had 3,606 suppliers with three types of suppliers, namely annual cooperative suppliers, general suppliers and one-time cooperative suppliers, and they are mainly located in China. When both annual cooperative suppliers and general suppliers cannot meet the demand, the procurement department will look for one-off cooperative suppliers.

We typically enter into one-time purchase agreements with our suppliers, which specify pricing, scope of work and quality requirements. We also enter into framework agreements with annual collaborators that specify key terms, including duration, quality, price, intellectual property, termination, confidentiality, payment and credit terms. Procurement analyzes and determines renewals based on an evaluation of the collaborative program and other data.

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## 7. ANTI-CORRUPTION

A system with good moral integrity and anti-corruption mechanism is the cornerstone for a sustainable and healthy development of the Group. The Company continued to reinforce its compliance management, strengthen the compliance awareness of all employees, establish a multi-dimensional risk management system and internal control mechanism, in order to regulate corporate governance and eliminate all forms of illegal behaviors including bribery, corruption and money laundering. To maintain a workplace free from corruption and bribery, the Group has formulated and implemented Anti-corruption and Anti-bribery Principles (《反腐败反贿赂原则》) with reference to PRC Criminal Law (《中华人民共和国刑法》), PRC Anti-Unfair Competition Law (《中华人民共和国反不正当竞争法》), Interim Provisions on the Prohibition of Commercial Bribery (《关于禁止商业贿赂的暂行规定》) and Opinions on Several Issues concerning the Application of Laws in Criminal Commercial Bribery Cases (《关于办理商业贿赂犯罪适用法律若干问题的意见》). The Company was also awarded the ISO37001 Anti-Bribery Management System Certificate in 2022.

The Group has implemented specific measures to prevent corrupt, bribery and fraudulent activities of employees, including:

- establish an Employee Handbook, which are distributed to all employees, containing our internal rules and guidelines regarding work ethics, fraud prevention, negligence and bribery;
- require all account managers to sign the Anti-Corruption and Anti-Bribery Letter of Commitment to avoid any form of bribery in performing their work;
- provide regular training to all employees to explain the guidelines contained in the Employee Handbook and inform them updates on the relevant laws and regulations;
- establish project budgets and expenses claim policies and procedures, which require our operation team to prepare budgets for all projects and identify the relevant expenses. Such budgets and expense claims will be submitted to account department for review and the accounting managers will identify and follow up with any unusual fund flow, expense or reimbursement;
- set up a report channel to receive complaints and whistleblowing in relation to bribery and other illegal activities of employees;
- the Company maintains an atmosphere of openness, trust and respect, accepts anonymous reports, ensures that everyone can raise issues in confidence, and strengthens and monitors the heads of business units and centers against corrupt practices, including hospitality, gifts, cards and offers, and once a report is received, management takes prompt action to ensure that no whistleblower is discriminated against, treated unfairly, etc. Retaliation is fought to maximize the protection of whistleblowers;

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The Group also considered possible corruption, bribery and fraud activities of third parties, including customers, speakers, suppliers, sponsoring enterprises and known attendees. Thus, we have adopted a series of internal regulations which requires the inclusion in our business contracts with these counterparties of: (i) anti-corruption and anti-bribery clauses, (ii) terms prohibiting our employees receiving bribes and kickbacks from counterparties, (iii) terms requiring counterparties to comply with relevant laws and regulations; perform web search to identify whether these third parties have committed any kind of bribery incidents or breach of other applicable laws and regulations; make an inspection tour of the venues of different booth setup for pharmaceutical enterprises and monitor the onsite situation of conventions and seminars to identify abnormal behaviors and activities among the attendees. We also review the pharmaceutical enterprises' advertising materials to be distributed to the attendees at the venue in advance to ensure they do not breach any PRC anti-corruption laws and regulations. On top of the above, we have also set up a report channel to receive complaints and whistleblowing in relation to bribery and other illegal activities of employees. During the Reporting Period, there was no any legal cases regarding corrupt practices brought against us or our employees.

### 8. COMMUNITY CONTRIBUTION

The Group has been actively promoting the development of medical communications and is fully committed to improving healthcare in China. In addition to ensuring high standards of compliance, upholding corporate ethics and fulfilling our responsibilities, we also focus on the charity work of educating rural children. We are passionate about giving back and creating meaningful social change by offering new and sustainable programs.

In the future, the Group will continue to explore more ways to invest in contributing to society and creating a better future.

- work with charitable organizations to get involved in various community programs and contribute to society;
- promote the health of our employees and stronger links with the community by organizing and taking part in sports activities;
- going forward, the Group will continue to explore more ways and contribute to the community for a brighter future.

# Environmental, Social and Governance Report

## HKEX ESG REPORTING GUIDE CONTENT INDEX

Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions — Air Emissions
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions — GHG Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions — Waste Control
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions — Waste Control
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions — Waste Control

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Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
<b>Aspect A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources
<b>Aspect A3 The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Environmental Protection and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection and Natural Resources
<b>Aspect A4: Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

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Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
<b>B. Social</b>		
<b>Aspect B1: Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment Compliance
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Diversity in Employment and Anti-Discrimination
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Diversity in Employment and Anti-Discrimination
<b>Aspect B2: Health and Safety</b>		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
<b>Aspect B3: Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Staff Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Staff Training
KPI B3.2	The average training hours completed per employee by gender and employee category.	Staff Training

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Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
<b>Aspect B4: Labour Standard</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employment Compliance
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment Compliance
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment Compliance
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Win-win cooperation and synergistic development
KPI B5.1	Number of suppliers by geographical region.	Win-win cooperation and synergistic development
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Win-win cooperation and synergistic development
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Win-win cooperation and synergistic development
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Win-win cooperation and synergistic development

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Aspects, General Disclosures and KPIs	Description	Relevant Chapter/ Explanation
<b>Aspect B6: Product Responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility and Privacy Protection
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility and Privacy Protection
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility and Privacy Protection — Quality Control
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility and Privacy Protection — Protection of Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility and Privacy Protection — Quality Control
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility and Privacy Protection — Privacy and Security

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Aspects, General Disclosures and KPIs	Description	Relevant Chapter/Explanation
<b>Aspect B7: Anti-Corruption</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
<b>Aspect B8: Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Contribution
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Contribution
KPI B8.2	Resources contributed (e.g. money or time) to the focused area.	Community Contribution