

01



Better Life





Better Life

Ausnutria is dedicated to going beyond direct and tangible economic contributions as a responsible business. As part of its long-term vision to promote health and well-being for the general public and provide all levels of the community with access to nutrient-rich dairy and healthcare products, the Group organises a wide range of community programmes that target the underprivileged by leveraging its resources and expertise. The Group responds to social needs by capitalising on opportunities in areas such as, but not limited to, poverty, child development and empowerment and healthcare through the coordinated efforts of diverse enterprises and abroad subsidiaries. In addition to establishing a healthy and compassionate community, Ausnutria attempts to provide our workers with an equal, harmonious, and engaging work environment in acknowledgement of their efforts and value to the Group. Ausnutria places a high value on diversity and inclusivity so that employees can feel respected, trusted, and consistently supported, particularly in uncertain times. The Group fully supports the professional and personal development of its workers by providing a broad range of training and education opportunities.

Key Highlights in Year 2022

- **Donated millions of cash and materials for charitable and anti-pandemic activities.**
- **Donated around EUR75,000 worth of food aid packages to the Red Cross to aid the affected people of the war in Eastern Europe.**
- **Awarded in the PRC**
 - ESG Outstanding Social Responsibility Practice Corporation Case;
 - “Advanced Individual of New Hunan Contribution Award” for the chairman of Ausnutria;
 - National Charity Federation System Loving Enterprise 2021; and
 - Caring Disability Contribution Unit.
- **Promoted healthy lifestyle via sponsorship of sports events by**
 - continuing to be the main sponsor for SC Heerenveen football team in the Netherlands;
 - supporting LOOP Leeuwarden in the Netherlands; and
 - supporting the 3rd National Wheelchair Marathon for the Physically Handicapped First Hunan Women’s Health Games in the PRC.
- **Provided assistance to local communities in the PRC and the Netherlands through**
 - Ausnutria Foundation Hyproca Tundra Rose Project in Tibet, the PRC and supported over 5,000 families;
 - Donation to **Roparun Foundation** and **The Foundation Kika** to support cancer patients and children from impoverished families in the Netherlands; and
 - Sponsorship and donation to **Children’s Cooking School Fikks** and **Family box in football stadium Heerenveen** to promote healthy lifestyle for children in the Netherlands.
- **Ausnutria Academy in the PRC**
 - held a total of nine assemblies for four different levels of talent development class; and
 - developed professional ability standards to 15 business units.
- **Continue to support the Employee Assistance Programme in Australia in the upcoming year.**
- **Zero cases of work-related fatalities over the past three reported years.**

COMMUNITY INVESTMENT Awards

Ausnutria's dedication to community service has been recognised by the business community. In 2022, the Group received accolades in acknowledgment of its contributions.



- In November 2022, Ausnutria was awarded the "ESG Outstanding Social Responsibility Practice Corporation Case" (2022企业ESG杰出社会责任实践案例)

- In September 2022, the China Charity Federation announced the results of the "2021 National Charity Federation System Role Model Promotion Campaign". With the outstanding contributions in charity and public welfare, Ausnutria was selected as "Loving Enterprise 2021". The China Charity Federation is one of the largest and most influential charitable organisations in China. This campaign aims to showcase the development and achievements of charitable events across the country and show the recognition of caring enterprises and philanthropists.



- As a special supporting unit of the 3rd National Wheelchair Marathon for the Physically Handicapped, Ausnutria has been widely praised and awarded the "Caring Disability Contribution Unit" by the organising committee. For more information, please refer to "Promoting Healthy Lifestyles in The Communities" section below.



- On 23 May 2022, the 10th Global Hunan Business Conference presented awards to the 1st "New Hunan Contribution Award". Mr. Yan Weibin, chairman of Ausnutria (fourth to the left), was awarded the honorary title of the first-ever "Advanced Individual of New Hunan Contribution Award" for his outstanding performance in leading Ausnutria in enterprise operation and development, tax contribution and social responsibility building.

The Ausnutria Foundation

Ausnutria Foundation was established to support corporate social responsibility and promote social harmony in a methodical manner, with a primary focus on poverty reduction, natural catastrophe assistance, and public health improvement. In Year 2019, the Group pledged to inject RMB100 million in cash or in-kind donations into the foundation in ten years. In Year 2022, Ausnutria Foundation donated millions of cash or in-kind donations to provide tangible assistance to the community. Since 2020, Ausnutria has donated over RMB80 million of anti-pandemic materials. Additionally, Ausnutria and the foundation hope to inspire community investment and create positive impacts for community betterment by forming strategic partnerships with universities and philanthropic organisations. Going forward, the Group will continue to act proactively to fulfil the social responsibility as an industry pioneer.



Fighting Against the Pandemic

The Group recognises the detrimental consequences of the pandemic, particularly for vulnerable social groups. As a result, Ausnutria supplied substantial aid to anti-pandemic organisations and the underprivileged by donation and other types of resources such as nutritional and healthcare items, as well as anti-pandemic supplies. Through the use of its resources, Ausnutria hopes to promote social inclusion, alleviate social inequality and eradicate poverty.

Cash and in-kind Donation to Support Anti-pandemic Work

CASE STUDY

In the PRC, Ausnutria has actively responded to the pandemic by participating in anti-pandemic action since the outbreak. Ausnutria also aided several organisations and institutions such as The Hunan Red Cross Society, Changsha Huanghua International Airport Epidemic Prevention and Control Inter-agency Headquarter, the Second Affiliated Hospital of Hunan University of Chinese Medicine, and Guangzhou Women and Children Welfare Association. In addition to expressing the Group's heartfelt gratitude to the frontline anti-pandemic workers, cash and in-kind donations, in the forms of bottles of formula milk, nutritional and healthcare products and medical equipment, were provided to help the disadvantaged retain their livelihoods during social distancing or lockdown, as well as to prevent themselves from infectious diseases.



- For the 2nd time, Representative from the Changsha Huanghua International Airport Epidemic Prevention and Control Inter-agency Headquarter accepted Kabrita Goat Milk Formula donation of RMB1 million from Ausnutria Foundation and Kabrita BU in March, providing nutritional support and paying tribute to the frontline staff for the effort of monitoring pandemic condition.

- On 14 April 2022, with the support from The Red Cross Society of Hunan province, Ausnutria Foundation donated a batch of anti-pandemic materials to the medical team of the Second Affiliated Hospital of Hunan University of Chinese Medicine, to provide supplements and warmth to the frontline medical professionals who were engaged in the Shanghai's anti-pandemic work.



- On 29 April 2022, Ausnutria Foundation received a letter of appreciation from the Guangzhou Women and Children Welfare Association in view of the donation of lean nutrition products worth more than RMB1.8 million to the Guangzhou pregnant and infant population during the pandemic.



- On 7 April 2022, Ausnutria Foundation donated thousands of bottles of formula milk to front-line medical staff and community workers at The Red Cross Society of Hunan province.

Providing Health Support for Tibetan Family

Ausnutria Foundation Hyproca Tundra Rose Public Welfare Project

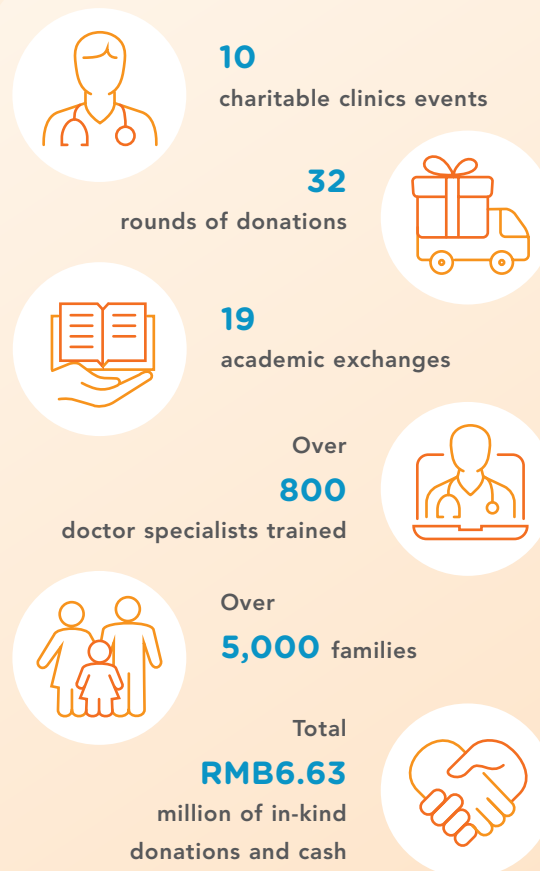


The “Ausnutria Foundation Hyproca Tundra Rose Project” has been Ausnutria’s active charity project in Tibet for six years. Ausnutria Foundation and Hyproca 1897 BU collaborated with numerous external parties, including the Peking University Health Science Centre, The Red Cross Society of Xizang, the Tibet University and the Tibet Mother and Child Association, to provide infant care and quality maternity to the PRC’s under-developing regions.

Ausnutria Foundation contributed in hospitals, clinics, and other healthcare institutions to maintain an impactful science learning platform. The initiative aims to improve the quality of healthcare services and nurture local mother and child health professionals by organising healthcare professional training and knowledge exchange events and providing monetary and in-kind donations. Meanwhile, during charitable clinics and family visits, women and moms-to-be in the region were given nutritious diet advice to enrich their understanding of the need of nutrition intake for dynamic newborn growth as well as to encourage superior hygiene, healthy diet and feeding habits.

Launch of the Newly Strategic Public Welfare Programme.

Ausnutria strives to enhance the physical well-being of Tibetan mothers and the infants by cooperating with both medical practitioners and the maternal community. To date, the initiative has served approximately:



Delivering Anti-pandemic Materials to the Tibetan.

On 28 June, the Hyproca 1897 brand upgrade conference was successfully held at Ausnutria Global Headquarters. With “love” as the connection point, Hyproca 1897 has launched the “Newly Emerging Force – Public Welfare Programme”. The project consists of three core public welfare brands: “Little Red Flower”, “Iris” and “Tundra Rose”, each of which focuses on the physical and mental health of children in mountainous areas, the mental health of mothers and the nutritional health of Tibet. Each of the three core brands brings continuous help and care to women and children by focusing on the physical and mental health of children in rural areas, mothers and the Tibetan.

Due to the pandemic, the 2022 “Ausnutria Foundation Hyproca Tundra Rose Public Welfare Project” (澳優基金會海普諾凱格桑花公益行) has been postponed, but the Group has always paid attention to the pandemic situation in Tibet, and we are always concerned about the nutritional health of the vast number of mothers and babies in Tibet. Despite the delayed logistics and transportation, the Group communicated and coordinated with multiple logistics companies, arranged special personnel for docking, and eventually delivered all materials to the front line of pandemic prevention and control in Tibet. The anti-pandemic materials worth over RMB1.5 million including protective clothing, N95 masks, protective face shields and other prevention materials.

CASE STUDY

Helping Hand for Youth's Educational Growth

Ausnutria is dedicated to supporting the youth such as providing educational supports by sponsoring a variety of educational resources and providing financial support to institutions.

Contributing to the youth's educational growth

CASE STUDY

On 28 and 29 May, Ausnutria's Charity Walk, "Born with love and walking side-by-side with children", was held in Taoyuan, Changde. Ausnutria, in collaboration with the Hunan Xinxin Public Welfare and Taoyuan County Leshan Public Welfare, donated RMB70,000 worth of materials to Xiangyang Elementary school to improve the school teaching environment from facilities to supportive teaching equipment, and provide companionship to children through music interaction.



On May 27, the opening ceremony of 2022 "Meishan Shangjun" (梅山商俊) Xinhua County Young Entrepreneurial Talent Training Programme was held in Ausnutria Global Headquarters, with collaboration from the Hunan Federation of Industry and Commerce. Apart from establishing the "Xinhua Rural Revitalisation Special Fund" in July 2021 to help the rural revitalisation of Xinhua County, the "Meishan Shangjun" talent training programme was launched in 2022 to nurture entrepreneurial talents for the benefit of Xinhua's economic growth. The talent training programme was cultivated in the form of project classes with experiential learning activities to sharpen young talents' business know-how, empower talents' business capabilities and eventually foster overall rural economic development. In the future, Ausnutria will continue to be a new force and forge ahead in drawing a brand blueprint for rural revitalisation.

Promoting Healthy Lifestyles in the Communities

Ausnutria aspires to contribute to society in which everyone, regardless of background or socio-economic status, lives a healthy and prosperous life. The Group has collaborated with strategic partners with the goal of encouraging healthy lifestyles and revitalising its marketing strategies. Ausnutria seeks to encourage sports and create public knowledge of the importance of maintaining a healthy lifestyle.

Ausnutria remains the main sponsor for SC Heerenveen football team in the Netherlands

CASE STUDY



Ausnutria has been the main sponsor of SC Heerenveen since 2020, covering the whole club including youth and women's teams, to support sports development for all stakeholders in the province of Friesland (in particular, Heerenveen), and promote brand awareness in the Netherlands. Ausnutria wants to contribute to a better world in which everyone has the strength to lead a healthy and prosperous life. This goes beyond nutrition and also embraces the pursuit of opportunities for personal development. Sponsoring SC Heerenveen fits that picture perfectly. During this sponsorship, Ausnutria Netherlands will pay a lot of attention to the welfare of children to help them have the best possible future. Thus, Ausnutria continued to make a fundamental contribution to the further development of SC Heerenveen and offer children in Friesland an additional helping hand to grow up as healthily as possible.



Empowering the Community through Sport Events

CASE STUDY



On the morning of 29 August 2022, the 3rd National Wheelchair Marathon for the Physically Handicapped (全國肢殘人輪椅馬拉松賽) was held in Changsha Orange Island Scenic Area, with Ausnutria as a supporting group. There were over 100 physically disabled participants from all over the country taking part in the 5km marathon. Ausnutria Foundation have donated a batch of nutritional materials worth RMB160,000 to the Hunan Association of the Physically Handicapped to support the nutritional health of the physically disabled group. While joining hands with “Changma” four times and being named Changsha Wangcheng Station of the Chinese Tennis tour for 3 consecutive years, Ausnutria will continue to cultivate public welfare and convey the brand proposition of health, nutrition and quality with practical community actions.



On 12 June, the launch of the First Hunan Women's Health Games was held in Chenzhou, with more than 600 athletes from 9 provincial units and 14 cities and states participating in the event. As one of the partners of the event, Ausnutria, together with Kabrita BU, provided nutritional support to the participants throughout the event. Going forward, the Group will continue to join forces to initiate community investment activities and to enhance the physical health of women.



On 15 May, the 15th edition of the LOOP Leeuwarden was held as the largest running event in Friesland, the Netherlands. The Group sponsored LOOP Leeuwarden, of which the proceeds went to the Youth Fund Sports and Culture. The Group believes that all children, regardless of their background, deserve the opportunity to develop physical capabilities and mental strength. Thus, the Group supports the local fund which aims to subsidise membership or tuition fees for children from families that encountered financial difficulties to attend sports clubs, music or dance classes, painting, drama school or other creative programmes.



Partnering with Employees in Community Programmes

Since 2018, Ausnutria Netherlands has utilised the employee-led charitable initiative to increase and encourage employee participation in community programmes and the proposal of initiatives that are beneficial to local communities, particularly children. Ausnutria emphasises initiatives and originality and provides execution funding for selected projects. It is hoped that Ausnutria will be able to identify and support community programmes whose goals are compatible with those of the local communities.

Cash Donations to the Roparun Foundation

CASE STUDY



The Roparun Foundation organises an annual relay race event for participants to raise money for institutions, charities or projects that provide non-medical palliative care and support to cancer patients in the last phase of their lives. For example, proceeds may help to provide a wig for cancer patient during treatment, or assist patients to have a nice day out for a sick child and their families. In addition, the Roparun Foundation regularly makes donations to organisations such as the Ambulance Wens ("Ambulance Wish") Foundation and the Princess Máxima Center for pediatric oncology. To support this meaningful cause, Ausnutria donated thousands in cash to support this worthy cause and show our support to cancer patients in Year 2022.

Charity sale for the Foundation Kika (Children Cancer-free)

CASE STUDY

In Year 2022, Ausnutria organised a charity sale for the Foundation Kika by selling 21,000 Kika teddy bears in the fan shop during football season, with all proceeds going to the charity. Kika is a charity that funds innovative research on all forms of childhood cancer and focuses on education on childhood cancer. Ausnutria fully supports the initiative and participated to raise funds for the foundation.



Sponsorship and in-kind Donations to Children's Cooking School Fikks

CASE STUDY

To show our support in fostering healthy lifestyle in local communities, Ausnutria have sponsored thousands in cash and donated aprons to the Children's Cooking School. Newly opened this year, the Children's Cooking School Fikks provided a permanent place for children to attend educational cooking classes. The school provides opportunities for children to discover more about healthy food and how to prepare healthy dishes in a fun and accessible way.



Ausnutria family box in football stadium in Heerenveen

CASE STUDY



This year, Ausnutria has opened a family box in football stadium Heerenveen. The family box is a family friendly and designed especially for young children. The family box provides a healthier catering menu, lowered toilet seats and an interactive X-wall where children can play all sorts of games. Through setting up a family box, we aim to facilitate families in our community to spend quality time together.



CONSUMER HEALTH AND WELL-BEING

Ausnutria strives to build a long-term relationship and trust with our customers, hence we are devoted to safeguarding their health and well-being. As the Group believes breast milk is the fundamental source of nutrition for the growth and development of infants and young children, we actively support breastfeeding practices. Stage 1 (0-6 months) infant formula are not promoted in accordance with the World Health Organisation's recommendations. In the PRC, stage 2 (6-12 months) infant formula are not promoted as well due to legislative provisions. Through conducting studies of breastmilk nutrition, Ausnutria continuously engage in the R&D process to develop a more enhanced and nutritional milk formula. In addition, the Group established several breast milk banks as a strategic approach to gain more scientific insights into the nutrition value of breastmilk for infants and young children. We aim to develop a milk formula that can cater to the specific nutritional needs of infants in rural villages in the region by conducting breast milk composition studies with various samples. In the Netherlands, the R&D department is responsible for conducting research in order to strengthen our understanding of nutrition for babies, and to ensure we develop infant products with the highest nutritional value. As a result, Ausnutria has closely collaborated with the University of Wageningen in the Netherlands to initiate a research project. Through performing a large observational cross-sectional study, we aim to determine and understand the relationship between breast milk composition and ethnicity, maternal dietary intake and/or offspring health. Based on the outcome, Ausnutria will be able to develop infant nutrition that can fully support the specific needs of infants.

To ensure that every Ausnutria's product labels and statements contain fair, accurate, and impartial information, all products and promotional materials will undergo a strict review process in alignment with the Group's branding requirements. To fully comply with local laws and regulations, all products are subjected to final approval in accordance with the requirements of distributors or local brands before market distribution. The Compliance Management System is established for Kabrita products, which outlines the roles and responsibilities of all corresponding departments along the production process in order to build clear and organised procedures for reviewing and approving market materials. Meanwhile, Ausnutria Australia continued to engage in the Voluntary Incidental Trace Allergen Labelling Programme. Prior to announcing "allergen-free" on the product label, all nutritional products are required to undergo thorough and stringent allergen screening for each ingredient.

EMPLOYEE WELFARE AND DEVELOPMENT

As a responsible and caring employer, Ausnutria abides by relevant laws and regulations regarding employment practices in all our operating locations. The Group strictly forbids any kind of operational control, child and forced labour. To guarantee that all candidates are qualified for legal employment and to prevent any violation of employment practices, our human resources department are responsible for monitoring the recruitment process closely. In case of a disagreement, management will be notified shortly after which enables the Group to act in the best interests of the individual.

Ausnutria is committed to accomplishing “One Ausnutria, One Team, One Direction” through our three-year global human resources strategy plan launched in 2019. Through this strategy, we aim to enhance the management efficiency and strengthen corporate culture through consolidating resources and aligning related practices across subsidiaries. The Group has undergone an ongoing review for internal policies and has updated management methods. Besides, we invested considerable resources to incorporate regional day-to-day management processes into a comprehensive group-wide online portal, in order to build more accessible internal communication and efficient human resources management. To further strengthen the Group’s company culture, we have collaborated with an external company to conduct interviews with our colleagues to discuss the ‘Ausnutria story’ and the value of Ausnutria to our employees, and to establish what we stand for in order to strengthen the unity within our organisation. A few employees were then asked to tell their own ‘Ausnutria story’ on camera to inspire and connect our colleagues.

To maintain effective communication with our employees, Ausnutria utilises various communication channels such as email, newsletter, mobile application, social media and intranet to keep employees in line with the most updated corporate news and information. In Ausnutria Australia, the Group have started to issue a monthly newsletter across all regions since Year 2022. In the PRC, Ausnutria continues to share information with employees through the customised mobile application (U享家) and we have started to utilise enterprise WeChat channel to strengthen the communication and management with various business units. Forums are also organised for new employees on a regular basis to deepen our understanding of their needs.

The Group values transparency and honesty in the communication between management and employees, and we appreciate feedback from all levels of employee regarding workplace experience. The Workplace Communication and Consultation Policy, the Communication Protocol and other documents have clearly outlined the principles, rights, and responsibilities of effective communications to ensure meaningful dialogues between employees and management. We organise both formal and informal meetings to encourage employees to express their work expectations, concerns, and career development aspirations for more effective work collaborations. Through enabling active communication between management and employees, the Group strives to foster a productive and dynamic working environment.

In Australia, feedback forms and surveys are set up for employees to convey their needs and feedbacks. To ensure employees are well informed of corporate updates, internal email circulation is also utilised. In the Netherlands, the Group has provided an advanced intranet for employees to access to the Groups’ updated developments, such as the construction progress of the new sustainable factory in Heerenveen, which is expected to be in operation by the end of Year 2023.

In the PRC and Australia, the Group has conducted a company-wide employee satisfaction survey in Year 2022 to collect opinions and suggestions from employees in an objective and open manner. With the active participation of employees, the Group has received constructive feedback on methods to improve current employment standards and it helps in deepening our understanding of employees’ expectations of the Group.

In the Netherlands, official Works Councils are in place in all operation locations, with the aim to facilitate insightful communication between management and employees. During the proposal of Ausnutria’s employment policies, the Works Council represents employees and safeguards their interests with consultation rights and approval rights when it involves critical management decisions. The Works Council is made up of seven members with both employees and elected members, to participate in meetings the management level every two months to raise issues and provide feedback within the daily operation of the workplace. Regular meetings enable all parties within the subsidiary to keep in line with the corporate management decisions and daily operations.

Ausnutria has standard procedures in place for resolving issues regarding situations when employees experience unfair treatment or disagreements during daily operations. The Code of Conduct and Employee Handbook have distinctly outlined that employees have the right and responsibility to report any instances of mistreatment to their supervisor. The Group will protect all whistleblowers by keeping their identities anonymous and address the raised issues in a proper manner under a specified timeframe. If necessary, the case will be referred to a senior level, including the HR department and senior management, until a consensus is reached. To enhance the efficiency in handling and resolving cases of disputes or mistreatment, Ausnutria has set up a specialised performance appeal and feedback process in the PRC, incorporating both online or offline channels into the feedback procedure.

Ausnutria is determined to facilitate employees in acquiring new professional skills and achieve personal growth. Employees are allowed to access comprehensive learning resources and materials. To optimise training resources and enhance human capital management, annual training plans are set up in multiple subsidiaries to ensure employees receive structured, all-rounded training and supervision at work. Besides, to equip new employees with the necessary skills for a smooth adjustment and great start in the workplace, all new joiners must attend a comprehensive induction training programme.

To strengthen employees' knowledge and skills for the workplace, a wide range of training courses are available to all levels of employees, including:

- Standard Operating Procedure (SOP) training
- Health and Safety training
- Quality training
- Human Resources training
- External training (e.g. first aid training and software training)

In Ausnutria Australia, trainings are also provided for employees of specific levels and positions. To enhance the leadership and management skills of managers, trainings for certificate III course in Business management and leadership training are provided. Periodic trainings are provided for operators as required by the Therapeutic Goods Administration. To further equip employees with workplace management skills, Ausnutria offers 5s training for all production staff. We believe providing various learning opportunities for employees accelerates their professional growth.



In the Netherlands, Ausnutria utilised the "Dairy Academy" e-learning platform to provide effective learning for employees. The platform offers online courses with practical knowledge covering aspects of raw materials, technology application, production processes and quality monitoring of Ausnutria's products etc. Employees can gain operation expertise by accessing learning materials and resources from the platform. In addition, Ausnutria Netherlands has continued

to organise the Senior Leadership Development Programme, a customised curriculum in collaboration with the Nyenrode Business University to enhance the leadership skills of our employees. In Year 2022, around 40 employees on managing board and senior leaders level have been trained by the University. Besides, the Group is also developing a new training programme for all levels of employees in the Netherlands. The programme is scheduled to launch in Year 2023.

The Group seeks to foster talent for continuous development by providing training with high-quality resources. Ausnutria Academy has been an important learning platform for employees since Year 2015. The platform aims to provide learning opportunities for various levels of management staff to enhance their leadership skills and strengthen cooperation between different business units. With its unique principles, ideas and structure, Ausnutria Academy is recognised for its capabilities in talent development. The Group believes in lifelong learning for all employees and strives to utilise this learning platform to optimise our work performance and quality, as well as to nurture a culture of excellence.



Ausnutria Academy consists of various training programmes that cater for individual needs, with the common goal to enhance employees' knowledge and skills in management, professional expertise, and general workplace abilities. The academy is structured for a management pipeline with training that is suitable for each career development stage among different management levels. In Year 2022, there are total nine assemblies held for four different levels of talent development class. Training covers topics such as human resources management, action learning in presentation skills, self-awareness and disruptive innovation. Besides, the Group also emphasises the enhancement of professional capabilities. This year, we have selected 15 business units, such as operation, finance, logistics etc., to develop professional ability standards in order to enhance employees' development pathways in these aspects and encourage them to strive for excellent performances.



● Ausnutria Academy "Aus-series class" (澳系班級) 2022.



● MBA Class (澳橙計劃) 2022.



In addition, Ausnutria rolled out the High Potential Talent Scheme in the PRC this year, to enhance employees that are preparing for management level positions to equip skills on communication, strategy implementation, and talent assessment. The training will be offered by various department personnel to share their expertise. Throughout the implementation of the scheme, the Group will closely monitor the learning progress of our employees and cater to their different needs.



● High Potential Talent Scheme in the PRC.

To assess individual employees' performance and support their continuous development, Ausnutria has established a formal staff appraisal system, which aims to motivate employees' accountability and enhances productivity on a personal, departmental and organisational level. The system has been implemented in the PRC, Netherlands and Australia, with plans to extend coverage to other subsidiaries. The 'a+b+c+N' Evaluation Model is adopted by Ausnutria PRC to review employees' performance in a structured and comprehensive way. With the focus on both personal and company performance enhancement, including technical expertise, communication and interpersonal skills, and approach towards action plans and development goals, employees who have outstanding performances in critical positions will be rewarded with various incentives, including R&D innovation bonus, technology innovation bonus, share rewards and year-end bonus etc. The evaluation model aims to incentivise employees to strive for continuous improvement in work performance and productivity, as well as showing our recognition of their persistent efforts.

EMPLOYEE HEALTH AND SAFETY

Ausnutria is dedicated in creating a safe and healthy working environment for all employees. The Group abides by all local occupational health and safety (“OH&S”) laws and regulations within our operations to safeguard the safety and health of employees. To align with the latest national and regional regulations, internal standards and procedures in all subsidiaries will be reviewed on a regular basis. In addition, the Group disseminates relevant guidelines among employees to strengthen their awareness in compliance to relevant policies, as well as facilitating employees to gain a thorough understanding of their roles and responsibilities.

To ensure all health and safety standards and procedures are carried out properly and efficiently, Ausnutria has set up a health and safety committee or officer to be responsible for monitoring relevant performance at each production facility. In the PRC, all employees working at upstream factories are required to sign the “Work Safety Responsibility Acknowledgement” to ensure their awareness of their roles and responsibilities in compliance with internal regulations as well as the potential consequences of any irresponsible actions.

At the subsidiary level, regular risk assessments are carried out both internally and externally to identify and evaluate potential risks in the workspace and to avoid them. Inspection reports will be sent to the committee for review, and take further actions if needed. Besides OH&S related personnel, general staff can also access and review the monthly reports on risk investigation and evaluation in the Netherlands. Such practice helps to enhance the awareness of existing black spots and avoid a repeat of similar incidents. In Australia, the Group reviews and updates the Standard Operation Procedures regularly, and conducts frequent site checks and risk assessments to inspect new machinery and manufacturing procedures. In the PRC, prior to long holidays like Chinese New Year and the Mid-Autumn Festival, large-scale inspections will be performed by management in production facilities to avoid abnormalities during these periods. These inspections are comprehensive and thorough, covering site safety, fire safety, hazardous chemical use, and waste treatment. In addition, external inspections also conducted at production sites every year. To minimise workplace dangers and risks for our employees, Ausnutria will remain attentive in its operations practice regarding OH&S.

The Group believes accidents can be avoided through minimising miscommunication between departments and employees. To promote active and effective communication on OH&S issues, Ausnutria has initiated OH&S Meetings at its subsidiaries. In Australia, OH&S Meetings are conducted every two months, consisting of safety representatives from multiple departments. The meetings facilitate collaboration between different units in OH&S management and enhancement.

To prepare employees in handling incidents and operational risk professionally, the Group strengthens employees’ OH&S knowledge and skills through organising training and safety drills. In Australia, trainings on standard operating procedure are carried out every year. Besides, specialised training on OH&S knowledge are also arranged for relevant staff to attend, with training topics ranges from fire warden, first aid, injury, hazard and incident reporting etc. In the PRC, training on fire safety, food safety and production safety are organised under the guidelines of the Group’s standard protocol. On-site safety regulation training is also provided for logistic service providers monthly while safety management training is provided for part-time safety officers every four months. Through various OH&S initiatives, the Group strives to enhance employees’ preparedness for handling potential hazards and emergence, hence safeguarding the safety and health of our employees.

Ausnutria believes mental health is as important as physical health and safety, hence the Group is devoted to advocating mental well-being among employees. In Australia, the Group has introduced the Employee Assistance Programme which employees can call and get professional support at confidential counselling sessions, and the programme will be renewed in the coming year. For Ausnutria Netherlands, employees are encouraged to express their concerns on harassment, bullying, aggression, violence, discrimination and conflicts with superiors to their counsellors, as they will offer advice and may even take further actions in serious cases. In 2022, all office and production locations in the Netherlands newly appointed counsellors so that every employee has easy access to a confidant when needed. In the PRC, the Group organise counselling talks annually to educate employees on topics such as mental wellness and stress relief.

Promoting sports for our employees

CASE STUDY



The Group believes sports are beneficial for both our physical health and mental well-being. Hence, we actively encourage our employees to take part in different sports by providing opportunities to gather and participate together. In Australia, we have organised badminton and cricket clubs for our employees to participate. In PRC, employees are welcome to join our football and basketball sessions held on a regularly basis. To support our employees in trying out different sport events, we have also organised an athletic meet this year. The Group strives to promote a healthy lifestyle and culture within Ausnutria.



During the pandemic, Ausnutria strived to make sure our employees stayed healthy and safe. We ensure all operating areas are closely monitored to get ahold of the latest development of the pandemic and government health policies. To maintain a smooth and efficient operation while minimising the health risk of employees, the Group has enhanced internal health and safety guidelines and organise regular emergency meetings with senior management to discuss the implementation of hygiene policy in accordance with the pandemic's situation.

Ausnutria maintained a hygienic and safe working environment through various measures. The Group regularly sanitises all office and manufacturing locations while specific measures are carried out in various operation regions based on its local situations and requirements. In Australia, visitor restriction policies are in place for visitors with any symptoms and all personnel are required to wear face masks and conduct temperature checks when entering all premises. RAT test kits are also distributed among employees for self-testing on a regular basis. In the PRC, employees must have their temperatures checked upon their arrival at the building and report their health status every day. To practice social distancing in the workplace, we support remote working and arranged work from home options and rotation schedules for employees.

To ensure our employees have sufficient protection in fighting the pandemic, the Group has equipped our employees with anti-pandemic products including face masks, face shields, gowns and hand sanitisers. In Australia, free fruits are distributed among employees by setting up nutrition supply stations with the aim to promote healthy eating habits and strengthen their immune systems. In addition, trainings and posters are provided for employees to enhance their awareness of maintaining good personal hygiene.

DIVERSITY AND INCLUSION

Ausnutria actively promotes diversity and inclusion within the working environment, as it plays an essential part in fostering sustainable and dynamic business growth. We are committed to creating a fair, harmonious and rewarding environment, and create a workplace in which employees feel thoroughly respected, trusted and supported.

Every value and standards of Ausnutria, as well as the expectations of employees' behaviours are distinctly stated in Ausnutria's regional Code of Conduct and Employee Handbooks. We have also included the policies and procedures to guide its subsidiaries in handling employment-related issues, such as those related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, training and development, OH&S, and other benefits and welfare. To ensure all information is easily accessible and widely distributed among employees, we utilise various communication channels efficiently during their onboarding or whenever updates are available.



The Group treats all employees equally and openly as we uphold the principles of meritocracy and non-discrimination. During the recruitment process, all regional teams are required to follow a set of standard operating procedures. These procedures are regularly reviewed and updated to keep in line with the shifting industry practices and local requirements. We tend

to recruit talent from diverse recruitment platforms apart from regular recruitment channels. In the PRC, the Group organise the Management Trainee Programme annually to strengthen the talent pipeline. The programme strives to hire graduates with great potential and provides different resources to equip them with specialised skills in food manufacturing.

Competitive remuneration and attractive benefits are offered to Ausnutria employees to show appreciation and validate our employees' efforts and contribution at work. Employees are entitled to leave, allowances, bonus and subsidies according to their ranks, positions and years of service. In the PRC, the Group provides meal subsidies, holiday subsidies during Lunar New Year and Dragon Boat Festival, as well as subsidies for protective measures during extreme cold and extreme heat for our employees. In Australia, we continued to organise the Employee of the Month nomination programme to reward distinctive members of the team and show the Group's validation of employees' persistent effort.

Ausnutria is devoted to fostering an inclusive environment for employees while maintaining a smooth and efficient operation. The Group strives to cater to employees' various needs, and we fully understand the importance of family bonding, we are actively developing a family-friendly culture within the Group. Ausnutria has implemented flexible arrangements at the subsidiary level for our employees and their families, to enhance employees' better work-life balance and provide them more opportunities to spend time with their families. In the PRC, in case an employee is located in separate regions from their spouse and experience difficulties in reuniting with them during public holidays, the employee is entitled to enjoy a monthly half-day excused leave for family visit.

Family Bonding Time in Ausnutria's Family Carnival

CASE STUDY



In the PRC, a family carnival was held in the head office of Ausnutria on Father's Day this year. More than 120 families have participated in the carnival to enjoy special performances, play various games and join workshops. The carnival aims to bring out the "home culture" encouraged by Ausnutria and provide an opportunity for employees to enjoy quality time with their families and strengthen their bonding.

In addition, Ausnutria is also dedicated to build a mother-friendly environment for employees by setting up breastfeeding facilities and arranging flexible working hours. In the PRC, all mothers with a child under the age of one are entitled to half an hour breastfeeding leave daily, with the flexibility to extend the excused leave up to an hour. The Group has also created chances for employees to gather with their families during special occasions. For instance, working parents are welcome to bring their children to work and play family games together on Children's Day.