

# ZJ 中基長壽科學

ZHONG JI LONGEVITY SCIENCE

Zhong Ji Longevity Science Group Limited  
中基長壽科學集團有限公司

(Incorporated in Bermuda with limited liability)

Stock Code: 767



2023

ENVIRONMENTAL,  
SOCIAL and  
GOVERNANCE  
REPORT

# 1. ABOUT THIS REPORT

Zhong Ji Longevity Science Group Limited (hereinafter referred to as the “Company”) and its subsidiaries (hereinafter referred to as the “Group” or “We”) have prepared the environmental, social and governance (hereinafter referred to as “ESG”) report (hereinafter referred to as this “Report”) in accordance with the disclosure obligations of the Environmental, Social and Governance Reporting Guide (hereinafter referred to as the “Guide”) set out in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Stock Exchange”). This Report summarizes the actions and quantitative performance of the Group related to ESG for the year from 1 January 2023 to 31 December 2023 (hereinafter referred to as “2023” or “Reporting Period”) and serves as one of the communication channels to establish and maintain better relationships with our stakeholders. For the information related to the aspect of governance, please see the section of “Corporate Governance Report” in annual report of the Group for 2023.

## REPORTING SCOPE

The scope of this Report was discussed, identified and confirmed by the Group’s management based on the principle of materiality, taking into account the core business and major source of revenue. As the Group’s principal operating base is the Group’s Hong Kong office, the operation of which has a significant impact on the Group’s environmental key performance indicators (“KPIs”), only the Group’s Hong Kong office is included in the environmental aspects of this Report, and the reporting scope on the social aspects of this Report is consistent with the scope of the Group’s annual report for 2023. Unless otherwise stated, the reporting scope in this Report is consistent with the ESG report for the year from 1 January 2022 to 31 December 2022 (“2022”).

## REPORTING STRUCTURE

The Group has attached great concern to materiality, quantitative and consistency in the preparation of this Report. During the preparation for this Report, the Group has applied the reporting principles in the Guide as follows:

**Materiality:** During the Reporting Period, the Group’s material ESG issues were analysed through materiality assessment, and the identified material ESG issues were taken as the focus of the preparation of this Report. The importance of different material ESG issues has been reviewed and confirmed by the board of directors of the Company (the “Board”) and senior management. For further details, please refer to the sections headed “Stakeholder Communication” and “Materiality Assessment”.

**Quantitative:** This Report compares quantitative KPIs where appropriate and sets out in explanatory notes the criteria, methodology, assumptions and sources of key conversion factors used to calculate the relevant data.

**Consistency:** This Report describes data with changes to disclosure and calculation methods where appropriate.

## REPORTING LANGUAGE

This Report has been published in both Traditional Chinese and English versions. In the event of inconsistency, the Chinese version prevails. Soft copy of this Report is available on the official website of the Stock Exchange for reading and downloading.

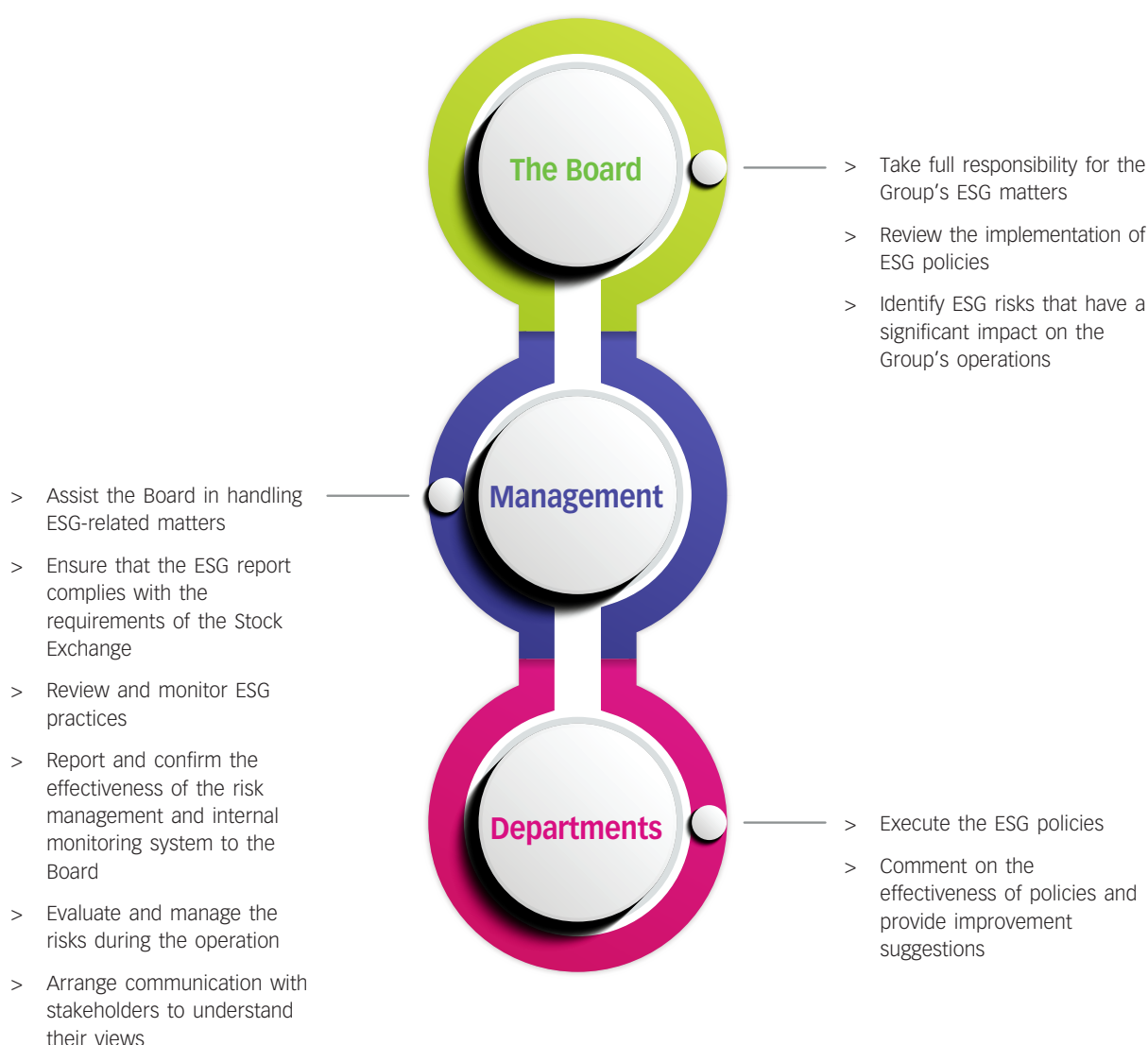
## CONTACT

Your opinions on this Report are highly valuable to us. If you have any enquiries or suggestions regarding this Report or the Group’s performance in sustainability, you are welcome to send an e-mail to the following address: [ir@zhongji.com.hk](mailto:ir@zhongji.com.hk).

## 2. ABOUT THE SUSTAINABLE OPERATION

The Group is committed to complying with the highest standard of business conducts and practices as well as enhancing employees' awareness of corporate social responsibility, which reflects the attention of environmental and social issues which the Group pays to while focusing on business development.

The Board, management of the Group and departments of the Group manage and evaluate ESG related matters from a top-down approach. The Board takes full responsibility for the Group's ESG matters, including developing strategies, reviewing the implementation of ESG policies, identifying ESG risks that have a significant impact on the Group's operations and reviewing disclosures in ESG reports. The Board has the appropriate skills, experience, knowledge and perspectives required to manage ESG matters and is required to discuss, develop and review ESG related management approaches, strategies, principles and priorities at least once a year to ensure that the Group's ESG management is up-to-date and aligned with the overall direction of the Group's development. Management assists the Board in ESG related matters, manages the Group's ESG practices, policies and objectives, and arranges communication with stakeholders to understand their views. It is required to report to the Board at least once a year on the progress of its work. The various departments within management are responsible for implementing ESG policies and providing feedback on their effectiveness and suggestions for improvement. The ESG management responsibilities of each unit within the Group are as follows:



# 3. ABOUT THE IMPORTANCE

## 3.1 STAKEHOLDER COMMUNICATION

The Group has established various channels to maintain effective communication with all stakeholders. In a bid to strengthen the communication with stakeholders, understand their opinions and positively improve the operation of the Group in the long run, we have identified government and regulatory institution, shareholders and investors, customers, employees, suppliers and community and the public as the Group's major stakeholders. The communication channels between the Group and the major stakeholders and their expectations and concerns are as follows:

Stakeholder	Expectation and concern	Communication channel
Government and regulatory Institution	<ul style="list-style-type: none"> <li>• Operation with responsibility</li> <li>• Compliance with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Conferences</li> <li>• Responses to public's enquiries</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>• Business growth</li> <li>• Investment return</li> <li>• Brand of the Group</li> </ul>	<ul style="list-style-type: none"> <li>• Annual general meetings and other general meetings</li> <li>• Interim reports and annual reports</li> <li>• Result announcements</li> <li>• Investors' meetings</li> <li>• Daily information disclosure</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Service quality and satisfaction</li> <li>• Information security</li> <li>• Brand of the Group</li> </ul>	<ul style="list-style-type: none"> <li>• Daily operation and communication</li> <li>• Service hotline and e-mails</li> </ul>
Employees	<ul style="list-style-type: none"> <li>• Training and development</li> <li>• Labour practices</li> <li>• Competitive welfare and Remuneration</li> <li>• Good working environment</li> <li>• Health and safety</li> </ul>	<ul style="list-style-type: none"> <li>• Employees opinion surveys</li> <li>• Work performance appraisals</li> <li>• Group discussions</li> <li>• Employees engagement conferences</li> <li>• Employee intranet</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Integrity cooperation</li> <li>• Standardised procurement</li> <li>• Business moral compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Suppliers management procedures</li> <li>• Suppliers evaluation system</li> </ul>
Community and the public	<ul style="list-style-type: none"> <li>• Promoting social harmony</li> <li>• Supporting charity activities</li> <li>• Performing green operation</li> </ul>	<ul style="list-style-type: none"> <li>• Charity activities</li> <li>• Voluntary services</li> </ul>

We have distinguished four major aspects including "About the Environment", "About the Employee", "About the Operation" and "About the Community" as the disclosed issues of this Report in order to include feedbacks and suggestions from different stakeholders.

# 3. ABOUT THE IMPORTANCE

## 3.2 MATERIALITY ASSESSMENT

The management and staff of each of the Group’s key functions have been involved in the preparation of this Report to assist the Group in reviewing its operations and identifying relevant ESG issues. In order to better understand stakeholders’ views and expectations of the Group’s ESG performance, we have developed a questionnaire based on material ESG issues. We distributed questionnaires to the Group’s stakeholders, including but not limited to employees and the management, and analysed the results of the questionnaires and compiled a matrix of the material ESG issues of the Group.

The following is a matrix of the material ESG issues of the Group as set out in this Report:



During the Reporting Period, the Group confirmed that it has established appropriate and effective management policies and control systems for ESG matters and that the disclosures were made following the requirements of the Guide and has complied with the disclosure requirements of “comply or explain” provision in the Guide.

## 4. ABOUT THE ENVIRONMENT

The Group attaches great importance to the operational impacts on the environment, strives to promote environmental conservation measures in the office, and collects and reviews the environmental performance to minimise the negative impacts. Our businesses have strictly complied with the laws and regulations of the places where we operate. During the Reporting Period, the Group was not aware of any material non-compliance of the laws and regulations relating to environmental protection that had a significant impact on the Group, including but not limited to the Air Pollution Control Ordinance (《空氣污染管制條例》), the Waste Disposal Ordinance (《廢物處置條例》), the Water Pollution Control Ordinance (《水污染管制條例》) and the Noise Control Ordinance (《噪音管制條例》) in Hong Kong.

In order to better manage the environmental impact of the Group's operations, the Group has set targets during the Reporting Period in four areas: greenhouse gas ("GHG") emissions, waste management, energy consumption management and water management. The Group will continue to work towards the set targets and the management will review and examine the progress of achieving the targets and the management measures taken by the Group on an annual basis and report to the Board at least once a year on the progress of achieving the set targets and make recommendations to the Board on relevant matters as and when appropriate.

### 4.1 AIR AND GHG EMISSIONS

In order to regulate the emissions and waste generated from the Group's operations, the Group has established policies to regulate the environmental impact of the Group's operations. The Group pays close attention to the regional and international updates of the related issue, including China's Policies and Actions for Coping with Climate Changes (《中國應對氣候變化的政策與行動》) and National Climate Change Adaptation Strategy (《國家適應氣候變化戰略》), etc.

During the Reporting Period, the Group did not have air emissions and direct GHG emissions (Scope 1) generated from fuel consumption. The Group's GHG emissions are mainly from indirect emissions (Scope 2 and Scope 3), with the main sources of emissions being electricity use during operations and waste paper disposed of in landfills. To reduce GHG emissions from electricity use and waste, the Group has implemented a number of measures as described in sections headed the "Manage Energy Consumption" and "Manage Waste".

During the Reporting Period, the Group has set a target to respond positively to the Hong Kong Government's "Hong Kong Climate Action Plan 2050" to achieve carbon neutrality within the target period. The Group's GHG emissions intensity for 2023 was 0.72 tonnes of carbon dioxide equivalent ("tCO<sub>2</sub>e") per employee<sup>2</sup>. To achieve the target, the Group has conducted a GHG emissions inventory, monitored GHG emissions and implemented an emissions reduction policy.

## 4. ABOUT THE ENVIRONMENT

The Group's major GHG emissions are as follows:

Indicator <sup>1</sup>	Unit	2023	2022
Energy indirect GHG emissions (Scope 2)	tCO <sub>2</sub> e	17.23	16.44
Other indirect GHG emissions (Scope 3)	tCO <sub>2</sub> e	3.59	3.34
<b>Total</b>	<b>tCO<sub>2</sub>e</b>	<b>20.82</b>	<b>19.78</b>
<b>Intensity</b>	<b>tCO<sub>2</sub>e/employee<sup>2</sup></b>	<b>0.72</b>	<b>0.60</b>

Note:

1. GHG emissions data is presented in terms of carbon dioxide equivalent and are based on but not limited to, "The GHG Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange, "Global Warming Potential Values" from the Fifth Assessment Report (2014) (AR5) of the United Nation Intergovernmental Panel on Climate Change, and the 2022 Sustainability Report published by the HK Electric Investments.
2. As of 31 December 2023, the Group's Hong Kong office has a total of 29 employees (as of 31 December 2022: 33 employees), which will be used to calculate other intensity data.

### 4.2 ENVIRONMENTALLY-FRIENDLY OPERATION

The Group has formulated relevant policies to advocate the green environmental protection measures in the office proactively and promoted the awareness of environmental protection to the employees. We explain the measures taken in aspects of electricity use, paper, waste and water consumption and strictly monitor the performance in every aspect.

#### Manage Energy Consumption

During the Reporting Period, the Group did not have direct energy consumption. The Group's energy consumption is mainly from electricity used during operations. The Group values the right ways to consume energy and advocates the responsibility of energy saving. During the Reporting Period, the Group has set a target to participate in the Earth Hour campaign organised by World Wildlife Fund ("WWF") to educate staff on ways to save electricity during the year 2023. The Group has participated in the relevant activity in 2023, and will continue to set the same target for the year from 1 January 2024 to 31 December 2024 ("2024"). In addition, we have been implementing measures to achieve higher energy saving performance and reduce energy consumption as well as disclosing electricity consumption for monitoring purposes.

As the air conditioning system is the main consumption in the office, we have arrangements of cleaning and washing filter net regularly and conducting checking to avoid lowering its efficiency and causing refrigerant leakage. To prevent wasting energy, we adjust the system to suitable temperature and cultivate the practice of turning off the air conditioners before leaving the office. We avoid installing air conditioners in places with direct exposure to sunlight, and install sealing stripes to doors and windows.

## 4. ABOUT THE ENVIRONMENT

As for the lighting system, energy-efficient lamps are installed in the office to reduce energy consumption while maintaining brightness. We install lamps with appropriate luminosity without affecting the working environment and protecting the health of employees. In addition, the office is divided into different zones, and independent switches are set to achieve the effect of not turning on the lights if the zone is not in use.

Printers at the office are equipped with timers, which can be set to completely turn off or go into sleep mode during non-working hours. In addition, by using high performance multifunctional printers in our offices, we are able to meet the daily operational needs of our offices with fewer printers and at the same time reduce the power consumption of our printers.

The Group's major energy consumption performance is as follows:

Indicator <sup>3</sup>	Unit	2023	2022
Indirect energy consumption — Electricity consumption	kWh	25,342.00	24,179.00
<b>Total</b>	<b>kWh</b>	<b>25,342.00</b>	<b>24,179.00</b>
<b>Intensity</b>	<b>kWh/employee</b>	<b>873.86</b>	<b>732.70</b>

Note:

- The unit conversion method for energy consumption data is based on the Energy Statistics Manual published by the International Energy Agency.

### Manage Water Consumption

Due to the location of the Group's operations, the Group did not have any problems in obtaining suitable water sources. In addition, we are unable to measure water consumption as we share toilets with other tenants. However, the Group has set a target during the Reporting Period to participate in the "World Water Day" campaign in 2023 to educate staff on water conservation methods to promote awareness of water conservation among staff and to reduce the impact of the Group's operations on water resources. The Group has participated in the relevant activity in 2023 and will continue to set the same target for 2024.

### Manage Waste

The Group's business activities generate non-hazardous waste mainly in the form of paper. To ensure environmental sustainability, the Group has cultivated a culture of "Less Use and Less Waste" to advocate waste reduction, and used the concept of "Reduce, Reuse, and Recycle" to improve resource efficiency and achieve economic benefits. During the Reporting Period, the Group has set a target to conduct at least one waste reduction related activity in 2023. The Group has conducted the relevant activity in 2023 and will continue to set the same target for 2024. The Group will strive to achieve relevant target and implement the following waste reduction measures.



## 4. ABOUT THE ENVIRONMENT

We use replacement refills and reuse pen holders to avoid discarding the entire pen, try to avoid the use of disposable supplies and place reusable tableware in the pantry for employees to use, etc. Printing equipment in office use recyclable toner/cartridges to avoid unnecessary waste. In terms of paper consumption, we have taken the following measures and monitored the methods of paper consumption to reduce paper use:

- Replace the paper-based office administrative system with electronic office automation system;
- Print necessary documents and e-mails only;
- Reuse or use double-sided paper and envelopes;
- Set up a recycle station to collect waste paper, posters, letters and envelopes, etc.;
- Use waste paper to jot notes; and
- All waste paper is sent to waste recycling companies except for paper with confidential information.

Other than office waste such as batteries, waste ink cartridges and toner, which should be regarded as low hazardous waste, the Group's operations do not generate any hazardous waste. All generated waste ink cartridges and toners were recycled. Due to the nature of the business of the Group's Hong Kong office, no significant amount of packaging materials is consumed in the operation of the office. During the Reporting Period, the Group consumed 96kg of cartons for packaging due to the launch of new product.

During the Reporting Period, the non-hazardous waste generated by the Group's Hong Kong office was mainly paper. The increase in paper consumption was due to the Group's increased administrative work in 2023. The performance of the Group's non-hazardous waste is as follows:

Indicator	Unit	2023	2022
Paper	kg	747.57	696.12
<b>Total</b>	<b>kg</b>	<b>747.57</b>	<b>696.12</b>
<b>Intensity</b>	<b>kg/employee</b>	<b>25.78</b>	<b>21.09</b>

### 4.3 THE ENVIRONMENT AND NATURAL RESOURCES

The Group pursues best practices in environmental protection and is aware of the impact of our operations on the environment and natural resources. We therefore regularly assess the environmental risks of our business model and take appropriate precautionary measures to mitigate the risks. In addition to complying with environmental regulations and international standards, we also incorporate the concept of protecting the environment and natural resources into our internal management and daily operations, and formulate environmental protection-related policies to appropriately protect the natural environment in order to achieve sustainable environmental development. The Group requires its employees to use office resources such as communication equipment, office facilities, paper and stationery, water and electricity sparingly, and not to waste, misuse or damage resources, and strives to maintain a clean and tidy office area to reduce resource consumption and provide a clean and safe working environment for employees.

# 4. ABOUT THE ENVIRONMENT

## 4.4 CLIMATE CHANGE

The impact of worldwide climate change on global ecology and different industries is becoming increasingly evident and the Group is acutely aware that climate change will affect its business operations in various ways. Therefore, while practicing green and low carbon operations, the Group has developed a Climate Change Policy (《氣候變化政策》) to identify, monitor and manage the risks associated with climate change, assess the associated impacts and develop strategies to address them. Under these policy procedures, the Group has identified the following climate-related risks:

### Physical Risks

Firstly, climate change has brought about more frequent and intense extreme weather events such as typhoons, floods and rainstorms, which may cause physical damage to the Group's operating sites and increase the Group's costs related to maintenance, disaster response and insurance. In severe cases, the normal operations of the Group may be affected and the personal safety of employees may be at risk, and the Group's reputation may be adversely affected if such events are not handled properly.

To address these physical risks, the Group will regularly review the risks of business interruptions associated with extreme weather and, where appropriate, develop countermeasures to minimise negative impacts. At the same time, special working arrangements for potential environmental hazards, typhoons and rainstorms are specified to avoid any confusion that may lead to safety incidents.

### Transformation Risks

In addition to the physical risks described above, the Group is also exposed to transformation risks arising from the transition to a low carbon economy. The transition to a low-carbon economy, which is subject to updated and increasingly stringent environmental regulations, and related trends in innovation in energy efficient materials, processes and operations may result in increased operating costs. In addition, more stringent environmental laws and regulations may increase the risk of claims and litigations arising from failure to comply with compliance requirements, which could affect the Group's reputation. As a result of these risks, the Group's relevant capital investment and compliance costs may also increase.

The Group identifies risks through the annual reporting process and assesses them in the short term (<2 years), medium term (3-5 years) and medium to long term (>5 years). The Group plans to continue to identify risks annually, incorporate sustainability indicators into its operational strategy, and report regularly to management, the Board, stakeholders and the public. The Group has initially identified a range of climate related risks and opportunities in relation to its major assets or operations. While these risks do not currently impact business growth, we have sought and intend to continue exploring further expertise, training and consultancy services on monitoring and assessment in the future to ensure that the necessary climate related expertise is in place and to enhance the transparency and reliability of disclosure. The Group is proactive in addressing climate change and responds to the Hong Kong Government's "Hong Kong Climate Action Plan 2050". The Group will continue to review GHG emissions, implement existing energy saving and emission reduction measures, and keep abreast of the latest emission reduction technologies in order to control GHG emissions and work together to achieve the goal of carbon neutrality by 2050.

## 5. ABOUT THE EMPLOYEE

Employees are the cornerstone of the Group's continuous development. We treat each employee fairly and value their contributions and efforts. In addition, we always listen to the needs of employees, not only providing competitive remuneration and benefits, but also supporting them in the field of training and development to enhance competitiveness and ensure that our employees' rights and benefits are protected. During the Reporting Period, the Group was not aware of any material non-compliance of human resources related laws and regulations that had a significant impact on the Group, including but not limited to the Employment Ordinance (《僱傭條例》) in Hong Kong and the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) in mainland China.

### 5.1 EMPLOYMENT POLICIES

The Group prepares Human Resources Management Rules (《人力資源管理制度彙編》) to state the standards of conduct that require all employees to comply with as well as their rights and duties to promote the development of the Group's business while effectively protecting the legitimate interests of employees.

The Group advocates fairness and equality in the workplace by providing equal opportunities to employees. We select candidates through interviews and the selection is based on their work experience, performance, matching with positions and skills only; discrimination on the basis of age, gender, physical and mental health, marriage and family status, race, colour, nationality, religious belief, political stance and sexual orientation are not allowed. In terms of promotion, we consider internal promotion before external recruitment. As of 31 December 2023, the total number of the Group's employees was 33. The breakdown by gender, employment type, age and geographical region is as follows:

Indicator	Unit	As of 31 December 2023
<b>By gender</b>		
Male	no. of people	14
Female	no. of people	19
<b>By employment type</b>		
Full-time	no. of people	33
Part-time	no. of people	0
<b>By age</b>		
Below 30	no. of people	8
30–50	no. of people	18
Above 50	no. of people	7
<b>By geographical region</b>		
Mainland China	no. of people	4
Hong Kong, China	no. of people	29

## 5. ABOUT THE EMPLOYEE

Employees can terminate the employment relationship with us with their wills, but they need to complete the handover within the notice period in accordance with the requirements of the contract. The person in charge of the human resources department will also arrange meetings to understand the reasons for resignation. We also closely monitor the turnover and formulate relevant measures to reduce the turnover rate and maintain a good employment relationship. The average turnover rate of our employees by genders, age and geographical regions was 0%<sup>4</sup> as no employee of the Group has resigned in 2023 (the average turnover rate of our employees by genders, age and geographical regions in 2022: male: 8.00%, female: 5.71%; aged under 30: 0%, aged 30–50: 8.33%, aged 50 above: 0%; Mainland China: 0%, Hong Kong, China: 10.81%).

Note:

4. Calculation method of turnover rate:  $\text{number of employees lost during the year} \div (\text{number of employees lost during the year} + \text{number of employees at the end of the year}) * 100\%$ .

### Prevention of child and forced labour

In accordance with laws and regulations, the Group strictly prohibits child labour and forced labour.

Candidates have deepened their understanding of the scope of work through job interviews. The Group will also sign an employment contract and specify the interests of employees therein in accordance with the requirements of the Employment Ordinance (《僱傭條例》) in Hong Kong and the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) in mainland China. In addition, the working hours and related rights and benefits of employees have been listed in the Group's Employee Handbook (《僱員手冊》). The above measures effectively prevent forced labour. If any non-compliance is discovered, the Group will immediately investigate, penalize or dismiss the relevant employee(s) who caused the situation.

In addition, the human resources department will collect and strictly check the identification documents of employees before employment to prevent child labor. If child labour is found, the Group will immediately terminate the relevant employment contract. The Group will regularly review and further improve the labour mechanism for cracking down on illegal practices.

# 5. ABOUT THE EMPLOYEE

## 5.2 WELFARE AND REMUNERATION

### Welfare

The Group offers attractive and competitive welfare to its employees according to the Administrative Measures for Staff Benefits (《員工福利管理辦法》), to implement and execute the schemes of employee's welfare. Apart from statutory benefits (such as paid annual leave, maternity and paternity leave, bereavement leave, marriage leave, sick leave, as well as providing five social insurances and one housing fund and Mandatory Provident Fund ("MPF") schemes for qualified employees in the mainland China and Hong Kong respectively), employees working in Hong Kong also enjoy the following welfares related to health care, life, quality enhancement, arts and sports related benefits:

- Corporate health insurance for employees
- Life insurance
- Annual body check for employees
- Offer holiday condolences and gifts

### Remuneration

The Group standardises the remuneration system to attract, motivate, develop and retain the key talents with reference to the Administrative Measures for Staff Remuneration (《員工薪酬管理辦法》) and Remuneration Policies (《薪酬政策》). We consider both internal fairness and external market competitiveness to establish a market-oriented salary structure, and conduct an annual salary review structure. The remuneration of the employees included fixed remuneration and floating remuneration (bonuses). In addition, we arrange regular assessments for employees to comprehensively evaluate their work performance and conduct educational training, adjustments of duties, position, salaries, bonuses and penalties in a fair and reasonable manners in order to help employees develop and make progress.

## 5.3 TRAINING AND DEVELOPMENT

The Group believes that planned trainings can directly enhance the competitiveness of the employees. We listen to the opinions and needs of our employees, and standardise targeted internal training opportunities to each employee in order to construct an enterprise that is full of developmental opportunities. The Group has established a policy, stipulating that the Group will provide employees with appropriate on-the-job training to improve their existing job performance and promotion opportunities. During the Reporting Period, about 27.27%<sup>5</sup> employees of the Group participated in training related to career development, with an average training time of approximately 6.5 hours<sup>6</sup>.

## 5. ABOUT THE EMPLOYEE

The average training hours and the percentage of employees trained by gender and employee category of the Group in 2023 are summarised as follows:

	Average training hours <sup>6</sup>	Percentage of employee trained <sup>7</sup>
<b>By gender</b>		
Male	6.5	44.44%
Female	6.5	5.56%
<b>By employee category</b>		
Senior management	6.5	50.00%
Middle management	—	—
General employees	—	—

Notes:

5. Percentage of total employees trained: Total employees trained during the year  $\div$  Total employees at the end of the year\*100%.
6. Average training hours: Number of employees trained in the year (in this category)  $\div$  Total number of employees trained during the year (in this category).
7. Percentage of employees trained: The number of employees trained in this category during the year  $\div$  Total number of employees trained during the year\*100%.

### 5.4 HEALTH AND SAFETY

The most important duty of the Group is to safeguard the health and safety of employees. We abide by relevant laws and regulations such as the Occupational Safety and Health Ordinance (《職業安全及健康條例》) in Hong Kong, the Law on the Prevention and Control of Occupational Diseases of the People's Republic of China (《中華人民共和國職業病防治法》) as well as the Regulations on Work-Related Injury Insurance (《工傷保險條例》) in mainland China, and during the Reporting Period, the Group was not aware of any major non-compliance of safety and healthy related laws and regulations, including but not limited to the Occupational Safety and Health Ordinance (《職業安全及健康條例》) in Hong Kong and the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), Regulations on Work-Related Injury Insurance (《工傷保險條例》), the Law on the Prevention and Control of Occupational Diseases of the People's Republic of China (《中華人民共和國職業病防治法》) and the Fire Prevention Law of the People's Republic of China (《中華人民共和國消防法》) in mainland China, that would have significant impacts on the Group.

## 5. ABOUT THE EMPLOYEE

In the Employees Code of Conduct (《員工守則》), the Group has required employees to actively cooperate with various fire prevention, anti-theft, epidemic prevention and other safety and hygiene measures implemented by the Group, and it is forbidden to move or damage the safety warning instructions, fire-fighting equipment and alarms set up by the Group without reason, and has implemented the following measures to ensure the health and safety of employees:

- Check the office area carefully before leaving, turn off the unnecessary power, close the doors and windows and eliminate dangers;
- If unsafe equipment is found and can cause accidents, it is required report immediately to the relevant departments and make adjustments;
- Keep the workplaces with good ventilation;
- Avoid overcrowded workplaces;
- Add warning signs in the dangerous areas to warn others to keep distance;
- Keep basic first aid equipment in the office;
- Report immediately to the relevant people and handle properly when there is an accident; and
- Propose adjustment plans to avoid the similar incidents, etc.

The Group will regularly review such measures to ensure their effectiveness.

During the Reporting Period, the Group has no major safety and work-related accidents and lost working days due to work-related injuries with the work-related fatalities of 0%, nor has it paid claims or compensation to its employees due to such incidents. The Group did not have work-related fatalities in the past three years, including the Reporting Period.

## 6. ABOUT THE OPERATION

The Group focuses on responsible and compliant operations and is also committed to providing customers with quality services. We continue to optimize the areas of product responsibility, supply chain and corporate governance structure to mitigate operational risks.

### 6.1 COMPLIANCE OPERATION

The Group prohibits any form of corruption or malfeasance such as bribery, money laundering, extortion and fraud which affect business operations. The Group strictly complies with the relevant laws and regulations such as Anti-Money Laundering and Counter-Terrorist Financing Ordinance (《打擊洗錢及恐怖分子資金籌集條例》) in Hong Kong, and Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》) and Criminal Law of the People's Republic of China (《中華人民共和國刑法》) in mainland China. During the Reporting Period, there were no concluded legal cases against corruption of the Group or its employees. The Group was not aware of any material non-compliance with any laws and regulations related to bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Bribery Ordinance (《防止賄賂條例》) in Hong Kong, and the Criminal Law of the People's Republic of China (《中華人民共和國刑法》) and the Company Law of the People's Republic of China (《中華人民共和國公司法》), which will have a significant impact on the Group.

The Group has formulated the Employees Code of Conduct (《員工守則》) and Discipline Regulations of Employees (《員工紀律規定》) to promote the integrity and self-discipline of employees and strengthen the standardisation and guidance of their behaviors, to enhance their sense of responsibility and consciousness in compliance with rules and discipline. The regulations clearly state that employees are not allowed to exercise their powers and duties to obtain improper benefits or authorize, instruct, and force other employees to engage in activities which violate the laws and disciplines and breach company rules and regulations under any circumstances.

Employees can raise complaints or report through confidential complaint channels (private line, mailbox, or written, etc.) if they discover non-compliance of laws and regulations. The Group ensures that the information is collected in a fair and equitable manner and the results of the investigation will be provided objectively. Corresponding penalties will be made or legal actions will be taken to hold accountable. Also, we promise to ensure that whistleblowers are not treated unfairly and that their identity is kept confidential. To ensure the effectiveness of this mechanism, the Group will conduct regular reviews.

The Group undertakes to provide anti-corruption training or related reading materials for self-study for directors and employees at least once a year, so as to enhance their concept of integrity and business ethics. During the Reporting Period, the Group provided directors and employees with anti-corruption related reading materials for self-study, the content of which includes anti-corruption laws, anti-corruption information, etc.



## 6. ABOUT THE OPERATION

### 6.2 PROTECTION OF INFORMATION SECURITY

The Group places great emphasis on information security, customer privacy and intellectual property. We have formulated the Information Security Management System (《資訊安全管理制度》) and Emergency Incident Handling System (《應急事件處理制度》), regulated employee-related behaviors in Confidentiality of Employees' Personal Information (《員工個人資料的保密》) and Code of Employees (《員工守則》), complied with the following laws and regulations and carried out the following measures, which will be reviewed regularly to ensure their effectiveness:

Information Security	
Laws and regulations	<p>Hong Kong: Prevention of Bribery Ordinance (《刑事罪行條例》); Telecommunications Ordinance (《電訊條例》)</p> <p>Mainland China: Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》); Regulations of the People's Republic of China for Safety Protection of Computer Information Systems (《中華人民共和國計算機信息系統安全保護條例》)</p>
Measures	<ul style="list-style-type: none"> <li>— Keep the confidential information properly and do not take the confidential information away from the office without authorisation;</li> <li>— Do not leave hidden leakage risks when dealing with confidential information;</li> <li>— Do not print or use other ways to copy information marked with "Top Secret", "Confidential", "Secret", "Internal Information, No External Transmission"; and</li> <li>— Set up access permissions for computers according to job requirements.</li> </ul>

## 6. ABOUT THE OPERATION

<b>Customer Privacy</b>	
Laws and regulations	Hong Kong: Personal Data (Privacy) (《個人資料(私隱)條例》) Mainland China: Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人訊息保護法》)
Measures	<ul style="list-style-type: none"> <li>— Ensure that the collected information is for specific purposes only;</li> <li>— Use correct channels and have sufficient reasons to collect information from customers; and</li> <li>— Arrange training for employees who need to process customer information to strengthen their awareness, etc.</li> </ul>
<b>Intellectual Property</b>	
Laws and regulations	Hong Kong: Copyright Ordinance (《版權條例》); Mainland China: Law of the People's Republic of China on the Protection of Intellectual Property Rights (《中華人民共和國知識產權法》); Copyright Law of the People's Republic of China (《中華人民共和國著作權法》)
Measures	<ul style="list-style-type: none"> <li>— Ensure that the Group's trademarks, commercial and technical secrets, software and other intellectual property rights are not infringed;</li> <li>— Monitor regularly intellectual property rights in the market; and</li> <li>— Use copyright-protected application software and avoid legal disputes caused by security vulnerability and software copyrights, etc.</li> </ul>

## 6. ABOUT THE OPERATION

### 6.3 BRAND BUILDING

We provide customer-oriented services according to the needs of our customers and also encourage them to make suggestions, so as to improve the service quality and enhance the competitiveness of the Group. We have established predetermined complaint handling procedures. If the Group receives any complaints, it endeavors to take effective corrective actions immediately to solve the problem and ensure that most customers can receive satisfactory feedback.

We strictly monitor the Group's publicity materials and use the correct labels to ensure that there is no non-compliance of the Trade Descriptions Ordinance (《商品說明條例》) in Hong Kong, and the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) in mainland China and other relevant laws and regulations. We also take a zero-tolerance attitude towards the release of information without verification.

The Group's business involves financial and investment consulting business, therefore, the Group attaches great importance to service quality. The Group has formulated policies to standardise the criteria of experience, knowledge and skills for front-line employees at all levels in the financial and investment consulting business, so as to ensure that customers can receive professional and excellent services. In addition, the Group also attaches great importance to the quality of Longevity Science products. Our policy requires products to be produced in strict accordance with relevant quality control procedures, and quality inspection will be conducted by third-party companies. The Group will also review the quality inspection results to ensure that the products meet the requirements. If unqualified products are found circulating in the market, the sales department or customer service department of the Group will recall the unqualified products and arrange returns for customers who have purchased such products. The recalled unqualified products will be destroyed.

During the Reporting Period, the Group was not aware of any material non-compliance with any laws and regulations concerning the health and safety, advertising, labeling and privacy of products and services provided, as well as corrective measures, such laws and regulations including but not limited to Personal Data (Privacy) Ordinance (《個人資料(私隱)條例》) in Hong Kong and the Consumer Protection Law of the People's Republic of China (《中華人民共和國消費者權益保護法》), the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》) and the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) in mainland China, that will have significant impacts on the Group. In 2023, the Group did not receive any complaints about products or services, nor did it recall any products for safety and health reasons.

# 6. ABOUT THE OPERATION

## 6.4 SUPPLY CHAIN MANAGEMENT

We maintain good relations with suppliers to ensure that the quality of the goods or services provided meet the expectations of the Group. To this end, the Group has developed a Procurement Management System (《採購管理制度》) to regulate procurement process. Prior to procurement, we need to prepare a purchase plan, evaluate the material usage and warehouse inventory, and then organize purchase after approval to avoid unnecessary procurement. In addition, in order to manage social and environmental risks and promote environmentally friendly products and services when selecting suppliers, we consider the availability of environmental-friendly products, socially responsible operations and other factors, and give priority to suppliers who can supply environmentally friendly products and services. In terms of monitoring, we will regularly arrange supplier assessments and provide rating in respect of quality, price, delivery date, etc., which may affect the opportunities for cooperation with the Group in the coming year. The Group will regularly review relevant practices to ensure their effectiveness.

In 2023, the Group had 3 major suppliers, all of which were from the United State of America and have conformed with the relevant practices regarding the engagement of suppliers.

## 7. ABOUT THE COMMUNITY

The Group focuses on making contributions to people in needs and charities through different channels to gain an in-depth understanding of the needs of the community. It also encourages employees to participate in voluntary projects and/or community activities spontaneously. The Group has adopted relevant policies to meet such commitments. Looking ahead, the Group will make full use of its business advantages to contribute the community; it will also support community development through donations and participation in community activities.

# APPENDIX I: CONTENT INDEX OF THE GUIDE OF THE STOCK EXCHANGE

Recommended Contents			Relevant Sections
<b>Mandatory Disclosure Requirements</b>			
Governance Structure			About the Sustainable Operation
Reporting Principles			Reporting Structure
Reporting Boundary			Reporting Scope
<b>A. Environmental Aspects</b>			
A1: Emissions	General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	4 About the Environment
	KPI A1.1	The types of emissions and respective emissions data.	4.1 Air and GHG Emissions
	KPI A1.2	GHG gas emissions and intensity.	4.1 Air and GHG Emissions
	KPI A1.3	Total hazardous waste produced and intensity.	4.2 Environmentally-Friendly Operation
	KPI A1.4	Total non-hazardous waste produced and intensity.	4.2 Environmentally-Friendly Operation
	KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	4.1 Air and GHG 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.	4.2 Environmentally-Friendly Operation

# APPENDIX I: CONTENT INDEX OF THE GUIDE OF THE STOCK EXCHANGE

Recommended Contents			Relevant Sections
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	4.2 Environmentally-Friendly Operation
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	4.2 Environmentally-Friendly Operation
	KPI A2.2	Water consumption in total and intensity.	4.2 Environmentally-Friendly Operation
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	4.2 Environmentally-Friendly Operation
	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.	4.2 Environmentally-Friendly Operation
	KPI A2.5	Total packaging material used for finished products and with reference to per unit produced.	4.2 Environmentally-Friendly Operation
A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	4.3 The Environment 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.	4.3 The Environment and Natural Resources
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.	4.4 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.	4.4 Climate Change

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Recommended Contents			Relevant Sections
<b>B. Social Aspects</b>			
B1: Employment	General Disclosure	Information on: the policies and 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.	5 About the Employee
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	5.1 Employment Policies
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	5.1 Employment Policies
B2: Health and Safety	General Disclosure	Information on: the policies and 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.	5.4 Health and Safety
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past 3 years including the reporting year.	5.4 Health and Safety
	KPI B2.2	Lost days due to work injury.	5.4 Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	5.4 Health and Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.3 Training and Development
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	5.3 Training and Development
	KPI B3.2	The average training hours completed per employee by gender and employee category.	5.3 Training and Development



# APPENDIX I: CONTENT INDEX OF THE GUIDE OF THE STOCK EXCHANGE

Recommended Contents			Relevant Sections
B4: Labour Standards	General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	5.1 Employment Policies
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.1 Employment Policies
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	5.1 Employment Policies
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	6.4 Supply Chain Management
	KPI B5.1	Number of suppliers by geographical region.	6.4 Supply Chain Management
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	6.4 Supply Chain Management
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.4 Supply Chain Management
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.4 Supply Chain Management

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Recommended Contents			Relevant Sections
B6: Product Responsibility	General Disclosure	Information on: the policies and 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.	6.3 Brand Building
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	6.3 Brand Building
	KPI B6.2	Number of products and services related complaints received and how they are dealt with.	6.3 Brand Building
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	6.2 Protection of Information Security
	KPI B6.4	Description of quality assurance process and recall procedures.	6.3 Brand Building
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	6.2 Protection of Information Security
B7: Anti-corruption	General Disclosure	Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	6.1 Compliance Operation
	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.	6.1 Compliance Operation
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	6.1 Compliance Operation
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	6.1 Compliance Operation

# APPENDIX I: CONTENT INDEX OF THE GUIDE OF THE STOCK EXCHANGE

Recommended Contents			Relevant Sections
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.	7 About the Community
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	7 About the Community
	KPI B8.2	Resources contributed to the focus area.	7 About the Community

**ZJ** 中基長壽科學  
ZHONG JI LONGEVITY SCIENCE

Zhong Ji Longevity Science Group Limited  
中基長壽科學集團有限公司