

MediNet

Group Ltd

醫匯集團有限公司

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 8161



2025

**ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT**

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Scope and Boundary

MediNet Group Limited (hereafter, the “**Company**”, “**we**”, or “**us**”) and its subsidiaries (collectively known as the “**MediNet**” or “**Group**”) are pleased to present our Environmental, Social and Governance (“**ESG**”) Report (“**ESG Report**”). This ESG Report herein provides an overview of the ESG performance of the Group’s major operations for the year from 1 April 2024 to 31 March 2025 (the “**Reporting Period**”).

The principal activities of the Group are providing corporate medical and dental solutions to contract customers through the design and administration of tailored medical and/or dental benefits plans to provide different combinations of medical and/or dental services through the MediNet Network and/or our operated medical centres (“**Medical Centres**”) and dental clinics (“**Dental Clinics**”). The Group also provides various genetic tests in our wholly owned DNA genetic laboratory (“**DNA Genetics Laboratory**”).

The reporting scope or boundary was determined based on the materiality and revenue contribution of the business segments under the Group’s direct operational control and covered in this ESG Report from the previous year. Unless otherwise stated, this ESG Report covers the following:

- (i) Medical Centres located in Central and Tsim Sha Tsui;
- (ii) Dental Clinics located in Causeway Bay, Central, Kwun Tong, Mongkok, Tsim Sha Tsui, and Cheung Sha Wan^{1,2};
- (iii) DNA Genetics Laboratory located in Wong Chuk Hang;
- (iv) The head office located in Causeway Bay.

While preparing this ESG Report, the Group thoroughly reviewed and assessed its existing environmental and social policies. It aims to achieve better performance in environmental, social, and corporate governance and operations in the future and make more contributions to the communities where it operates.

The ESG Report was approved by the Board of Directors (the “**Board**”) on 27 June 2025.

Feedback

The Group has set high standards for transparency and works hard to live up to its stakeholders’ expectations. For details on the Group’s financial performance and corporate governance during the Reporting Period, please visit the Group’s website: <http://www.medinetgroup.com>. If you have any questions or comments, please send us your views via mail at Unit 3601, 36/F, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong.

Preparation Basis of the ESG Report

This ESG Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the GEM Listing Rules (“**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**HKEX**”). It has complied with the Mandatory Disclosure Requirements and “**Comply or Explain**” Provisions and the principles of materiality, quantitative, balance and consistency. In preparing this ESG Report, the Group has adopted the international standards and emission factors specified in the ESG guidance materials issued by the HKEX for computing the relevant key performance indicators (“**KPIs**”), and there is no change from the previous year in the way the ESG Report has been prepared. The application of materiality is detailed in the subsection headed “**Materiality Assessment**”.

¹ The dental clinic located in Shenzhen closed during the Reporting Period.

² The dental clinic located in Cheung Sha Wan was sold during the Reporting Period, the reported data pertains solely to the period prior to the sale’s completion and does not reflect activities following the transaction.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Management Approach

The Group is committed to working towards sustainability and understands the importance of sustainable development for businesses and the community. The Group pays close attention to the impact of its daily operations on the environment and society in which it operates the businesses and aims to set an example for the community and the industry. To formulate the Group's business strategies for the environment, society and governance, the Group will identify events that may cause a negative impact on the Group or that pose risks to the Group in the short, medium, and long term. In addition, the Group strives to strike a balance between the interests of all stakeholders: the economy, the environment, the society, and corporate governance. The Group actively develops opportunities with a focus on work ethic to ensure continuous success and growth that would benefit its suppliers, consumers, and the environment.

The Group believes that the success of the Group is based not only on the performance of its operations and activities but also upon its responsibility and commitment to the employees, suppliers, customers, the community, and the environment. The Group has established various environmental and social policies to support its sustainable growth. With a thorough understanding of the ESG risks and opportunities, the Group will better position itself in allocating its resources to diminish and prevent the negative impacts brought by different environmental and social risks.

Statement of the Board

As a medical service provider and a responsible corporate citizen, the Group acknowledges that prudent environmental and societal management is of great importance to sustainable economic growth. This ESG Report summarises the strategy, practice, and vision of the Group with respect of issues related to ESG and conveys the Group's devotion for sustainability. To address the global concern about climate change that affects the environmental systems and our daily lives, the Group has considered sustainability and climate-related issues while incorporating them into our risk management system to enhance our resilience and adaptive capacity to potential environmental and social challenges. All potential risks that may have impacts on the Group's businesses are covered and evaluated in the annual enterprise risk assessment.

The Group continues to strengthen its ESG governance capabilities. The Board is responsible for the Group's ESG strategy and reporting and oversees relevant risks and opportunities. The ESG Working Group ("**ESG Working Group**") is responsible for reviewing, formulating and approving the framework, standard, priority and goals for the Group's sustainable development and regularly reporting to the Board the relevant tasks carried out for sustainable development; identifying the relevant issues that have a significant impact on the operation of the Group and/or the interests of other important stakeholders; supervise the development and implementation of the strategies, policies and measures for sustainable development of the Group; evaluate and review the adequacy, effectiveness and sustainability performance of the Group's sustainable development policies and practices at least once a year or when necessary, and report and propose strategies for improvement to the Board. The implementation of various ESG strategies is supervised by the managers of the functional departments, who are responsible for overseeing the daily implementation and reporting such implementation to the ESG Working Group on a regular basis.

In the future, the Board will continue to monitor and improve the Group's sustainability initiatives and performance and strive to create long-term value for all stakeholders and the communities in which it operates.

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Governance Structure

Board

- The Board is responsible for the overall decision-making, oversees the formulation, administration, and assessment of the ESG strategies.

ESG Working Group

- The ESG Working Group is responsible for assisting the Board in managing and monitoring the ESG matters on a daily basis.

Functional Department

- Functional department is responsible for the execution of implemented measures to achieve the set strategies and targets.

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Our Stakeholders

As a medical service provider, the Group is an integral part of society and plays an important role in people's lives. Therefore, the Group strives to conduct our businesses responsibly and sustainably, as well as highly values the well-being of our stakeholders.

The Group has adopted a proactive approach to stakeholders' engagement. The Group reviews the stakeholder engagement plan on a regular basis to ensure that all our stakeholders are well-informed about the key issues and concerns the Group faces in the environmental and social aspects. The stakeholders identified by the Group and the means for communication and responses are listed below.

Stakeholders	Areas of ESG Concern	Means for Communication
Employees	<ul style="list-style-type: none"> • Rights and benefits of employees; • Training and development; • Environmental protection; and • Social Welfare 	<ul style="list-style-type: none"> • Training and seminars • Face-to-face meetings • Internal memos; and • Employees' suggestion box
HKEX	<ul style="list-style-type: none"> • Compliance with Listing Rules; and • Timely and accurate announcements 	<ul style="list-style-type: none"> • Meetings • Training • Roadshows • Workshops; and • Programs
Investors	<ul style="list-style-type: none"> • Transparency • Corporate governance • Business strategies and performance • Sustainable profitability; and • Investment returns 	<ul style="list-style-type: none"> • Seminars and interviews • Financial reports; and • Operational reports for investors, media, and analysis
Government	<ul style="list-style-type: none"> • Compliance with laws and regulations • Preventing tax evasion; and • Social welfare 	<ul style="list-style-type: none"> • Interaction and visits • Tax returns; and • Government inspections
Customers	<ul style="list-style-type: none"> • Service quality • Reasonable prices; and • Commercial credibility 	<ul style="list-style-type: none"> • Annual customer survey • Clinic visits; and • Customer hotline
Media & Public	<ul style="list-style-type: none"> • Corporate governance • Environmental protection; and • Human rights 	<ul style="list-style-type: none"> • Newsletter on the Group's website
Communities & NGOs	<ul style="list-style-type: none"> • Community environment • Employment opportunities; and • Community development 	<ul style="list-style-type: none"> • Donation box • Employee voluntary activities; and • Public Event
Suppliers	<ul style="list-style-type: none"> • Payment schedule • Stable demand • Operational compliance; and • Quality services and products 	<ul style="list-style-type: none"> • Face-to-face meetings • Product assessments; and • Annual supplier assessment

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Materiality Assessment

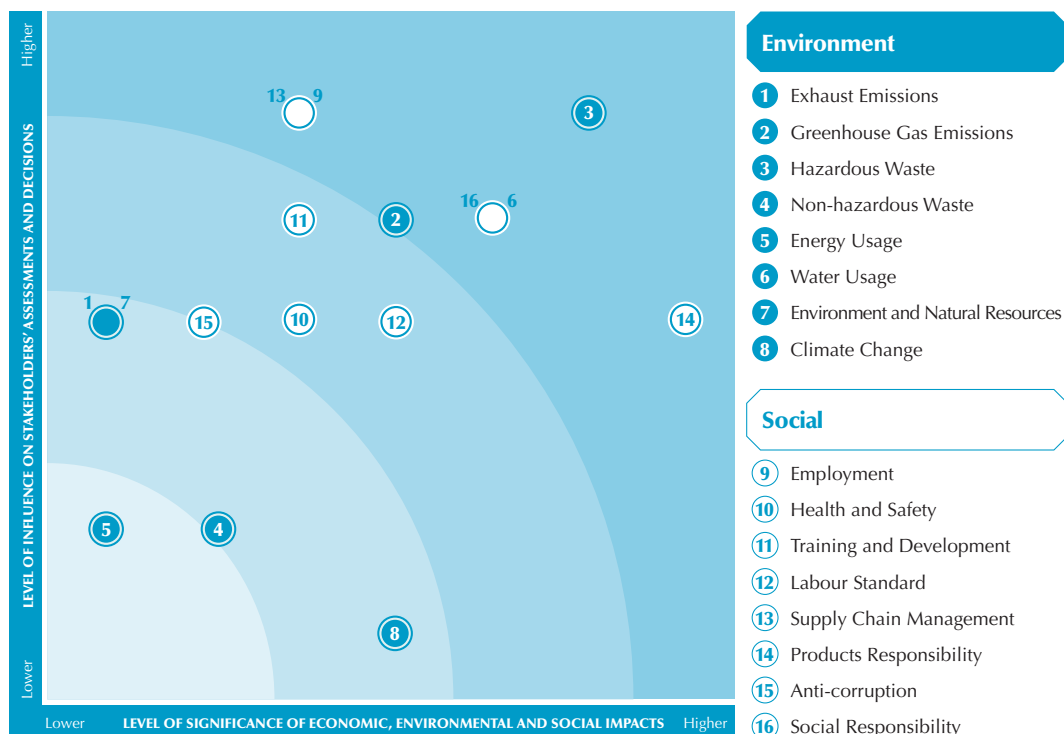
The Group has identified ESG issues that have potential or actual impact on its sustainable development from various sources, such as issues identified in previous ESG reports, internal policies, industrial trends and the Sustainability Accounting Standards Board's Materiality Map³. The Group focuses on material ESG issues which may have a significant impact on:

- The medical and/or dental industry;
- The current or future environment or society;
- The Group's financial performance/business operations and/or
- Stakeholders' interests and their assessments, decisions, and actions.

The ESG issues have been analysed with reference to an array of factors, including the Group's overall strategy, development, and goals and targets. The Group has conducted a materiality assessment to rate the identified ESG issues that are pertinent to its business and stakeholders, and their respective level of impact.

There were no significant changes in our stakeholder groups and operations during the Reporting Period. As such, the Group confirmed that the materiality matrix results in the previous year's ESG report remain relevant to the current financial year's situation and continue to respond to stakeholder expectations. The issues that fall within the top right-hand quadrant have relatively higher significance to both stakeholders and the Group's business. The Group will continue to improve its reporting process based on the assessment. The Group's material ESG issues are summarised as follows:

LEVEL OF INFLUENCE ON STAKEHOLDERS' ASSESSMENTS & DECISIONS



³ Sustainability Accounting Standards Board's Materiality Map, <https://materiality.sasb.org/>

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ENVIRONMENT

Overview

The Group manages its operations in an environmentally and socially responsible manner. As a medical service provider, the Group's business operations do not significantly impact the environment. However, the Group is still highly committed to protecting and developing sustainability, minimising adverse impacts on the environment by promoting and adopting a set of management policies and measures. The Group understands that its use of electricity and water, and its generation of clinical wastes from its business operations consume natural resources and may pose risks to public health and the environment. Therefore, electricity and water-saving initiatives are promoted and implemented in the workplace, and clinical wastes are distributed to a professional third party for careful and cautious treatment.

During the Reporting Period, the Group has complied with all relevant laws and regulations in Hong Kong in relation to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. The relevant laws and regulations include but are not limited to the Air Pollution Control Ordinance, the Water Pollution Control Ordinance, the Waste Disposal Ordinance and the Hazardous Chemicals Control Ordinance.

Emissions

Air Emissions

As the Group provides medical and dental solutions to its customers, the Group does not own or control any stationary combustion sources. Thus, no significant air pollutants were generated during our daily operations. In addition, the Group owned vehicles for commute business use in which air pollutants are generated from vehicle fuel combustion. The primary air pollutants emitted from vehicles include nitrogen oxides (NO_x), sulphur oxides (SO_x), and particulate matter (PM). All vehicles are under regular maintenance checks to facilitate fuel consumption efficiency, which ensures road safety and keeps air emissions at their minimum.

The following shows the statistics of exhausted gas emissions recorded during the Reporting Period:

Types of Emissions ⁴	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Nitrogen oxides (NO _x)	kg	1.47	1.08
Sulphur oxides (SO _x)	kg	0.04	0.03
Particulate matter (PM)	kg	0.11	0.08

During the reporting period, increased business engagements and projects led to higher vehicle usage. Consequently, air missions increased compared to the previous reporting period.

Air Emissions

The greenhouse gas emissions are mainly from the consumption of purchased electricity to support the operations of the Group's offices and clinics, such as the lighting and magnifiers, air-conditioning system, and sterilisation system. The comparative statistics of greenhouse gas emissions recorded between the current and previous reporting periods are detailed below.

⁴ The air emissions for the Reporting Period are disclosed in accordance with "Appendix 2: Reporting guidance on Environment KPIs" issued by the HKEX.

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Greenhouse Gas Emission Sources	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Scope 1 — Direct emissions			
Vehicle usage — Petrol	tonnes of CO ₂ e	7.76	5.69
Scope 2 — Indirect emissions			
Purchased electricity	tonnes of CO ₂ e	71.08	79.58
Scope 3 — Other Indirect emissions			
Paper consumption ⁵	tonnes of CO ₂ e	5.91	4.32
Total greenhouse gas emissions	tonnes of CO₂e	84.75	89.59
Total greenhouse gas emissions intensity	tonnes of CO₂e/sq.m.⁶	0.05	0.05

During the Reporting Period, the Group generated 84.75 tonnes of CO₂e (2024: 89.59 tonnes of CO₂e) greenhouse gas emissions in total, on average, 0.05 tonnes of CO₂e/sq.m. (2024: 0.05 tonnes of CO₂e/sq.m.). During the Reporting Period, increased business engagements and projects resulted in higher vehicle usage and paper package orders, leading to elevated Scope 1 direct emissions and Scope 3 other indirect emissions.

The Group strives to continuously reduce its energy consumption and emissions as it helps to manage our carbon footprint. In the next reporting period, the Group aim to maintain the total greenhouse gas emission intensity at/below 0.05 tonnes of CO₂e/sq.m. The Group will continue to adopt green practices in its operations, which is detailed in the section below headed “ENERGY EFFICIENCY”.

Waste Management

During the Reporting Period, the Group has complied with all relevant laws and regulations that may have significant impact on the Group relating to the management of clinical waste, including but not limited to the Waste Disposal Ordinance, the Hazardous Chemicals Control Ordinance and the Waste Disposal (Clinical Waste) (General) Regulation, which require clinical wastes to be properly disposed of and collected.

Employees of the Group follow standard procedures and guidelines to dispose of the waste produced and put it into specific containers that are carefully coded with defined colours, separately sealed with ties, and do not exceed 5 kg weight on any occasion. To ensure that the Group has complied with the relevant laws and regulations, the Group has engaged qualified waste disposal and recycling companies licensed by the Environmental Protection Department (“EPD”) of Hong Kong to handle the disposal of hazardous wastes, including expired and unwanted pharmaceutical products.

The Group has established a “Medical Waste Handling Procedure” that aims to ensure the safe disposal of hazardous substances and waste. The Group regularly disposes of different groups of waste, e.g., Group 1 (used or contaminated sharps), Group 3 (human and animal tissues), Group 5 (dressings), and Group 6 (other wastes) of clinical waste as defined in the Waste Disposal Ordinance.

⁵ To calculate paper consumption during the Reporting Period, leverage the methodology of utilizing the purchased paper inventory.

⁶ As at 31 March 2025, the Group’s total floor area was 1,635.56 square meters (“sq.m.”) (2024: 1,742.56 sq.m.).

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Each clinic stores all used syringes, needles, cartridges, ampoules, and other sharp instruments in a special sharp container. During the Reporting Period, the Group produced 0.493 tonnes (2024: 0.555 tonnes) of clinical waste in total, on average 0.0003 tonnes/sq.m. (2024: 0.0003 tonnes) of clinical waste. The Group has slightly decreased its hazardous waste generation during the Reporting Period due to its proper medical waste management and procedures, as well as achieved the previous target goal.

The Group will continue to provide regular training to its employees regarding the proper disposal of waste and explore new technology, equipment or procedures that may reduce the generation of waste from its daily operation. In the next reporting period, the Group will make continuous efforts to uphold its strict hazardous waste disposal standards and strive to maintain the intensity of total hazardous waste produced at/below 0.0003 tonnes/sq.m of clinical waste.

The comparative statistics of clinical waste recorded in the current and previous reporting periods are detailed below.

Discharge of Hazardous Waste	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Clinical waste generated	tonnes	0.493	0.555
Hazardous waste intensity	tonnes/sq.m.	0.0003	0.0003

The non-hazardous waste produced by the Group's business activities is paper consumed for administrative purposes. The Group always encourages its employees to reduce paper consumption whenever possible and work towards a paperless environment. During the Reporting Period, the Group produced a total of 1.23 tonnes (2024: 0.90 tonnes) of non-hazardous waste, with an intensity of non-hazardous waste generated totalled 0.0008 tonnes/sq.m. (2024: 0.0005 tonnes/sq.m.), which reflects an increase compared to the previous reporting period, primary driven by increased business engagements and projects. Furthermore, to ensure cost stability, the order for A4 paper has been doubled, maintaining consistent pricing for the essential resource. The comparative statistics of paper consumption recorded in the current and previous reporting periods are detailed below.

Discharge of Non-hazardous Waste	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Paper consumption	tonnes	1.23	0.90
Non-hazardous waste intensity	tonnes/sq.m.	0.0008	0.0005

To reduce the generation of non-hazardous waste, the Group is committed to reducing the use of copier paper for internal administrative work. The Group has adopted the following measures during its daily operations:

- Double-sided printing is set as the default setting on computers. Single-sided printing has to be manually selected;
- For any papers that have been used for single-sided printing, they should be reused when there is no confidential information on the printed side of the paper; and
- Staff members are encouraged to circulate documents through electronic means such as email or encrypted universal serial bus ("USB").

In the next reporting period, the Group will continuously work to create a more paperless working environment and maintain the intensity of total non-hazardous waste produced at/below 0.0005 tonnes/sq.m.

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USE OF RESOURCES

The Group highly values environmental protection and is committed to upholding high environmental standards to fulfil relevant requirements under applicable laws and ordinances in its daily operations. The Group understands responsible energy use is more than consuming less energy. It also means making the most of the energy the Group consumes while delivering safe and quality services to the consumers. Hence, the Group aims to manage and reduce electricity and water usage by better planning and execution, with an objective of minimising adverse environmental impacts.

Since the Group is not involved in any manufacturing activities, the impact on the environment and natural resources is immaterial.

ENERGY USE EFFICIENCY

Energy Usage

During the Reporting Period, the source of energy usage includes fuel consumed by company vehicles and purchased electricity consumption of the Group from the operations of its offices and clinics, such as the lighting, magnifiers, air-conditioning system and sterilisation system. The energy consumption totalled 172,030.63 kWh (2024: 171,972.25 kWh), while the intensity totalled 105.18 kWh/sq.m. (2024: 98.69 kWh/sq.m.). The rise in total energy consumption is primarily attributable to the business development activities necessitating vehicle use for business engagements. The following shows the comparative figures for electricity consumption between the current and previous reporting periods.

Types of Energy Consumption	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Direct energy consumption			
Fuel consumption (Petrol)	kWh	28,189.93	20,673.70
Purchased electricity consumption	kWh	143,840.70	151,298.55
Total energy consumption	kWh	172,030.63	171,972.25
Total energy consumption intensity	kWh/sq.m.	105.18	98.69

The Group encourages its staff members to save electricity at the workplace. All staff members are informed to turn off the lights during lunch and after office hours so that lights are only on when necessary. In addition, all electrical appliances should be turned off when they are not in use. Written notices such as “Save Energy” are put on the walls in the working area to remind staff members of saving energy. Indoor temperature is maintained at 25 degrees Celsius or above to reduce unnecessary use of energy. The Group will continuously work towards the target of maintaining the intensity of total electricity consumption at/ below 99 kWh/sq.m. in the next reporting period.

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Water Usage

As the Group's daily operations do not involve production activities, it has maintained a relatively low level of water usage. The existing water supply meets the Group's daily operational needs for domestic use, and the Group does not have any issue sourcing water.

As the water consumption of the Group's head office, 4 Dental Clinics, and 1 medical centre is charged as part of the rent with no independent water meter, the water consumption disclosed excludes the head office and those clinics.

Water Consumption	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Total water consumption	Cubic meters	141.00	151.49
Total water consumption intensity	Cubic meters/sq.m.	0.09	0.09

The Group has adopted a wide range of measures to lessen its water use, including regular checks on water taps and pipes to avoid unnecessary leakage, installing water-efficient fittings, and promoting awareness of water scarcity issues among employees to encourage them to use water wisely. The Group will continuously work towards the target of maintaining the intensity of total water consumption at/below 0.09 cubic meters/sq.m. in the next reporting period.

Medical Packaging

Due to its business nature, the Group does not significantly utilise packaging materials in the ordinary course of business. To reduce its carbon footprint and contribute to saving the planet, the Group also encourages its customers to minimise the usage of plastic bags by suggesting they bring their own bags to the clinics.

Climate Change

As part of the Group's ESG strategies formulation, the Board has an overall responsibility for overseeing the Group's climate related risks and opportunities. The ESG Working Group regularly reviews and identifies climate-related issues that may pose risks to the Group in the short, medium, and long term. In the Group's annual enterprise risk assessment, all potential risks arising from climate change are covered and evaluated comprehensively. The Group has considered the potential climate related risks with respect to the recommendations of the Task Force on Climate-related Financial Disclosure ("TCFD").

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The potential physical risks and transition risks from climate change, which may pose adverse financial impacts on the Group's businesses, and its corresponding mitigation strategies are shown below:

Risk Type	Potential Financial Impact Low Medium High 	Short-term (This Reporting Period)	Medium-term (1–3 years)	Long-term (4–10 years)	Mitigation Strategy
Transition Risks	<u>Policy and Legal</u> Increased compliance costs and potential disruption related to new climate-related regulations.				Regularly monitor the regulatory environment and strictly adhere to the Group's emission-reduction measures to maintain a low emission level.
	<u>Technology</u> Transition costs to more energy-efficient clinical equipment and technologies, which include costs to adopt and deploy new processes, capital investment, research and development expenditures and write-offs or early retirement of existing assets.				Continue to keep abreast of the latest developments in clinical technologies and energy-efficient equipment.
Physical Risks	<u>Acute</u> Extreme weather conditions, such as flooding and storms, can disrupt supply chains, disrupt daily operations, and cause property and revenue losses.				Maintain a large supplier base and set up safety measures and contingency plans in regard to extreme climate events.
	<u>Chronic</u> Increased operating costs related to increased need for cooling and heating due to changing temperatures.				Strengthen the environmental awareness of employees to ensure that they strictly adhere to the Group's energy conservation measures.

Both the physical and transition risks are expected to have a minimal material impact on the Group's operations. Nevertheless, the Group will continue to monitor climate-related risks and implement relevant measures to minimise them.

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EMPLOYMENT

During the Reporting Period, the Group has strictly complied with the laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare. The employment-related laws and regulations include but are not limited to the Employment Ordinance, the Minimum Wage Ordinance, the Employees' Compensation Ordinance, and the Law on the Protection of Disabled Persons.

The Group firmly believes that employees are its most valuable asset, and we focus our efforts on providing a safe and enjoyable working environment for them. The objective of the Human Resources Department is to reward and recognise outstanding employees by providing competitive remuneration packages with basic salary and to promote career development and progression within the Group by providing adequate training and opportunities.

For the recruitment and promotion process, the Group ensures that employees are free from discrimination or deprivation of opportunities on the basis of gender, ethnic background, religion, skin colour, sexual orientation, age, marital status, family status and physical ability. The Group aims to create an equal and diversified employment environment for all its employees. Employees and candidates are assessed based on their competence, skills, qualifications and performance. During the recruitment process of all new employees, the Human Resources Department of the Group conducts comprehensive background checks on the prospective employees. Newly recruited employees are admitted as permanent employees after the successful completion of a 3-month probation period. A minimum of 7 days annual leave is granted to all permanent employees. The Group also offers all its permanent employees medical and dental schemes and inpatient insurance.

In addition, the Group has formulated a set of benefits to reward employees for the value and contribution they have made to support the development of the Group. The Group also constantly reviews its employees' performance. Performance evaluation is carried out for each employee annually to act as a communication platform between employees and the management and to assist the employees in focusing on his/her personal objectives and achievements. The Group welcomes feedback from its employees through private meetings, emails or anonymous letters to the Department Head, Financial Controller or General Manager.

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As at 31 March 2025, the Group had a total of 82 employees, with 72 as full-time and 10 as part-time. the employee profiles by gender, age and geographical location are shown as follows:

Year ended 31 March 2025	
Total workforce	82
Breakdown by employment type	
Full-time	72
Part-time	10
Breakdown by gender	
Male	23
Female	59
Breakdown by age	
< 25	5
25–29	10
30–39	19
40–49	16
≥ 50	32
Breakdown by geographical location	
Hong Kong	81
PRC	1

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During the Reporting Period, the employee turnover rate by gender, age and geographical location are shown as follows:

Year ended 31 March 2025	
Total turnover rate⁷	50%
Turnover rate by employment type	
Full-time	36%
Part-time	150%
Turnover rate by gender	
Male	17%
Female	63%
Turnover rate by age	
< 25	100%
25–29	110%
30–39	58%
40–49	31%
≥ 50	28%
Turnover rate by geographical location	
Hong Kong	46%
PRC	400%

⁷ Employee turnover rate by category = Total number of employees leaving employment by category during the financial year/Total number of employees by category at the end of the financial year *100%.

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HEALTH AND SAFETY

The Group has complied with workplace laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards in Hong Kong, including, but not limited to, the Occupational Safety and Health Ordinance.

Management of the Group makes great efforts to strengthen the Group's occupational health and safety performance to protect employees from hazards. For example, our doctors, dentists and nurses wear gloves, surgical masks, protective goggles and gowns to prevent any infections. In case of injuries or accidents, the Group will make corresponding medical arrangements for the employees concerned. Dosimeters are provided to our dentists and dental nurses to measure and monitor the exposure to ionising radiation. All personnel are alerted if the dose rate thresholds are exceeded.

Apart from employees' compensation insurance, the Group regularly provides other benefits to its employees, such as occupational training and education. The Group strives to provide our employees, customers, and business partners a comfortable and safe environment.

During the Reporting Period, the Group strictly complied with various laws, regulations, rules and procedural standards. No case of fatality and work injury case in the workplace and no lost day due to work injury was reported over the last 3 Reporting Periods, including this Reporting Period.

DEVELOPMENT AND TRAINING

The Group offers a wide range of training courses and development support to improve the employees' long-term career growth, development and advancement prospects.

The Group has implemented a "Training Procedure" to facilitate the development of its employees' potential. The Group also maintains a schedule for planned training courses. In determining the training schedule, the Group considers its employees' feedback to ensure that the courses cater to their needs.

The employee development and training policies adopted by the Group are as follows:

- Newly recruited employees are required to attend an orientation training program, which covers corporate culture, business profiles, operation policies and procedures;
- A designated senior manager is responsible for checking the quality of services provided by the staff members at the reception and providing internal training which ensures that all staff members know how to use electronic devices (i.e. computer, printer, etc.) and internal customers' filing system;

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- Nurses are required to attend regular and ad hoc internal training courses that are necessary to discharge their duties at work, including, but not limited to, product knowledge, customer services and new legislations and regulations relevant to business operations of the Group;
- Sponsorships are offered to doctors and dentists for them to attend external training courses regarding new techniques, tools, technologies, etc., that are relevant to the business operations of the Group.

During the Reporting Period, the percentage of employees trained is as follows:

Year ended 31 March 2025	
Percentage of employees trained⁸	15 %
By gender⁹	
Male	8%
Female	92%
By employment category⁹	
Top management	8%
Middle management	0%
General staff	92%

During the Reporting Period, the average training hours completed per employee are as follows:

Year ended 31 March 2025 Hours	
Average training hours per employee¹⁰	0.83
By gender¹¹	
Male	1.04
Female	0.75
By employment category¹¹	
Top management	2.40
Middle management	0
General staff	0.92

⁸ Total percentage of employees trained = Total number of employees trained during the financial year/Total number of employees at the end of the financial year*100%.

⁹ Percentage of employees trained among employees participated in training = Number of employees trained by category during the financial year/ Total number of employees trained during the financial year*100%.

¹⁰ Average training hours completed per employee = Total number of training hours completed during the financial year/Total number of employees at the end of the financial year.

¹¹ Average training hours = Number of training hours completed by category during the financial year/Number of employees by category at the end of the financial year.

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LABOUR STANDARDS

During the Reporting Period, the Group has complied with all relevant labour standards such as the Employment Ordinance. The Group strictly prohibits any recruitment of child and forced labour and ensures that the employment agreements signed with its employees are on a fair, equal, voluntary and mutually agreed terms.

The Group recruits new doctors and dentists based on their qualifications, experience, reputation, specialised area of study and practice, level of dedication, previous compliance records and whether they can fit into our corporate culture. The Group also places great emphasis on training and retention of its professional team members. All doctors in the Group must have practising licenses and certificates.

The Group understands child and forced labour violate fundamental human rights, and so it prohibits the use of child or forced labour. During the recruitment process, responsible staff members collect identification documents from the candidates to ensure that their age meets the requirements stated in the labour standards. The Group only executes the requirements stipulated in the standard employment agreements and does not use any unlawful or unfair means to restrict the staff benefits enjoyed by the employees. Employees who are in breach of rules or commit serious dereliction of duty, malpractice or criminal offence are immediately dismissed.

During the Reporting Period, the Group did not use any child or forced labour nor receive any related complaints.

SUPPLY CHAIN MANAGEMENT

The Group's suppliers primarily include distributors of orthodontic appliances, pharmaceuticals, and medical consumables. During the Reporting Period, the breakdown of the number of suppliers by geographical region is as follows.

	Unit	Year ended 31 March 2025	Year ended 31 March 2024
Total Key Suppliers by Geographical Region			
Hong Kong	no.	113	125
PRC	no.	3	4
Total	no.	116	129

The Group is committed to providing high-quality products and services to its customers. This is supported by a strict supply chain management system subject to regular environmental and social risk assessments. Suppliers are urged to take measures to reduce their environmental and social risks.

The Group has established a "New Supplier and Subcontractor Evaluation Procedure" to evaluate all its new suppliers. In this respect, a non-conforming report is prepared to record failure by our existing suppliers. In selecting pharmaceutical drugs and other suppliers, the Group assesses potential suppliers, including the history of the suppliers' quality, quantity, time of delivery, source of the products, compliance with relevant laws and regulations, price and reputation in the industry. Moreover, suppliers that offer environmental-friendly drugs at high-quality standards are rated by the Group as more favourable and preferable to promote environmental protection along its supply chain.

The Group has a "Purchasing Control Procedure" and an "Equipment Management Procedure" in place to monitor the quality of products that clinics purchase from suppliers. The Group also has a dedicated evaluation team responsible for monitoring the quality of all suppliers, and the Group expects its suppliers to cooperate in a fair, honest, and responsible manner. Renewal of supplier's contracts is subject to satisfactory results upon review of their performance during the contract period.

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PRODUCT AND SERVICE RESPONSIBILITY

The Group has implemented a “Work Instruction Control Procedure”, which covers standard procedures for the provision of services and products. During the Reporting Period, the Group has complied with various regulations relevant to the operation process of the business areas such as health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. The relevant regulations include but are not limited to the Trade Descriptions Ordinance, the Pharmacy and Poisons Ordinance, and the Medical Clinics Ordinance.

According to the “Purchasing Control Procedure”, the Heads of Clinics are responsible for consolidating requests from the doctors and dentists in order to evaluate the materials needed to support clinical operations and submit “Dental/Clinic Material Order Information” to the Head Nurse for bulk ordering. The Group only purchases high-quality drugs and medicines from approved suppliers. Clinic members will perform incoming material inspection in accordance with our “Material Handling Procedure” to ensure the quality of medical consumables. The Group will request a recall from the suppliers for any defective products received.

When a new material, instrument, equipment or drug is launched in the market that could show improvement in results, effectiveness or efficiency and save costs, according to the “New Material, Instrument, Equipment, Drug Procedure”, doctors/dentists can establish an evaluation team to conduct research about the new product. After completion of the evaluation, the results are recorded on the “Sample Request and Evaluation Form”. Any newly accepted item is registered in the approval list, and the Head Nurse can proceed with the purchases.

Pharmaceuticals are handled with special precautions. The Group has specific standards for pharmaceutical storage in different compartments and the labelling of packages. Topical medications and dangerous drugs are stored separately from general medications. Dangerous drugs are handled in accordance with the Dangerous Drugs Ordinance. The information about the medicines and drugs is passed to the doctors/dentists for the benefit of the patient. A nurse labels the package of the drugs with the drug name, dosage, date and any particulars according to the dentist’s/doctor’s prescription for the patients. The receptionist provides patients with information about the drug dosage and particulars only after obtaining approval from the doctors/dentists.

According to the “Prescription and Dispensary of Drug Procedure,” doctors and dentists prescribe medication according to the patient’s history and needs. The nurses are responsible for checking the expiry dates and visual condition of the drugs and medicines to maintain product quality. In case of any defective product, a report is filed with the Head Nurse, who will then inform the Head office and return the defective products to the suppliers.

During the Reporting Period, the Group strictly complied with various laws, regulations, rules and procedural standards. No products sold or shipped were subject to recalls for safety and health reasons.

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INTELLECTUAL PROPERTY AND PRIVACY PROTECTION

In terms of consumer data protection and privacy, the customer information of the Group is stored in a tailor-made information technology (“IT”) system to protect its patients’ personal information. Different authority access levels are created to assure such information’s confidentiality. During the Reporting Period, the Group has complied with the Personal Data (Privacy) Ordinance in collecting, processing and using the customers’ personal data. Furthermore, contracts with our customers also stipulate confidential obligations. Customers’ personal information cannot be used for purposes other than stipulated in the contracts. In addition, the Group conducts employee training relating to customer privacy and data protection as part of the new employee orientation.

In terms of intellectual property rights protection, the Group respects the rights of other companies’ intellectual property, and the Group does not use the intellectual property of others without their authorisation. During the Reporting Period, the Group has complied with relevant laws and regulations, including but not limited to the Trade Marks Ordinance, the Copyright Ordinance. The Group has also adopted practices to avoid infringement of its intellectual property rights, such as registering intellectual property rights that are material to its business operation and stipulating confidentiality terms in all its employee agreements.

ADVERTISING

Pursuant to the Code of Professional Conduct published by the Medical Council of Hong Kong, no advertising for medical and dental services is allowed. The Group’s doctors and dentists strictly follow the code of conduct to render services with an aim to maintain the standard of medical care and public trust in the medical profession.

COMPLAINTS

The Group strives to create an excellent client experience by providing quality products and services that suit customers’ needs. The Group provides relevant training to enhance the skills of its employees in handling customer enquiries and complaints. Moreover, the Group has established and implemented relevant operating policies and procedures, including the “Customer Satisfaction Monitoring Procedure”, “Client Satisfaction Survey Procedure”, and “Customer Complaint Handling Policy”.

The Group welcomes feedback from its customers and offers various ways of solving their issues. Depending on the nature of the complaint, the relevant parties will record the complaint details onto the “Customer Complaint Report” and prepare and implement the corrective action plan if needed. They will also follow up and address the complaint in a timely manner. Customer suggestions and feedback are considered for improving our business operations.

During the Reporting Period, the Group did not have any material medical disputes from the Medical Council of Hong Kong and did not receive any product- and service-related complaints.

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ANTI-CORRUPTION

During the Reporting Period, the Group strictly complied with all relevant laws and regulations relating to bribery, extortion, fraud, and money laundering, including, but not limited to, the Prevention of Bribery Ordinance.

During the recruitment process of all new employees, the Human Resources Department of the Group conducts comprehensive background checks on the prospective employees to investigate whether they have previously committed fraud or other illegal acts. Moreover, the Group has established “Whistle-blowing Procedures” to encourage and enable its employees and other stakeholders to report on observed or suspected non-compliance and questionable practices in confidence without retribution. Reported cases will be investigated and followed up by management of the Group in a timely manner.

No employee, including the directors, management, and all full-time, part-time, hourly, or temporary workers, is permitted to solicit or accept any form of benefits or do anything that might be deemed as bribery, whether directly or indirectly. Should such benefits be accepted by any employees, their objective attitude would be hampered. They might be enticed to perpetuate violations of rules and/or have biased judgements or misconducts. As a result, the interests of the Group may be harmed. These measures can serve as a deterrent to prevent bribery or other misbehaviours.

Since the Group’s business is not highly exposed to the risk of corruption, no training of such area was held during the Reporting Period. All directors received training on corporate governance prior to the Group’s listing or at the time of joining the Group so that they are aware of their duties and responsibilities on integrity. The Group will provide and subsidise training of anti-corruption to its employees and Directors when necessary. During the Reporting Period, the Group is not aware of any noncompliance case relating to corruption, bribery, extortion, fraud or money laundering.

COMMUNITY INVESTMENT

The Group is committed to supporting the community and exemplifies its dedication to social responsibility. The Group’s primary area of contribution is the health and well-being of the community. Donation boxes are set up in all clinics to collect donations from customers in support of the Orbis in Hong Kong. It is a convenient channel for the public to help better plan for long-term rehabilitation services and operations in Hong Kong. During the Reporting Period, the Group donated a total of HK\$24,000 to various non-governmental organisations, including Oxfam and Orbis. These donations support community initiatives aimed at assisting disadvantaged groups.

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX

Aspect	Description	Chapter/Section	Remarks
A. Environmental			
A1 Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	<i>Overview</i>	
KPI A1.1	The types of emissions and respective emissions data.	<i>Emissions</i>	
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).	<i>Emissions</i>	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<i>Waste Management</i>	
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<i>Waste Management</i>	
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	<i>Energy Use Efficiency</i>	
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.	<i>Waste Management</i>	

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Aspect	Description	Chapter/Section	Remarks
A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	<i>Use of Resources, Energy Use Efficiency, Water Usage</i>	
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	<i>Energy Use Efficiency</i>	
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	<i>Water Usage</i>	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	<i>Energy Use Efficiency</i>	
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.	<i>Water Usage</i>	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	<i>Medical Packaging</i>	
A3 The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	<i>Overview, Use of Resources</i>	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	<i>Overview, Use of Resources</i>	
A4 Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	<i>Climate Change</i>	
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.	<i>Climate Change</i>	

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Aspect	Description	Chapter/Section	Remarks
B. Social			
B1 Employment and Labour Practices			
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.	<i>Employment</i>	
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	<i>Employment</i>	
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	<i>Employment</i>	
B2 Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	<i>Health and Safety</i>	
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	<i>Health and Safety</i>	
KPI B2.2	Lost days due to work injury.	<i>Health and Safety</i>	
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	<i>Health and Safety</i>	

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Aspect	Description	Chapter/Section	Remarks
B3 Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	<i>Development and Training</i>	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	<i>Development and Training</i>	
KPI B3.2	The average training hours completed per employee by gender and employee category.	<i>Development and Training</i>	
B4 Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	<i>Labour Standards</i>	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	<i>Labour Standards</i>	
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	<i>Labour Standards</i>	
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	<i>Supply Chain Management</i>	
KPI B5.1	Number of suppliers by geographical region.	<i>Supply Chain Management</i>	
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.	<i>Supply Chain Management</i>	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	<i>Supply Chain Management</i>	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	<i>Supply Chain Management</i>	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspect	Description	Chapter/Section	Remarks
B6 Product and Service Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	<i>Product and Service Responsibility</i>	
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	<i>Product and Service Responsibility</i>	
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	<i>Complaints</i>	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	<i>Intellectual Property and Privacy Protection</i>	
KPI B6.4	Description of quality assurance process and recall procedures.	<i>Product and Service Responsibility</i>	
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	<i>Intellectual Property and Privacy Protection</i>	
B7 Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	<i>Anti-corruption</i>	
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.	<i>Anti-corruption</i>	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	<i>Anti-Corruption</i>	
KPI B7.3	Description of anti-corruption training provided to directors and staff.	<i>Anti-Corruption</i>	

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Aspect	Description	Chapter/Section	Remarks
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	<i>Community Investment</i>	
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	<i>Community Investment</i>	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	<i>Community Investment</i>	