

## About Ausnutria

### CORPORATE PROFILE

Founded in Changsha City, Hunan Province, the PRC in September 2003, Ausnutria is one of the world's leading high-end dairy and nutrition products enterprises. The Company was listed on The Stock Exchange of Hong Kong in October 2009 (stock code: 1717), being the first infant formula company listed in Hong Kong. The Group owns and operates an integrated business chain in the global dairy and nutrition market, from sourcing and production, to marketing and distribution.

As at the date hereof, Ausnutria possesses nine modernised factories around the globe, among which there are one in the PRC, five in the Netherlands, two in Australia and one in New Zealand. Altogether they provide a diverse product portfolio for more than sixty other countries or regions, forming a life-cycle care system covering infant formula, healthcare products, special medication products and personalised nutrition products and services.

In Year 2022, Ausnutria continued to expand its product portfolio by rolling out several new products and made significant improvements in R&D with a focus on nutritional health studies. Ausnutria introduced several brand-new formulas during the year, including but not limited to Hyproca 1897 Formula for the Future, Ausnutria Aiyou, Allnutria Ruiyou, Ruihuo, Zhishu and Xiangyang. For R&D, the Group attained impressive results from several scientific research projects. The "Southern China Milk-derived Probiotic Strains Selection and Resources Base Building" project, which was conducted in partnership with Hunan Agricultural University in the PRC, was recognised as a breakthrough in the field of research. This project established a sound scientific foundation for the discovery and use of the diverse lactic acid bacteria in cow and goat milk in the PRC, establishing a technological innovation base for functional health ingredients in the industry. The Group will continue to introduce premium-quality and sustainable dairy and nutrition products as part of its "Golden Decade" strategic plan to become a trustworthy and first-choice infant and toddler formula, high-end nutrition products and health-care service provider for the customers.

### THE GROUP'S OWN BRANDS



## MEMBERSHIPS

Ausnutria is committed to contributing to the development of the dairy and nutrition industries and actively participating in a number of international associations and voluntary initiatives. In addition, the Group actively engages in open dialogue with industry partners and peers, which supports the advocacy of sustainable development and operational improvement.



**Australia China Nutrition and Health Association (“ACNHA”)**  
Ausnutria is a principal supporter and sponsor of the ACNHA, which establishes partnerships and exchanges opinions with industry players in Australia and the PRC with a focus on the Chinese goat milk market.



**China Dairy Industry Association**  
Being one of the vice-president units of the China Dairy Industry Association, Ausnutria attributes to the industry guideline development and administrative work to promote high-standard dairy products.



**China Nutrition and Health Food Association (“CNHFA”)**  
Serving as a governing unit, Ausnutria is committed to promoting the development of nutritional and health food and special food in China.



**Hunan Imported Food Enterprises Association**  
As the president unit of Hunan Import and Export Food Enterprise Association, Ausnutria’s global strategic layout and international management concept have promoted the high-quality development of food import and export trade.



**Hunan Academy of Agricultural Sciences (“HUNAAS”)**  
Ausnutria has developed the strategic partnership with HUNAAS and established the Institute of Academician Shan Yang’s Innovation Team.



**Dairy Association of China (“DAC”)**  
As a board member of DAC, Ausnutria hopes to make contribution to the promotion of dairy products and development of Chinese dairy industry.



**Dutch Dairy Association (“NZO”)**  
Being involved in the working groups of the NZO, Ausnutria encourages knowledge exchange and continuous advancement in Dutch milk processing.



**Dutch Goat Dairy Association (“NGZO”)**  
Being involved in the working groups, Ausnutria promotes a better industry image, environmental sustainability and animal welfare. Ausnutria supports NGZO’s “KwaliGeit”, by collaborating with its goat milk suppliers. Please refer to [Better Nutrition](#) for more details.



**European Union Chamber of Commerce**  
As a member of the Pediatric Nutrition Desk of the European Union Chamber of Commerce in China, Ausnutria encourages the appropriate use and marketing of pediatric nutrition products and breastfeeding.



**Platform Melkgeitenhouderij (Dairy Goat Farming Platform)**  
The Dairy Goat Farming Platform initiates sector-specific projects in the field of market information, food safety, animal health and sustainability. The Dairy Goat Farming Platform also provides direction for research that adds value to the goat dairy chain.



**Infant Nutritional Council (“INC”)**  
Ausnutria actively participates in discussions and exchanges opinions with other members through the INC platform on different industry policies.



**Duurzame GeitenZuivel Keten (Sustainable Goat Dairy Chain, “DGZK”)**  
Ausnutria participates in the DGZK, an initiative that aims to further improve sustainability and animal welfare within the goat dairy sector.



**The Association of Dutch Manufacturers of Children and Dietary Nutrition (“VNFKD”)**  
Ausnutria supports the VNFKD to represent the collective industry interests in advancing the best production and responsible marketing practices for infant formula.



**Sustainable Dairy Chain**  
Ausnutria pledged to support Sustainable Dairy Chain’s 2020 goals of the cow milk sector by introducing and implementing environmental best practices in its operations.

## CORPORATE GOVERNANCE

To pursue long-term success and safeguard the interests of its shareholders, the Board pledges to uphold the highest standards of corporate governance and to promote transparency, independence and integrity within the Group.

Ausnutria has implemented strict governance principles in alignment with the Corporate Governance Code in Appendix 14 of the Listing Rules. The Board is responsible for identifying strategic prospects of the Group's business and providing oversight, insight and foresight of the overall strategy and directions of the Group's business operations. In addition, the Board is responsible for regular monitoring, reviewing and advising the corporate governance policies to maintain compliance under the latest developments. A Performing Behaviour Guide was developed for the middle to senior management in the PRC, outlining their roles and responsibilities in building an effective corporate governance and corporate culture.

Ausnutria understands the significance of diversity and inclusiveness for the Group's sustainable development. The Board's composition is balanced in terms of gender, age, ethnicity, educational background, professional expertise, industry experience, management function and length of service. As at the date of this report, the Board comprises a total of nine Directors including three Executive Directors, three Non-Executive Directors and three Independent Non-Executive Directors with diverse backgrounds, ethnicities, experiences and expertise contributing to the Group's diversity and fostering a multi-cultural environment.



## ANTI-CORRUPTION

The Group's integrity underpins its reputation as a trustworthy dairy and nutrition producer and business partner. Ausnutria upholds the highest standards of integrity to prevent corruption across operations. All employees are required to comply and act in accordance with the Code of Conduct, which outlines the Group's expectation on workplace conduct and behaviour in circumstances of conflicts of interest, bribery and corruption and integrity violations. Regular training is also offered to both staff and directors to strengthen their awareness of anti-corruption practices. In order to uphold our business ethics, in mainland China, we have provided leadership training and development for our managerial roles such as behavioural learning and self-awareness review, to ensure that appropriate decisions are made during business operations. In addition, we organise training activities that are independently implemented by the department to address the its internal development requirements, including its internal experience sharing sessions and meetings. The training covers topics such as quality and integrity related to our production.

Any acts of non-compliance may result in a verbal warning, formal warning or other disciplinary and/or legal actions. Ausnutria has put in place an anti-fraud and whistleblowing mechanism for staff to report any suspected misconduct behaviours in relation to business ethics principles to the management team. In addition, the Group's internal audit department verifies and keeps track of financial and operational data to identify any potential risks of bribery, conflicts of interest or corruption. The Board oversees the effectiveness of such procedures and ensures that all reported cases are investigated and handled in an appropriate and adequate manner.

For further information about the Group's corporate governance policies, please refer to the corporate governance report section in [annual report](#) of the Company for the Year 2022.