



CK Life Sciences Int'l. (Holdings) Inc.

長江生命科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

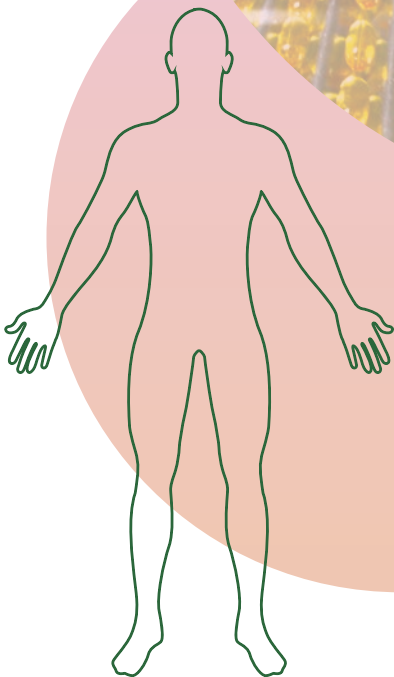
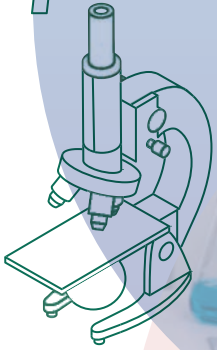
(Stock Code: 0775)



ADVANCING LIFE SCIENCES SUSTAINABLY

◀◀ Sustainability Report 2021 ▶▶

ABOUT CK LIFE SCIENCES



CK Life Sciences Int'l., (Holdings) Inc. is listed on the Stock Exchange of Hong Kong Limited. Bearing the mission of improving the quality of life, CK Life Sciences is engaged in the business of research and development, manufacturing, commercialisation, marketing, sale of, and investment in products and assets which fall into three core categories: nutraceuticals, pharmaceuticals and agriculture-related. CK Life Sciences is a member of the CK Hutchison Group.

CONTENTS

1. INTRODUCTION	2
1.1. About CK Life Sciences	2
1.2. Chairman's Message	4
1.3. 2021 Highlights	6
1.4. About This Report	7
2. SUSTAINABILITY AT CK LIFE SCIENCES	8
2.1. Approach to Sustainability	8
2.2. Sustainability Governance	14
3. CORPORATE GOVERNANCE	16
3.1. The Board	18
3.2. Business Ethics	27
3.3. Regulatory Compliance	29
4. ENVIRONMENT	30
4.1. Energy Consumption and Greenhouse Gas Emission	32
4.2. Climate Change	38
4.3. Waste Management	40
4.4. Water Use	43
4.5. Regulatory Compliance	45
5. SOCIAL	46
5.1. Human Capital Development	48
5.2. Occupational Health and Safety	54
5.3. Supply Chain Management	58
5.4. Product Responsibility	61
5.5. Community Investment	63
5.6. Regulatory Compliance	63
6. APPENDIX	64
6.1. Environmental Performance Indicators	66
6.2. ESG Guide Content Index	68

INTRODUCTION

1.1. ABOUT CK LIFE SCIENCES

CK Life Sciences Int'l., (Holdings) Inc. ("CK Life Sciences" or the "Company", together with its subsidiaries, the "Group") is listed on the Stock Exchange of Hong Kong Limited. CK Life Sciences is a member of the CK Hutchison Group. Bearing the mission of improving the quality of life, CK Life Sciences is engaged in the business of research and development, manufacturing, commercialisation, marketing, sale of, and investment in products and assets which fall into three core categories:



INTRODUCTION

AGRICULTURE-RELATED BUSINESS

The agriculture-related businesses comprise operations in Australia and New Zealand. Australian Agribusiness (Holdings) Pty Ltd (“Australian Agribusiness”) engages in the manufacturing, wholesale and retail of plant protection and specialty nutrition products. Australian Agribusiness comprises two operating divisions: Crop Solutions (“CS”) and Consumer and Professional Solutions (“CPS”). The channel to market for CS is via the brand Accensi, which is one of Australia’s largest toll formulators of crop protection products with manufacturing and warehousing. CPS is the Sales and Distribution arm of Australian Agribusiness, represented by four brands servicing three market segments: Hardware and Nurseries, Professional Pest Management and Professional Turf and the urban environment.

The Group also owns an extensive vineyard portfolio in Australasia, and the Group’s Cheetham Salt Group, comprising Cheetham Salt Limited (“Cheetham”) in Australia, Dominion Salt Limited (“Dominion”) in New Zealand and Cheetham Garam Indonesia, is the largest producer of value-added salt for the domestic markets in Australia and New Zealand.

NUTRACEUTICAL BUSINESS

The nutraceutical portfolio comprises Santé Naturelle A.G. Ltée (“SNAG”) in Canada, Vitaquest International Holdings LLC (“Vitaquest”) in the United States, and Lipa Pharmaceuticals Limited (“Lipa”) in Australia.

HEALTHCARE RESEARCH AND DEVELOPMENT

The Group’s research and development operations are engaged in the research and development of pharmaceuticals focusing primarily on cancer vaccines and pain management products. The research is conducted at in-house laboratories, as well as in conjunction with partner companies and academic institutions around the world.



1.2. CHAIRMAN'S MESSAGE



CK Life Sciences Int'l., (Holdings) Inc. is pleased to present this year's Sustainability Report (the "Report") covering its sustainability strategies, management approach, progress, and highlights during the year from 1 January 2021 to 31 December 2021.

The Group strives to put its sustainability strategy at the forefront, taking this as an opportunity for growth while maintaining our commitments to the market. As our mission is to improve the quality of life through human health and the environment that we live in, sustainability is the key to advancing this endeavour. This Report will give an overview of our sustainability progress and its role in the future direction of the business.

In 2021, our business units have committed to various environmental targets to further progress our sustainability agenda. These include reducing energy intensity and conducting energy audits to identify energy reduction opportunities, waste reduction targets, replacing production materials with more sustainable options, and encouraging a recycling culture. These targets guide our business strategy by setting out the areas of innovation and change needed to deliver on our commitments. In recognition of our efforts towards sustainability, Lipa has won the Complementary Medicines Australia (CMA) Sustainability Award in 2021. This award recognises the Group's commitment to sustainability and demonstrates our performance among the industry.

 (((INTRODUCTION)))

With global climate commitments and decarbonisation at the forefront of the climate agenda, our business units have set out to integrate climate considerations into business activity. We have identified significant climate-related issues that may have substantial financial or strategic impact to further inform the direction of our sustainability strategy. Furthermore, we encourage environmental stewardship throughout our supply chain by implementing programmes to review and screen suppliers according to their sustainability performance.

People are central to the development of our business. We are dedicated to providing a productive and rewarding workplace for our employees by offering competitive remuneration and equal opportunities for development. Our business units have raised minimum wages, benchmarked roles with market standards, and continue to improve wellbeing policies to create a positive work environment.

Besides investing in our people, we strive to create a positive impact on the local communities in which our businesses operate by employing locally and contributing to other community engagement programmes.

This year, our people and businesses continued to come together to face the ongoing changes and challenges of the pandemic. Thanks to their dedication and vision we have managed to advance the economic, environmental and social sustainability of our operations.

I would once again like to thank our shareholders, Board of Directors, and staff for their continuous support.

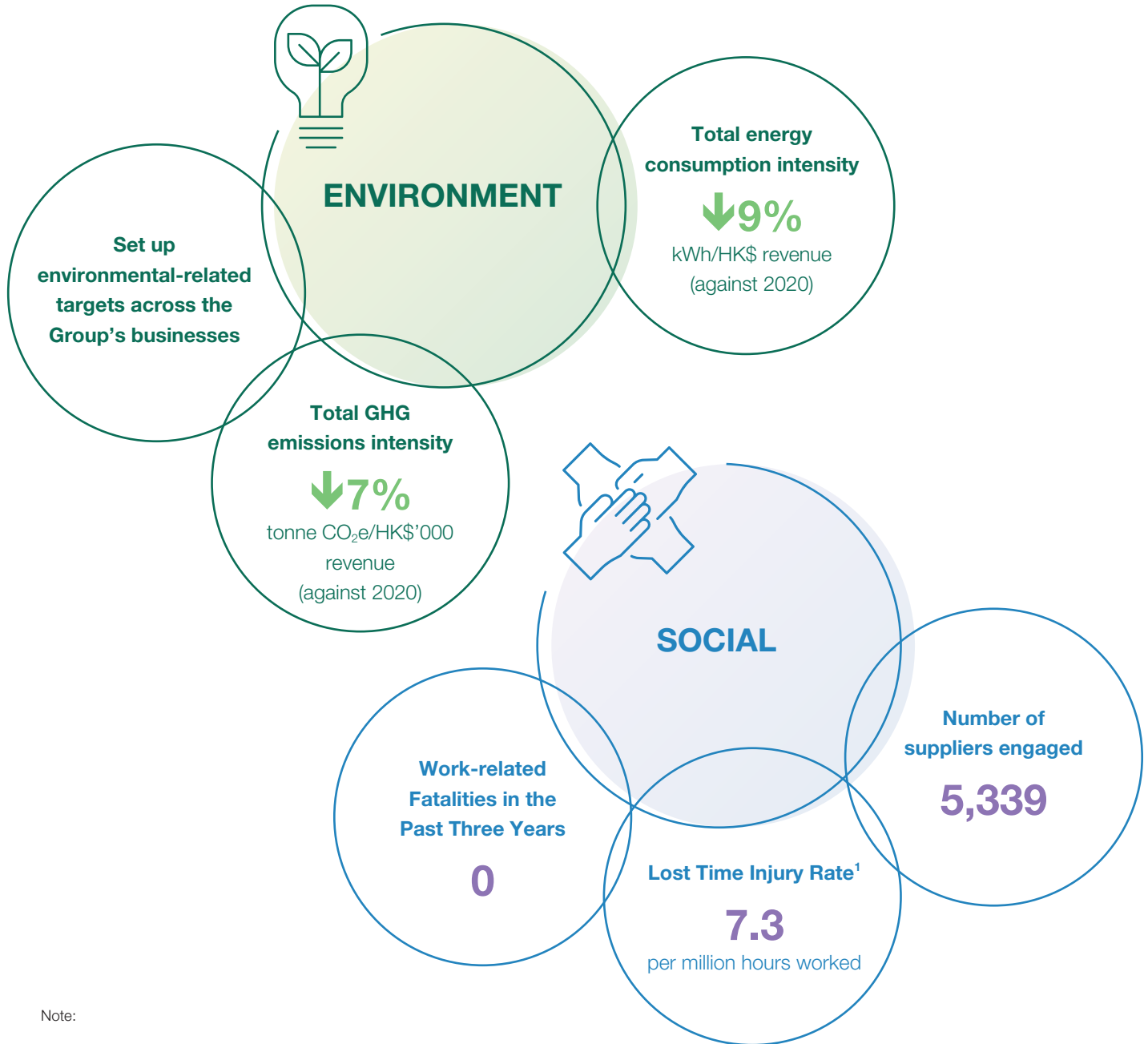
Victor T K Li

Chairman

15 March 2022

1.3. 2021 HIGHLIGHTS

During the year, we have stepped up our effort in sustainable development, supported by relevant, measurable framework and targets. Below is the summary of our 2021 sustainability highlights:



Note:

1. Number of lost-time injuries per million hours worked, calculated using the formula:
(Number of lost-time injuries)/(Total hours worked in the reporting period) x 1,000,000

1.4. ABOUT THIS REPORT

This Sustainability Report provides an overview of the Group's sustainability strategies, management approach, progress, and highlights during the year from 1 January 2021 to 31 December 2021, unless otherwise specified.

The information disclosed in this Sustainability Report covers major operations in nutraceutical and agriculture-related businesses located in the United States, Australia, and New Zealand. These businesses contributed to above 80% of the Group's revenue in the year ended on 31 December 2021.

This Report is prepared with reference to the Environmental, Social and Governance Reporting Guide ("ESG Guide") contained in Appendix 27 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The ESG Guide Content Index set out on pages 68 to 76 contains information about the extent to which the Group has applied the ESG Guide and cross-references the relevant sections in this Report.

This Report should be read in conjunction with the Group's 2021 Annual Report, which contains a comprehensive review of its financial performance and corporate governance, and also key policies published on the Group's website.

The content of this Report follows the ESG Guide reporting principles:

- **Balance** — This report discloses information in an objective manner, aiming to provide report reader with an unbiased picture of the Group's overall sustainability performance.
 - **Consistency** — Consistent methodologies are adopted when calculating the quantitative KPIs unless otherwise specified. Reasons would be provided for any restating of information published in the Report.
- This Report is available online unless specific requests are received for a hard copy with a view to reducing paper consumption to promote environmental protection.**
- **Materiality** — We focus on matters that impact business growth and are of importance to our stakeholders. For more information, please refer to "Materiality Assessment" on page 12.
 - **Quantitative** — Information regarding the standards, methodologies, assumptions and/or calculation references, and sources of key conversion factors used for these key performance indicators ("KPIs") is stated wherever appropriate.



SUSTAINABILITY AT CK LIFE SCIENCES

2.1. APPROACH TO SUSTAINABILITY

Our approach to sustainability involves operating our businesses in a responsible and sustainable way whilst remaining transparent and accountable to our stakeholders. This year, the Group's business units have set environmental targets as part of the sustainability journey of each business.



SUSTAINABILITY AT CK LIFE SCIENCES

2.1.1. SUSTAINABILITY PILLARS AND POLICIES

The Group's sustainability strategy and priorities are built on four pillars, namely The Business, The People, The Environment and The Community. Each pillar is supported by Group-wide policies, leadership at the Group level and collective efforts across its businesses. These four pillars guide the Group in setting the overall direction of its sustainability strategy to integrate sustainability across all operations of the Group. The Group has policies, procedures and guidelines in place to support management in addressing material sustainability issues across the Group, as described throughout this Report.

THE GROUP'S SUSTAINABILITY PILLARS





BUSINESS

- Enhance **long-term return** for its shareholders.
- Focus on **sustainable development** of its businesses and the communities in which it operates.
- Comply with all relevant and **applicable laws** and **regulations** within its operational frameworks.
- Conduct business with uncompromising **integrity**.
- **Safeguard** against unfair business practices.
- Achieve a **high standard of corporate governance** and emphasise a quality board, sound internal control, transparency and accountability to all stakeholders.



PEOPLE

- Uphold a high standard of **business ethics** and the **personal conduct** of its employees.
- Adhere to **non-discriminatory** employment practices and procedures.
- Provide a **positive work environment** that values the wide-ranging perspectives inherent in its diverse workforce.
- Foster **individual growth** and achievement of business goals and offer a wide range of training and development programmes and interest courses and activities.
- Maintain proper systems to ensure **internal equity and external competitiveness** of staff remuneration and recognition.
- Provide a **safe workplace** for all its employees.

◀ ◀ ◀ SUSTAINABILITY AT CK LIFE SCIENCES ▶ ▶ ▶



ENVIRONMENT

- Comply with or exceed the relevant laws and regulations to **control any greenhouse gas** (GHG) emissions, discharges into water and land, and waste generation.
- Set targets and review and assess the results regularly to ensure the efficiency of the **measures to control emissions**.
- Monitor and manage the **use of resources**, including energy, water and other raw materials.
- **Minimise the impact** of its business activities on the environment and natural resources.
- Develop and implement **environmentally-friendly** products and processes with potential commercial applications.
- Encourage and provide support for conservation and **environmental protection** programmes.



COMMUNITY

- Consult with **local communities** and undertake initiatives catering to the needs and benefits of the communities within which it operates, with a focus on employee volunteerism, education, medical, health and elderly care, arts and culture, sports and disaster relief.
- Implement internal guidelines and controls on **donations** and **contributions** to safeguard stakeholders' and shareholders' interests.
- Encourage employees to play a **positive** and active role in the community.

These principles are adopted across the Group and implemented by each business unit based on local social, economic and environmental needs. Compliance and implementation of these principles are continuously monitored through regular management reviews and reporting.

For more information on relevant policies and procedures in place, please refer to the Sustainability Policies and Corporate Governance Policies on the Group's corporate website.



Sustainability Policy

<https://www.ck-lifesciences.com/eng/content.php?page=Sustainability-Policies>



Corporate Governance Policy

<https://www.ck-lifesciences.com/eng/content.php?page=Governance>

2.1.2. STAKEHOLDER ENGAGEMENT

The Group engages key stakeholders in open and transparent communication to understand their views and concerns on certain issues. There are many different stakeholders involved in the diverse businesses of the Group, including employees, customers, business partners, suppliers, local communities, governmental authorities and non-governmental organisations. The Group regularly collects their views through various channels, such as meetings, interviews, workshops, surveys and feedback programmes.

The Group takes stakeholders' input into account to understand shifting market needs, which in turn helps to inform the Group's decision-making in relation to sustainability practices, initiatives and disclosures.

2.1.3. MATERIALITY ASSESSMENT

Understanding the internal and external factors that affect our businesses is key to ensuring our positive impact on society. Our materiality assessment identifies the sustainability issues that are perceived as being most important to our stakeholders and our businesses. The outcomes of this assessment inform our sustainability approach, strategy and reporting. It enables us to target the risks, opportunities, issues and impacts that matter most to our stakeholders that we have the ability to influence.



Our most recent materiality assessment was carried out in 2020 and the results continue to represent the main topics raised by stakeholders.

MATERIALITY ASSESSMENT PROCESS

1. Identification	<ul style="list-style-type: none"> Identified sustainability issues that are considered relevant and important to our business and its stakeholders based on a review of our sustainability-related practices and the previous year's process.
2. Prioritisation	<ul style="list-style-type: none"> Mapped the issues to local and international reporting frameworks such as the Sustainability Accounting Standards Board (SASB) industry-specific standards. Assessed the importance of issues based on the expectations of regulators, sustainability ratings and industry peers. Prioritised issues that have a significant impact on the Group's ability to create long-term and sustainable values.
3. Validation	<ul style="list-style-type: none"> Reviewed and approved the material issues by the Sustainability Committee.

The material sustainability issues identified were:

Material sustainability issues	Group-wide	Agriculture-related business	Nutraceutical business
Environment			
Energy consumption		✓	✓
Climate change		✓	
Waste management			✓
Water use		✓	✓
Social			
Human capital development		✓	✓
Occupational health & safety		✓	
Supply chain management		✓	✓
Product responsibility		✓	✓
Governance			
Corporate governance	✓		
Business ethics	✓		

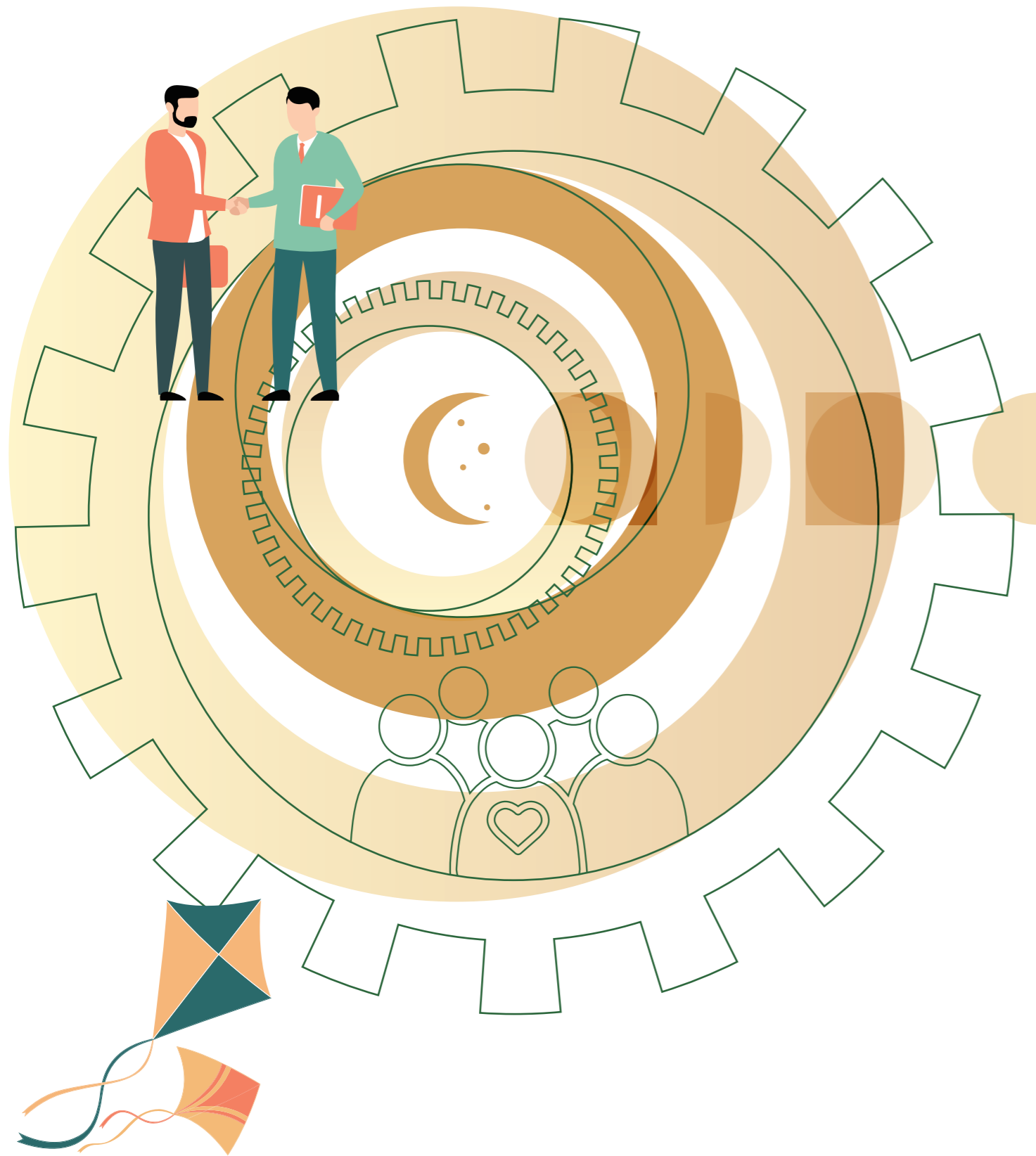
2.2. SUSTAINABILITY GOVERNANCE

The Group's sustainability governance structure provides a solid foundation for developing and delivering its commitment to sustainability, which is embedded at all levels of the Group, including the Board, the Sustainability Committee and the Sustainability Working Group comprising all key personnel having responsibility of respective businesses of the Group. It guides businesses to implement a sustainability strategy, manage goals and target setting and reporting processes, strengthen relations with internal and external stakeholders, and also ensure overall accountability.



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CORPORATE GOVERNANCE

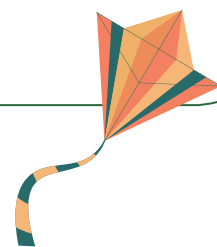
The Group is dedicated to upholding high standards of corporate governance best suited to the needs and interests of the Group. An effective corporate governance framework is fundamental to promoting and safeguarding interests of shareholders and other stakeholders and enhancing shareholder value.



CORPORATE GOVERNANCE



The corporate governance principles and practices adopted by the Group emphasise a quality Board, sound internal controls, transparency and accountability. It is committed to continuously improving these practices and fostering an ethical corporate culture.



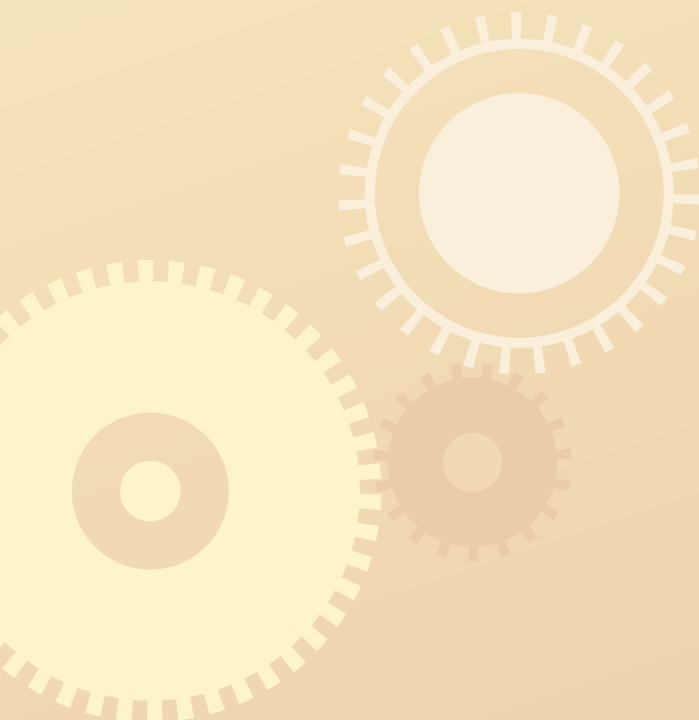
3.1. THE BOARD

The Board is responsible for directing and guiding the strategic objectives of the Company as well as overseeing and monitoring managerial performance.

3.1.1. ROLE OF THE BOARD

Directors are charged with the task of promoting the long-term success of the Company and making decisions in the best interests of the Company with due regard to sustainability considerations.

The Board is led by the Chairman, Mr. Victor T K Li, who determines the broad strategic direction of the Group in consultation with the Board and is responsible for the high-level oversight of management. Management is responsible for the day-to-day operations of the Group under the leadership of the Chief Executive Officer, with the support of the Executive Directors.



CORPORATE GOVERNANCE

The Board is supported by five Board Committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee, the Sustainability Committee and the Executive Committee, with specific terms of reference.

3.1.2. BOARD COMPOSITION

As at 31 December 2021 and up to the date of this Report, the Board comprised eleven Directors, including five Executive Directors, one Non-executive Director and five Independent Non-executive Directors. More than one-third of the Board is made up of Independent Non-executive Directors and at least one of them has appropriate professional qualifications, or accounting or related financial management expertise as required by the Listing Rules. All Directors (including Non-executive Directors) are subject to retirement by rotation once every three years and are subject to re-election in accordance with the Company's Articles of Association and the Corporate Governance Code.

Biographical details of the Directors and Key Personnel are set out in the Directors and Key Personnel on pages 28 to 35 of the Group's 2021 Annual Report. A list setting out the names of the Directors and their roles and functions is also posted on the websites of Hong Kong Exchanges and Clearing Limited and the Company.



List of Directors and their Roles and Functions
https://www.ck-lifesciences.com/uploaded_files/images/page/15/list_of_directors_and_their_roles_and_functions_20210309.pdf

Review of the Board composition is made regularly through Nomination Committee to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company.

3.1.3. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The positions of the Chairman and the Chief Executive Officer are currently held by separate individuals with a view to maintaining effective segregation of duties respecting management of the Board and the day-to-day management of the Group's business.

The Chairman is responsible for providing leadership to, and overseeing the functioning of, the Board to ensure that it acts in the best interests of the Group.

The Chief Executive Officer, assisted by the other Executive Directors, is responsible for strategic planning of different business functions and day-to-day management and operation of the Group.



2021 Annual General Meeting of the Group



3.1.4. BOARD EFFECTIVENESS

Each newly appointed Director received an induction package which has been compiled and reviewed by the Company's legal advisers, including information on the Group, duties and responsibilities as a director and board committee member under the Listing Rules and relevant regulatory requirements, as well as internal governance policies of the Group. Further information package comprising the latest developments in laws, rules and regulations relating to the duties and responsibilities of directors will be forwarded to each Director from time to time for his/her information and ready reference.

To ensure an appropriate balance of knowledge and experience that allows the Board to fulfil its duty, the Company arranges at the cost of the Company and provides Continuous Professional Development (CPD) training such as seminar sessions and relevant reading materials to Directors to help them keep abreast of current trends and issues facing the Group, including the latest changes in the commercial (including industry-specific and innovative changes), legal and regulatory environment in which the Group conducts its businesses and to refresh their knowledge and skills on the roles, functions and duties of a listed company director.

3.1.5. BOARD INDEPENDENCE

The Board, with the assistance of the Nomination Committee, evaluates the independence of Independent Non-executive Directors, whose independence is assessed with regard to the criteria under the Listing Rules. All the Independent Non-executive Directors of the Company have not been involved in the daily management of the Company nor in any relationship or circumstances which would materially interfere with their exercise of independent judgment.

Five out of eleven members of the Board are Independent Non-executive Directors. During the year under review, all Independent Non-executive Directors attend to the affairs of the Group through their participation at the annual general meeting, Board and Board Committee meetings and perusal of the Board papers. Three out of five committees established by the Board, namely the Audit Committee, the Nomination Committee and the Remuneration Committee are chaired by Independent Non-executive Directors. The Audit Committee comprises of Independent Non-executive Directors only, while the Nomination Committee and the Remuneration Committee comprise of a majority of members being Independent Non-executive Directors.



CORPORATE GOVERNANCE

The Company maintains the view that a Director's independence is a question of fact and this is formally recognised in the Board Diversity Policy. The Board is committed to assessing this on an ongoing basis with regard to all relevant factors concerned. Some of these factors include: the ability to continually provide constructive challenges for management and other Directors and to express one's own views independent of management or other fellow Directors and the gravitas inside and outside the boardroom context. These attributes and desired behaviour have been demonstrated by our Independent Non-executive Directors as circumstances require.

The Board is of the view that a director's independence should not be defined by his/her tenure on the Board. The Board assesses a director's independence on a case-by-case basis with reference to the director's business acumen, experience in related industries, professional qualification, international business exposure and the nature of the businesses of the Company in addition to tenure. A director who has over time gained in-depth insight into the Company's operations and its markets is well-positioned to offer his/her perspective and advice for discussion at the Board. Long serving directors can bring valuable contributions to the Company with their in-depth understanding of the operations of the Company, in particular the pharmaceutical businesses which involve a long product research and development (R&D) cycle before production, launch and distribution.

Notwithstanding that two out of five Independent Non-executive Directors have served the Board for more than nine years, they have continued to bring in fresh perspectives, skills and knowledge gained from their other directorships and appointments on an ongoing basis. Their wealth of skills, knowledge and experience have enabled them to contribute meaningfully and objectively to the Board as Independent Non-executive Directors. The Board considers that the long serving Independent Non-executive Directors' independence from management has not been diminished by their years of service.

In identifying suitable candidates for Independent Non-executive Directors, apart from independence which is one of the key factors, the Nomination Committee also takes into account the Board's composition as well as the various diverse aspects, including gender, as set out in the Board Diversity Policy. The Nomination Committee also reviews on a timely basis any changes in the Directors' professional engagements as well as other directorships or commitments to ensure compliance with the independence criteria and their commitment and devotion to the Board.

The Board currently comprises one female director, representing 9.09% of the Board. For the financial year commencing on 1 January 2022, the Board will consider numerical targets in relation to gender diversity on its Board as required under new Corporate Governance Code.

3.1.6. BOARD PROCESS

The Board meets regularly, and at least four times a year with meeting dates scheduled prior to the beginning of the year. Between scheduled meetings, monthly updates and other information with respect to the performance and business activities of the Group had been provided to Directors on a regular basis. Whenever warranted, additional Board meetings are held. Further, Directors have full access to information on the Group and independent professional advice at all times whenever deemed necessary and they are at liberty to propose appropriate matters for inclusion in Board agendas.

In 2021, the Company held four Board meetings with 100% attendance. All Directors attended the Annual General Meeting (“AGM”) of the Company held on 13 May 2021 and the Board meeting held on the same day.

Taking into consideration the various social distancing measures as strongly advised by the Hong Kong Special Administrative Region Government during the COVID-19 pandemic, the Company encouraged shareholders to

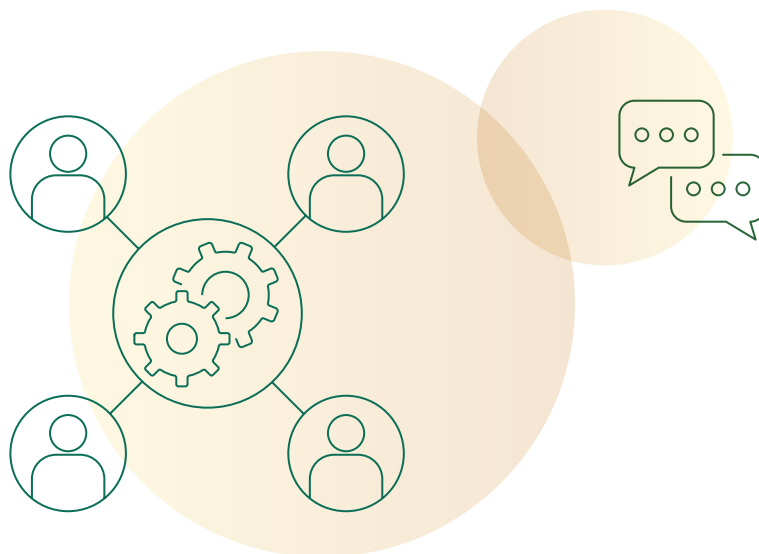
attend the AGM and vote by means of electronic facilities or exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy instead of attending the physical AGM. In addition, the following precautionary measures were implemented in the interest of the health and safety of the shareholders attending the physical AGM:

- Shareholders were able to submit questions online during the AGM and send questions by email before AGM;
- Attendees were required to wear surgical face masks throughout the AGM and compulsory temperature screening/check before entering into the venue;
- Attendees were required to complete a Health Declaration Form and assigned seats in partitioned meeting rooms at the AGM venue with video link up to ensure appropriate social distancing and facilitate contact tracing; and
- Attendees were required to scan the “LeaveHomeSafe” venue QR code or registering contact details in written forms.



CORPORATE GOVERNANCE

Directors	Board Meeting Attended/ Eligible to Attend	Attendance at 2021 AGM
Chairman		
Victor T K Li	4/4	1/1
Executive Directors		
KAM Hing Lam <i>(President)</i>	4/4	1/1
IP Tak Chuen, Edmond <i>(Senior Vice President and Chief Investment Officer)</i>	4/4	1/1
YU Ying Choi, Alan Abel <i>(Vice President and Chief Executive Officer)</i>	4/4	1/1
TOH Kean Meng, Melvin <i>(Vice President and Chief Scientific Officer)</i>	4/4	1/1
Non-executive Directors		
Peter Peace TULLOCH	4/4	1/1
Independent Non-executive Directors		
KWOK Eva Lee	4/4	1/1
Colin Stevens RUSSEL	4/4	1/1
KWAN Kai Cheong	4/4	1/1
Paul Joseph TIGHE	4/4	1/1
Donald Jeffrey ROBERTS	4/4	1/1



In addition to Board meetings, in 2021 the Chairman met with Independent Non-executive Directors twice without the presence of other Directors. The Independent Non-executive Directors are encouraged to provide their independent views to the Board.

3.1.7. BOARD COMMITTEES

The Board has established five Board Committees: the Audit Committee, the Remuneration Committee, the Nomination Committee, the Sustainability Committee and the Executive Committee. Each Committee is delegated with authority to deal with specific matters with a view to operating effectively, and giving appropriate attention and consideration to these matters.

The table below provides membership information of these Committees on which Board members serve:

Board Committee Directors	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability Committee*	Executive Committee*
Victor T K Li		M	M		C
KAM Hing Lam					M
IP Tak Chuen, Edmond				C	M
YU Ying Choi, Alan Abel					M
TOH Kean Meng, Melvin					M
Peter Peace TULLOCH					
KWOK Eva Lee		C			
Colin Stevens RUSSEL		M			
KWAN Kai Cheong	C				
Paul Joseph TIGHE	M		C	M	
Donald Jeffrey ROBERTS	M		M		

Notes:

* also comprises other key personnel

C Chairman/chairperson of the relevant Board committees

M Member of the relevant Board committees

CORPORATE GOVERNANCE



2021 Annual General Meeting of the Group

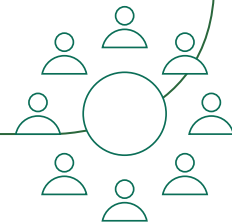
AUDIT COMMITTEE

The role of the Audit Committee is to assist the Board in fulfilling its audit duties through the review and supervision of the Company's financial reporting system, the effectiveness of risk management and internal control systems. It regularly reviews the scope, extent and effectiveness of the activities of the Group's internal audit function, the risk management framework and internal control systems, as well as develops and reviews the Company's policies and practices on corporate governance including compliance with statutory and Listing Rules requirements.

The Audit Committee, which comprises only Independent Non-executive Directors, is chaired by an Independent Non-executive Director and is comprised of two other Independent Non-executive Directors as members, at least one of whom possesses the relevant financial and

business management experience and skills to understand financial statements and monitor the corporate governance, risk management and internal control of the Company. At the Audit Committee's meeting held in March 2022, members of the Audit Committee had examined the Company's policies and practices on corporate governance and compliance with legal and regulatory requirements including: Corporate Governance Policies, Anti-Money Laundering Policy, Competition Compliance Policy, Model Code for Securities Transactions by Directors, Privacy Policy and Personal Information Collection Statement and Sanctions Compliance Policy.

For more information, please refer to the Terms of Reference of the Audit Committee and 2021 Corporate Governance Report of the Company.



REMUNERATION COMMITTEE

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and the management, and reviewing the remuneration packages of all Executive Directors and the management with reference to the corporate goals and objectives of the Board resolved from time to time.

The Remuneration Committee, with a majority of the members thereof being Independent Non-executive Directors, is chaired by an Independent Non-executive Director and is comprised of one Executive Director and one other Independent Non-executive Director as members. The composition of the Remuneration Committee meets the requirements of chairmanship and independence under the Listing Rules.

For more information, please refer to the Terms of Reference of the Remuneration Committee and 2021 Corporate Governance Report of the Company.

NOMINATION COMMITTEE

The Nomination Committee is responsible for reviewing the structure, size, diversity profile and skills matrix of the Board and independence of Independent Non-executive Directors and making recommendation on the appointment or re-appointment of Directors and succession planning for Directors.

The Nomination Committee, which comprises a majority of Independent Non-executive Directors, is chaired by an Independent Non-executive Director and includes one Executive Director and one other Independent Non-executive Director as members.

The nomination process is conducted in accordance with the Director Nomination Policy and Board Diversity Policy, which are available on the website of the Company.

For more information, please refer to the Terms of Reference of the Nomination Committee and 2021 Corporate Governance Report of the Company.

SUSTAINABILITY COMMITTEE

The Sustainability Committee, which is chaired by an Executive Director, with one Independent Non-executive Director and the Company Secretary as members, was set up by the Board to oversee management and advise the Board on the development and implementation of the sustainability initiatives of the Group, including reviewing the related ESG policies and practices, and assessing and making recommendations on matters concerning the Group's sustainable development and ESG risks.

For more information, please refer to "Sustainability Governance" on page 14 and the Terms of Reference of the Sustainability Committee of the Company.

EXECUTIVE COMMITTEE

The Executive Committee is responsible for overseeing the operation of the Group. It discusses and makes decisions on matters relating to the management of operations and of the Company, strategy formulation, and assesses and makes recommendations to the Board on acquisitions of or investments in businesses or projects.

The Executive Committee is chaired by the Chairman of the Board, with all the Executive Directors as the members. The Executive Committee may invite other persons to attend all or part of any meetings as considered appropriate. The Executive Committee shall meet as and when it is necessary.

For more information, please refer to the Terms of Reference of the Executive Committee and 2021 Corporate Governance Report of the Company.

3.2. BUSINESS ETHICS

3.2.1. WHY IT MATTERS

Business ethics support a consistent moral attitude and ethical conduct across the Group. There are an increasing number of government guidelines, regulations, policies or measures related to business ethics. Simultaneously, there are growing expectations from investors and the public for businesses to operate ethically and take on responsibility for social and environmental issues. These factors drive the Group to promote and cultivate an ethical business mindset at all levels.

Maintaining high standards of integrity helps the Group gain the trust of its stakeholders, engage talents, and select suppliers and business partners with similar values.

3.2.2. OUR COMMITMENT

The Group values an ethical approach to business activities to create a safe, trusting and cooperative work environment. The Employee Code of Conduct underpins the Group's commitment and serves as a guideline to promote honest and moral conduct and compliance with applicable laws, rules and regulations within the Group. All employees, including directors and officers, whether full-time or part-time, contract or temporary staff, must become familiar and fully comply with this Code. The Group expects and encourages prompt internal reporting of any violation or suspected violation of the Code.

Several other Group policies also support the commitment to promoting business ethics in the Group, including:

Corporate Policy and Guideline	Expectations and Requirements	Applicable to
Anti-Fraud and Anti-Bribery Policy	<ul style="list-style-type: none"> Prohibits of Improper Payments, Kickbacks and Other Forms of Bribery 	All employees
Information Security Policy	<ul style="list-style-type: none"> Defines the Group's information confidentiality, integrity and availability 	All employees
Media, Public Engagement and Donation Policy	<ul style="list-style-type: none"> Provides clear, consistent and congruent messages for our businesses through the media in a speedy, professional and well-coordinated manner; Establishes a framework for handling incoming requests for corporate donation and sponsorship activities 	All employees
Policy on Appointment of Third Party Representatives	<ul style="list-style-type: none"> Provides guidelines on exercising proper controls in hiring Third Party Representatives 	All employees
Policy on Handling of Confidential Information, Information Disclosure, Securities Dealing	<ul style="list-style-type: none"> Provides guidelines on the handling of confidential information, information disclosure and securities and dealing 	All employees
Whistleblowing Policy – Procedures for Reporting Possible Improprieties	<ul style="list-style-type: none"> Provides reporting channels and guidance on reporting possible improprieties in matters relating to the Group, and reassurance to the reporting person or entity of the protection that the Group will extend to them 	All employees as well as independent third parties who deal with the Group
Supplier Code of Conduct	<ul style="list-style-type: none"> Provides guidelines to encourage compliance with items in the Code and bring broader improvements in sustainability practices and performance 	All suppliers



Group-level anti-bribery and anti-corruption control assessments are conducted biannually to assess the effectiveness of controls for managing bribery risks and develop actions to strengthen the control environment.

3.2.3. HOW WE WORK

All business units of the Group have adopted the Employee Code of Conduct, which covers all principles of business conduct and ethics, reporting of illegal or unethical behaviour, and possible disciplinary action for any non-compliances.

The Group adopts an approach of zero tolerance towards any form of bribery, corruption and fraud. A monitoring and management control system is in place to detect bribery, fraud or other malpractices. A whistle-blowing mechanism is also in place to allow employees and other third parties to report suspected misconduct, irregularities and malpractices anonymously in confidence. All reported cases will be followed up promptly; confirmed cases will be reported to the Audit Committee and executive management.

The Group works to ensure employees are aware and trained on applying the Code in their work. During the year, the Group provided a seminar relating to the business ethics including anti-money laundering to all the Directors, to help them keep abreast of current trends and issues facing the Group.

Each of our businesses also provides sufficient training for its employees. For Accensi, all new employees are assigned mandatory 'Code of Conduct and Ethics' training when they join the company. Also, all the employees are required to complete the refresher training every two years to ensure their competency levels remain up to date. Dominion organised a virtual course for General Managers and Senior Leadership Team to raise awareness and understanding regarding money laundering. In addition, Vitaquest offered a virtual course to the Vice President of Finance to provide insight on the application of ethical standards and ethical values in the workplace.

3.3. REGULATORY COMPLIANCE

As explained in previous sections, the Group recognises the significance of regulatory compliance and has established respective detection, preventive measures and monitoring actions to ensure compliance with relevant laws and regulations relating to the bribery, extortion, fraud and money laundering. The Group is not aware of (i) any breach of laws and regulations relating to bribery, extortion, fraud and money laundering that have a significant impact on the Group; or (ii) concluded legal cases regarding corrupt practices brought against the Group or its employees during the reporting period.

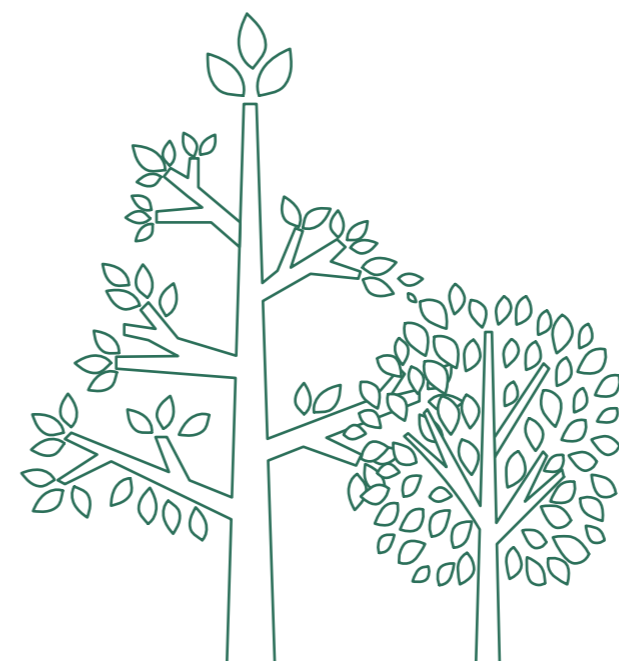




ENVIRONMENT

4

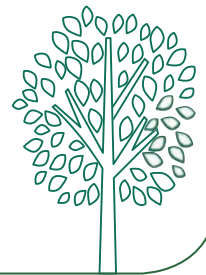
The Group is committed to protecting the environment and supporting sustainable development by managing its environmental footprint across its network of operating markets.



ENVIRONMENT



This year, the business units have established targets for energy consumption, waste reduction, and water usage to set out the necessary changes to deliver on these commitments. These targets contribute to reducing the Group's carbon footprint and environmental impact from operations.



4.1. ENERGY CONSUMPTION AND GREENHOUSE GAS EMISSION

4.1.1. WHY IT MATTERS

The Group places particular focus on controlling energy consumption and greenhouse gas ("GHG") emissions in mitigating environmental impact. Changes in emissions regulations and consumer expectations may pose risks to the business units, and effective energy management is key to managing the associated costs.



ENVIRONMENT

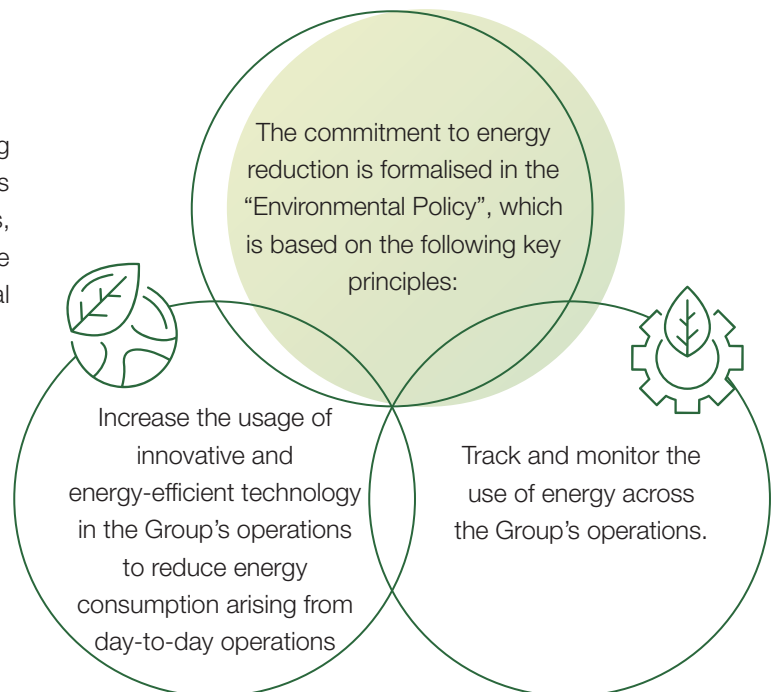


Lipa made good progress in its sustainability initiatives and won the 2021 Complementary Medicines Australia Sustainability Award.

Developing more effective and efficient operational processes through new technologies can bring a multitude of benefits to the Group. For instance, innovative technologies that use alternative fuels or improve fuel efficiency can reduce exposure to risks of volatile fuel prices and supply disruptions, as well as other potential consequences of GHG emissions including future regulatory costs.

4.1.2. OUR COMMITMENT

The Group is committed to driving an energy-saving culture and enhancing process efficiency across its operations to manage its environmental impact. Suppliers, business partners, and where applicable, customers are encouraged to further their efforts at environmental stewardship.



Lipa — Heat reflective paint (SkyCool) application at its warehouse.



Solar panels installed at Vitaquest's headquarters.

The Group is undertaking a range of measures to reduce energy consumption and improve energy efficiency in all business activities. Equipment is converted, retrofitted and replaced where appropriate to lower fuel consumption and GHG emissions.

4.1.3. HOW WE WORK

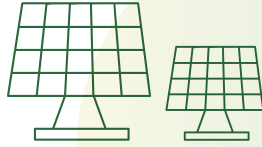
The Environmental Policy sets out the Group's commitment to enhance environmental performance by implementing an Environmental Management System ("EMS") that outlines efficient use of resources, reduction of waste and reducing the environmental impact from its operations. Accensi and Cheetham have an ISO14001:2015-certified EMS in place. Lipa has formed an Environmental Management Team to set, track and monitor environmental performance indicators including but not limited to water quality, energy, waste and emissions.

The Group's businesses have all respectively embarked on energy efficiency projects.

Since 2021, Lipa has applied heat reflective paint (SkyCool) to reduce the energy consumption of the air conditioning system in our warehouse. In addition, for its efforts working towards sustainability, Lipa has won the CMA Sustainability Award in 2021. This award recognises our commitment to sustainability and demonstrates our performance among the industry.

Vitaquest installed motion detector switches throughout the facilities to save electricity since 2019. In addition, there are 1,820 solar panels installed at Vitaquest's headquarters. As of September 2021, 282,610 kWh of energy has been generated by the panel systems.

ENVIRONMENT



Accensi's manufacturing facility in Lara, Australia.

In 2021, Accensi replaced the lighting in their Lara factory with more energy-efficient lighting. This saves 68,890 kWh per year compared to the previous usage of 144,518 kWh per year, effectively a 48% reduction in energy consumption for this site.

Overall, the emission levels in all business units are well below licence limits.

During the year, the Group's operations generated 50,073 tonnes of carbon dioxide equivalent ("CO₂e"). Direct emissions (Scope 1) is the source of more than 66% of the total GHG emissions.

For energy consumption, natural gas is the most consumed energy, accounting for 46% of the total energy consumption, followed by electricity (21%) and other fuel (19%).

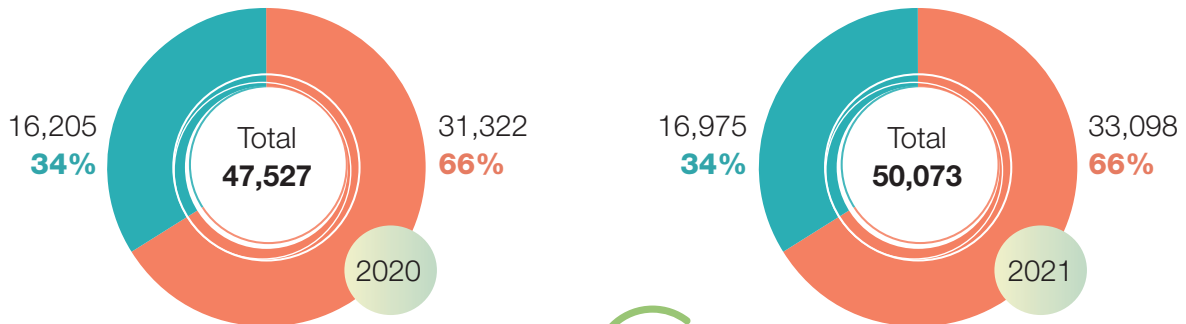
The total GHG emissions and overall energy consumption in 2021 rose by 5% and 3%, respectively as compared to 2020. This was due to a lower than normal business activity during the lockdown period in 2020.

Although the absolute emission increased in 2021 as compared to the low base from the previous year, the total GHG emissions intensity and total energy consumption intensity in terms of revenue decreased by 7% and 9%, respectively.

ENVIRONMENT

GHG scope 1 and 2 emissions (tonne CO₂e)

- Scope 1 – Direct emissions from operations that are owned or controlled by the Group.
- Scope 2 – “Energy indirect” emissions resulting from the generation of purchased or acquired electricity, heating, cooling and steam consumed within the Group.



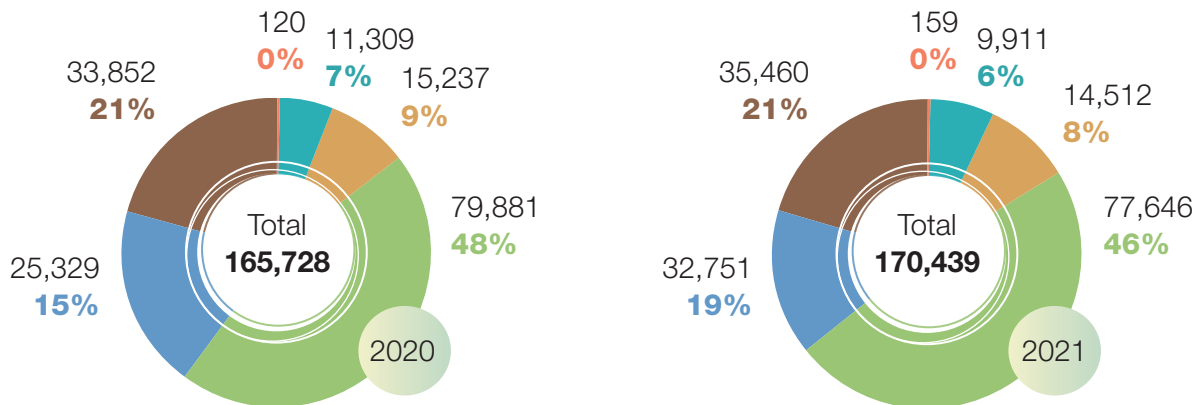
Total GHG emissions intensity



tonne CO₂e/HK\$'000 revenue
(against 2020)

Energy consumption by type ('000 kWh)

- Gasoline/Petrol
- Diesel
- LPG
- Natural gas
- Other fuel
- Electricity



Total energy consumption intensity



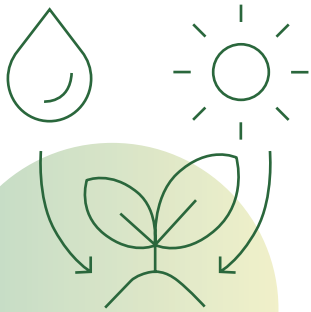
kWh/HK\$ revenue
(against 2020)

ENVIRONMENT



LOOKING FORWARD

Our environmental targets focus on commissioning audits to identify opportunities in reducing energy consumption and related carbon emission. We will continue to advance our progress towards sustainability and collaborates with our suppliers, customers, and communities to innovate to decarbonise the industry and improve our environmental footprint.



4.2. CLIMATE CHANGE

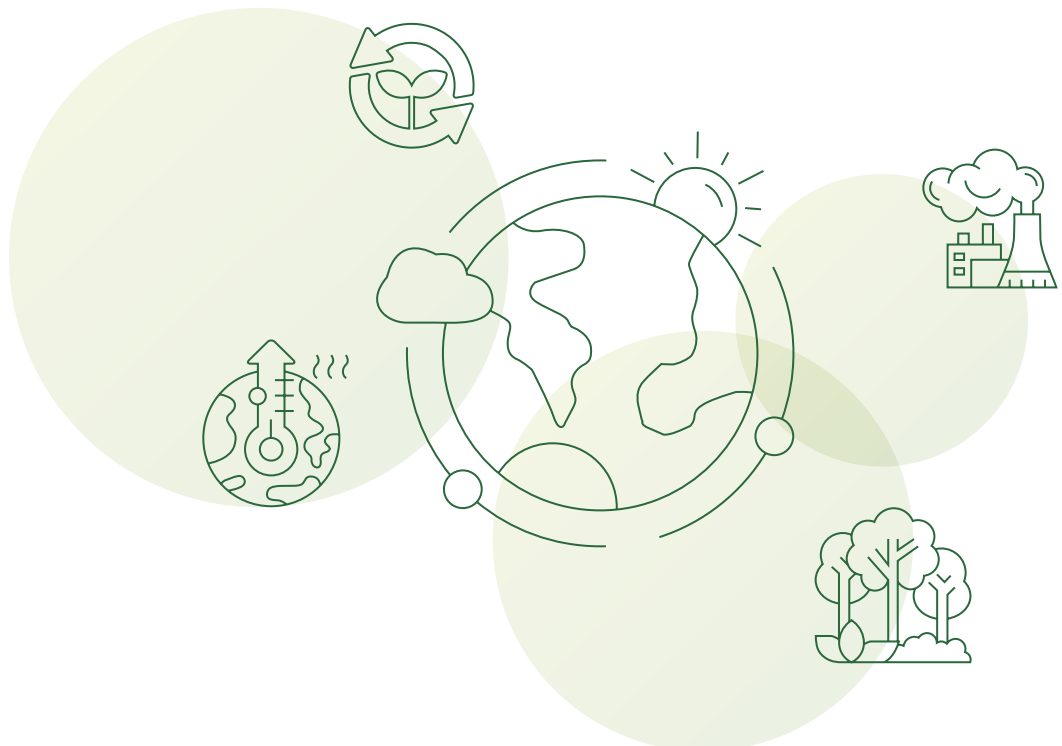
4.2.1. WHY IT MATTERS

Climate change can affect the demand, availability, quality and pricing of many of the Group's products due to its potential impacts such as heat waves, drought, storm floods, changes to rainfall patterns, water availability in water-stress areas and land degradation. It can in turn affect the Group's business operations and performance, particularly in the agriculture-related sector. Some of the Group's assets and facilities are in areas at risk of damage from natural disasters, which could disrupt its operation and adversely affect the Group's financial conditions and growth.

Nevertheless, climate change also offers business opportunities in spurring innovation, inspiring new products that are more tolerant to environmental stress or less carbon-intensive. In addressing the related risks, the Group could also work to enhance the resilience of its supply chains.

4.2.2. OUR COMMITMENT

The Group is committed to mitigating its impact on climate change and adapting to it by identifying and addressing the associated challenges and opportunities. Ongoing assessment of the potential risks arising from climate change is necessary in order to ensure proper and timely strategies and actions are taken to address the causes and effects of climate change on the Group's operations.



ENVIRONMENT

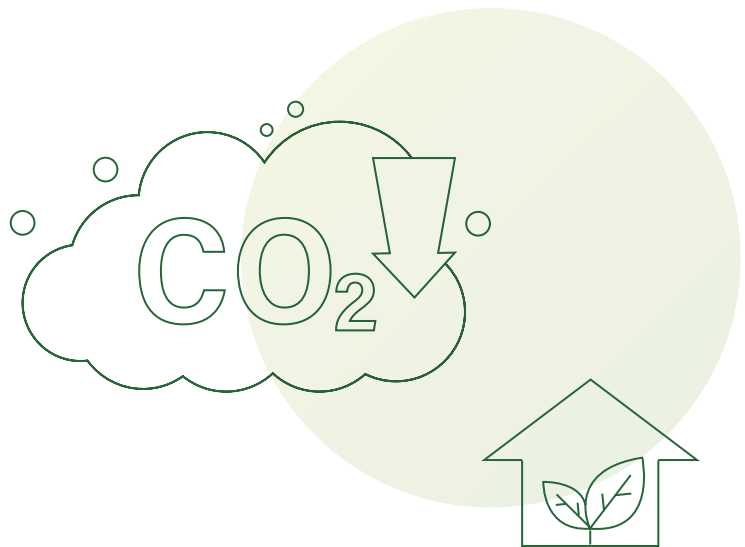
In the Environmental Policy, the Group has outlined its position and principles on managing the impact arising from climate change. Several key points are summarised as follows:

- address climate change risks as part of the Group's risk management process;
- set up long-term targets to reduce carbon emissions as appropriate, while enacting processes and systems to monitor the Group's carbon footprint;
- incorporate climate change considerations into its business strategies;
- establish appropriate procedures and processes to prevent or minimise the damage that climate change may cause and make use of the opportunities that may arise; and
- reduce, where feasible, the production of greenhouse gases, ozone-depleting emissions and other air pollutants within the Group's operations.

4.2.3. HOW WE WORK

We are exposed to both the physical and transition risks of climate change. Climatic changes affect the demand, availability, quality and pricing of many of our products as well as those of our customers, especially in the agriculture-related sector, affecting business performance. Furthermore, ongoing climate change may trigger off serious natural events such as drought and bushfires that may destroy or damage the Group's assets.

Understanding the location, nature and scale of these potential risks is crucial for effectively mitigating their impact. Climate change is assessed as part of our enterprise risk management framework. Risk registers are maintained to ensure key risks and material emerging risks are identified and monitored by the corporate and business unit levels respectively on an on-going basis.



4.3. WASTE MANAGEMENT

4.3.1. WHY IT MATTERS

Waste management is an issue that affects all sectors of society and is associated with other challenges such as health, climate change, and resource security. More regulations in waste management are expected to be introduced, which will have a direct impact on business operating environments. For instance, in Australia where some of the Group's major businesses operate, waste is a growing problem due to population and economic growth, with an impact on public health and concerns about environmental damage.

Improving waste management may create opportunities for the Group to innovate and increase resource productivity, as well as potentially reduce operating costs.

4.3.2. OUR COMMITMENT

The Group's Environmental Policy guides the business units to adopt effective waste management in operations,

including the segregation, storage and handling of both hazardous and non-hazardous waste, and implementing measures to manage the use of resources. Environmentally friendly materials, products and processes with potential commercial applications are to be actively adopted, developed, and implemented where possible.

Our waste management plan is developed based on the following key principles:

- streamline procedures and processes to increase efficiency and reduce consumption of day-to-day operational inputs such as paper, electronic equipment and the like;
- minimise the Group's waste footprint by recycling and reusing materials where possible and setting waste reduction and/or recycling targets where viable; and
- decrease the operational use of existing products while also sourcing from recycled or sustainable forest sources.



ENVIRONMENT



Lipa — A new recycling stream for gelatin to be recycled into paints and glues.



Lipa — Unbroken pallets are recycled back into circulation for reuse in their transportation cycle.

4.3.3. HOW WE WORK

We view waste not only in its end state but evaluate the processes and stages at which it is produced. We promote waste hierarchy, focusing on waste prevention and reduction, then prioritising the reuse, recycling, repurposing and safe disposal of the waste materials produced in the following ways:

KEEP PRODUCTS AND MATERIALS IN USE

To reduce wood consumption across the Group, the business units have systems in place to keep wood pallets in circulation and divert waste away from landfills. At Dominion, wooden pallets used extensively on-site are reused and repaired, and only sent to recyclers for compost when they are beyond economical repair.

Vitaquest established pallet reuse and return programme with vendors of raw materials to allow for the return and reuse of truckloads of pallets to vendors.

To reduce demand for new timber pallets and resources at Lipa, broken pallets are collected and repaired, then resold at a lower price. Unbroken pallets are distributed to third-party logistics companies to be reused in their transportation cycle. Lipa has also introduced a new recycling stream for gelatin which is recycled into paints and glues. This diverts almost 60 tonnes of waste away from landfills per annum.

REDUCING PLASTICS FROM PACKAGING

The reduction of plastics in packaging minimises the environmental impact of the Group while also meeting growing expectations from customers to offer environmentally friendly products.

For instance, Vitaquest has been moving away from plastic and using paper for packaging as much as possible.

PRIORITISING SUSTAINABLE RAW MATERIALS

The procurement of sustainable raw materials helps reduce harmful waste produced along the supply chain.

Vitaquest uses paperboard cartons and corrugated shippers supplied by certified fibre sourcing programmes. These materials significantly cut down on pollution and are certified by standards such as the Sustainable Forestry Initiative (SFI), Forest Stewardship Council (FSC), or American Tree Farm System (ATFS). Lipa has set aside a procurement budget for the sourcing of recycled office paper to achieve its target of having 100% of office copy paper to be from recycled sources by 2022.

SAFE DISPOSAL OF PROCESS WASTE

Waste produced in production processes must be handled safely to manage the environmental impact on businesses. At Dominion, chemical residue from Vacuum Salt generation is amalgamated, dried, and shipped to a composting manufacturer to ensure safe disposal and reduce landfill use.



LOOKING FORWARD

Lipa's waste management targets include using office paper from recycled sources, transitioning from paper-based records into electronic ones to reduce paper usage, and reducing paper usage in manufacturing processes. For Vitaquest, we will hold the recyclable and non-recyclable waste flat despite growth. For Accensi, we will revisit our production workflow and identify opportunities to reduce the hazardous waste from the operation. We will continue to enhance our processes to identify and introduce waste management initiatives to shape a world with less waste.



4.4. WATER USE

4.4.1. WHY IT MATTERS

Water is a critical resource for processing activities, hence the availability of water can directly affect the Group's productivity. With increasing exposure to risks related to water scarcity that may be further intensified by climate change, these risks must be addressed through effective water management and informed capital investments based on the continuous assessment of operational risks.

4.4.2. OUR COMMITMENT

The Group's "Corporate Social Responsibility Policy" stipulates the aim to comply with or exceed the relevant laws and regulations' requirements on the discharges into water and land and undertakes measures to monitor and manage the water usage.

The Group encourages reusing and recycling of materials in day-to-day operations and the adoption of technologies to enable better water use control. At the same time, behavioural change is promoted amongst employees through internal communication, training and other means to cultivate greater internal awareness of environmental issues including water.

4.4.3. HOW WE WORK

The Group's businesses have implemented initiatives across our operations to reduce our impact on the environment and to improve water efficiency.

At Cheetham, an initiative to reuse bitterns in all production sites is part of the effort to reduce water usage. By increasing salinity through the reuse of bitterns, a higher level of harvest can be achieved without using additional water.



Cheetham's bulker station at the manufacturing facility in Price, Australia.



Cheetham's harvester in Price, Australia.

ENVIRONMENT

Vitaquest’s headquarters have the infrastructure in place that support water efficiency. This includes low-flow flushometers and sinks in Vitaquest’s facilities that reduce water usage in the plumbing system. Since 2019, Vitaquest has installed in-line filter water systems which also helped to minimize the consumption of plastic water jugs, plastic water bottles, as well as Styrofoam coffee cups. Accensi aims to use rainwater as much as possible instead of town water, with 1,119 tonnes of recycled rainwater used.

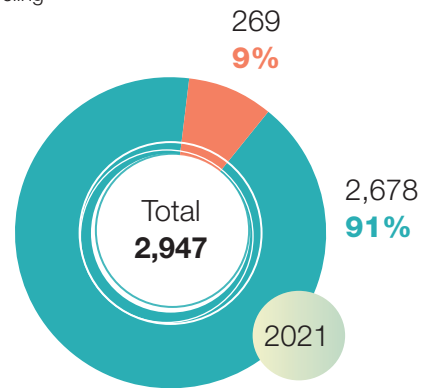
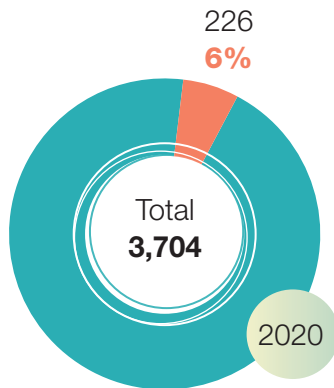


The production line in Vitaquest’s facility.



Water Consumption ('000 m³)

- Purchased water
- Seawater usage and recycling



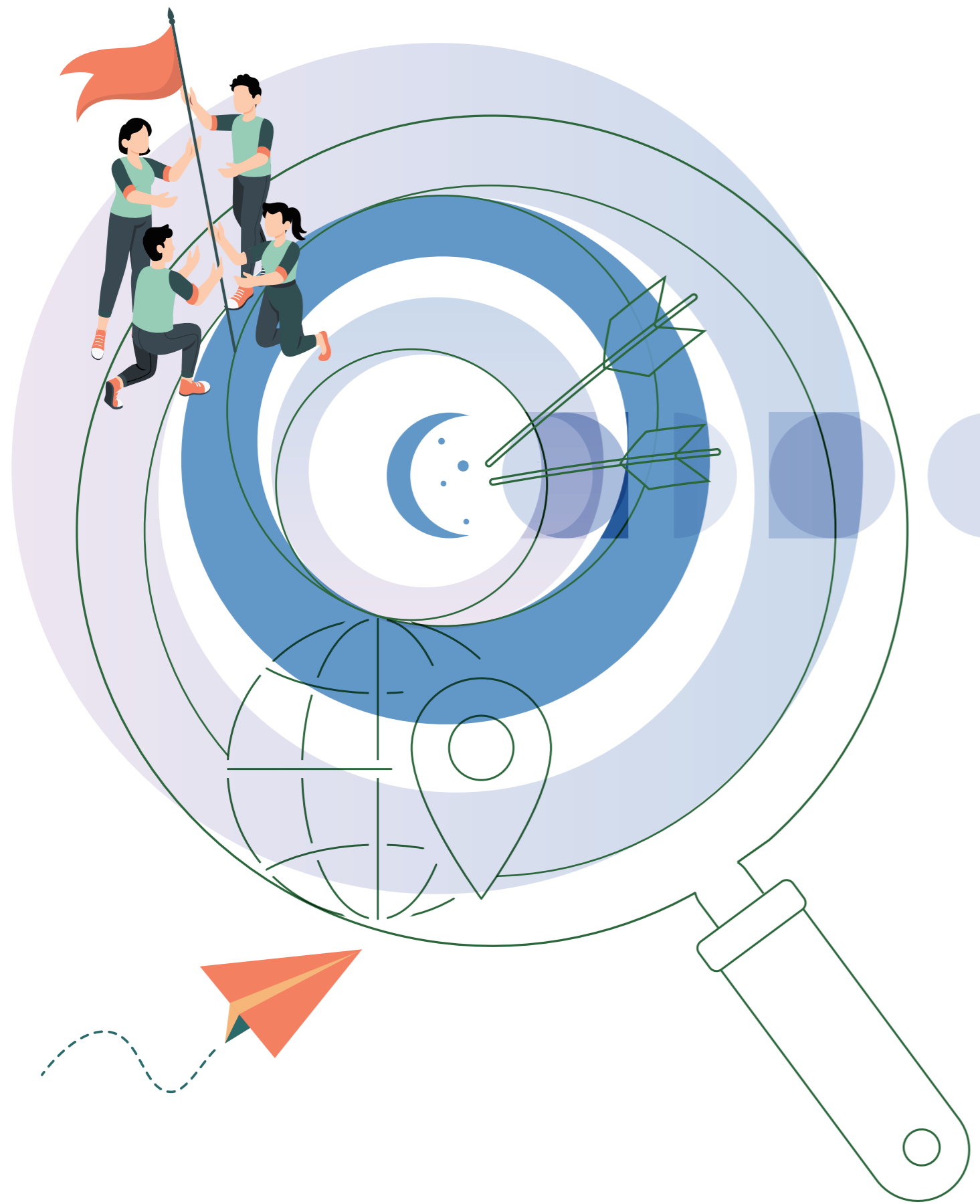


In water usage, Vitaquest's target is to hold water usage intensity flat despite business growth, while Lipa will conduct a water mass balance to understand usage, reduce loss and improve conservation. In addition, Accensi is also reviewing their operations to devise action plan aiming to reduce our water intensity. We will continue to lead in sustainability by pursuing our environmental goals and helping our operations achieve water reduction and relevant objectives.

4.5. REGULATORY COMPLIANCE

To ensure regulatory compliance in operations across the Group, there are established policies and accountability mechanisms in place. The Group's management is committed to staying abreast of the latest regulatory developments and providing relevant training for relevant personnel. We also dedicate extensive efforts to ensure there are monitoring and detection measures to enable regulatory compliance. During the reporting period, we were not aware of any material noncompliance with laws and regulations relating to air and GHG emissions, discharge into water and land, and generation of hazardous and non-hazardous wastes that would have a significant impact on the Group.





A decorative graphic consisting of several overlapping circles in shades of blue and white. A red paper airplane is flying from the top right towards the center, leaving a dashed green trail. The overall style is clean and modern.

SOCIAL

The Group is dedicated to providing a safe and rewarding workplace for employees and aspires to be a preferred employer.



SOCIAL



To establish a thriving business that also generates a positive impact on society, we strive to be an organisation that embodies integrity, responsibility, respect, and empowerment. We take care to act as a responsible employer, business partner and community member that achieves the best for ourselves and others.



5.1. HUMAN CAPITAL DEVELOPMENT

5.1.1. WHY IT MATTERS

The development of the Group's businesses relies on employees with specialised skills to develop new products, conduct trials, manage government regulations, and commercialise new products. With the complex business landscape and rapid technological change, attracting and retaining employees in light of a constrained talent pool is critical for the Group's competitiveness and long-term growth.



Accensi's manufacturing facility in Lara, Australia.



Vitaquest's new manufacturing facility in New Jersey, USA.

5.1.2. OUR COMMITMENT

The Group retains and nurtures its talent by providing competitive remuneration, equal opportunities for development and a supportive workplace. As stated in the Corporate Social Responsibility Policy, the Group strictly adheres to non-discriminatory employment practices and procedures and is committed to:

- Providing a positive work environment that values the wide-ranging perspectives inherent in its diverse workforce and fostering individual growth and achievement of business goals;
- Providing a positive work environment where people can grow and offer a wide range of training and development programmes and interest courses and activities;
- Ensuring internal equity and external competitiveness of staff remuneration and recognition; and
- Providing a safe workplace for all its employees.

5.1.3. HOW WE WORK

5.1.3.1. ATTRACTION AND RETENTION OF DIVERSE TALENT

Merit-based remuneration mechanisms are implemented across the Group's businesses. To maintain the competitiveness of our remuneration packages, they are adjusted as appropriate based on internal evaluation of roles, as well as periodic benchmarking with market levels if practicable.

In 2021, Vitaquest raised the minimum wage for manufacturing workers. A larger focus was placed on rewarding employees for their hard work and dedication to the Group to improve the overall culture of the Company.

Cheetham conducted an employee alignment and engagement survey which formed the basis for management to work on enhancing employee engagement and thereby improving their performance. Likewise, all roles are evaluated for consistency and gender equality across the Company. This evaluation involved a benchmarking exercise using market data to ensure best practices and processes are implemented at Cheetham.

Most of our employees are entitled to various benefits including medical care, life insurance and retirement benefits to support their living.

Cheetham supports its employees by offering both full-time and part-time workers access to salary continuance insurance. This provides income stability for any employees who become unable to work due to illness or injury.

Vitaquest provides all employees with life insurance, with additional coverage for both short-term and long-term disabilities. Employees are also given the added benefit of replacing income in the event of major life changes. Also, all its employees are entitled to receive a 3% contribution of their annual compensation for their retirement. This supports employees' financial planning by enabling them to save for retirement, providing equitable benefits across the Company.

Employees of our Group's businesses are provided with opportunities to progress through challenging work and rewards for their efforts.

Accensi, Vitaquest and Lipa internally advertise opening positions before external job advertisements to encourage internal transfers and promotion opportunities for employees. Vitaquest has established PROUD Champion Awards to give company-wide recognition to employees for their outstanding work. Managers elect those who routinely and regularly deliver work and demonstrate passion for what they do. These awards recognise employee efforts, prompting motivation and a positive work atmosphere.

To promote a healthy lifestyle across the Group, employees are provided with competitive leave entitlements.

Dominion provides employees with special leave for study, family or other personal reasons granted on occasion. Vitaquest employees are also entitled to two personal paid leave days per year. The Group strives to encourage employees to have both personal and professional commitments and a good work-life balance.

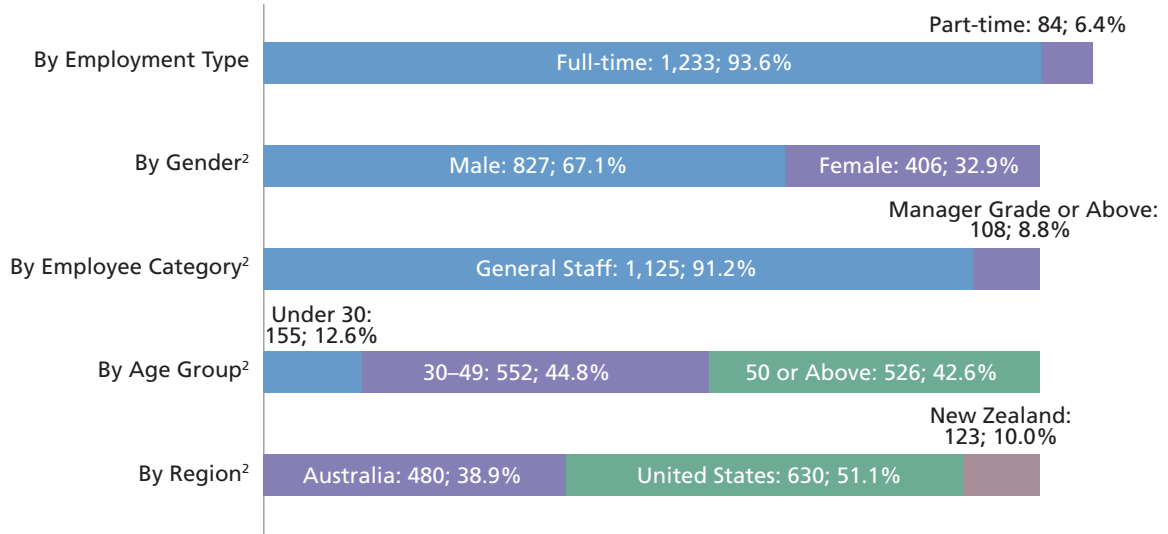
2021 PROUD AWARD CHAMPIONS



Vitaquest has established PROUD Champion Awards to recognize outstanding performers.



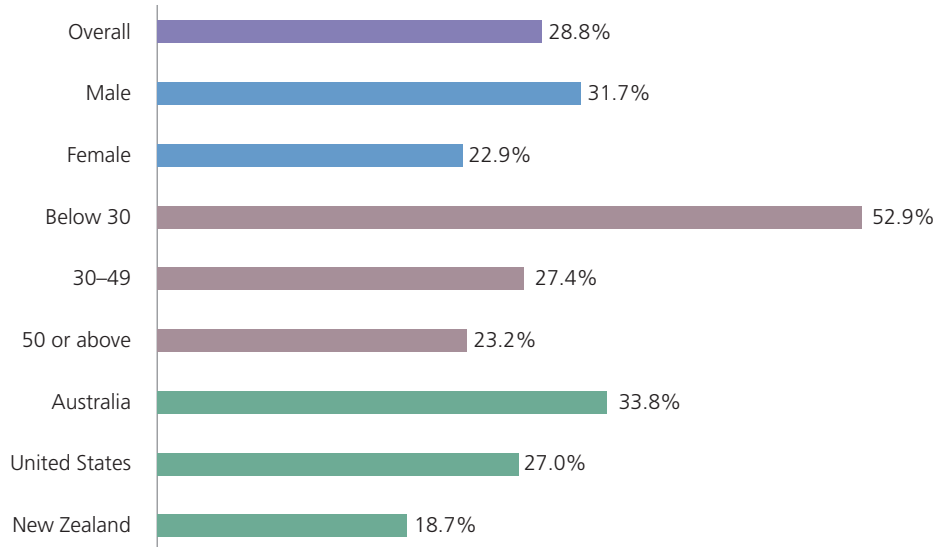
Employee Profile¹



Notes:

- (1) In-scope entities only.
- (2) Full-time employees only.

Employee Turnover¹



Note:

- (1) The turnover rate refers to full-time employees of the in-scope entities only, which is calculated by the number of employee departures during the year, divided by the total number of employees as of 31 December 2021.

5.1.3.2. TRAINING AND DEVELOPMENT

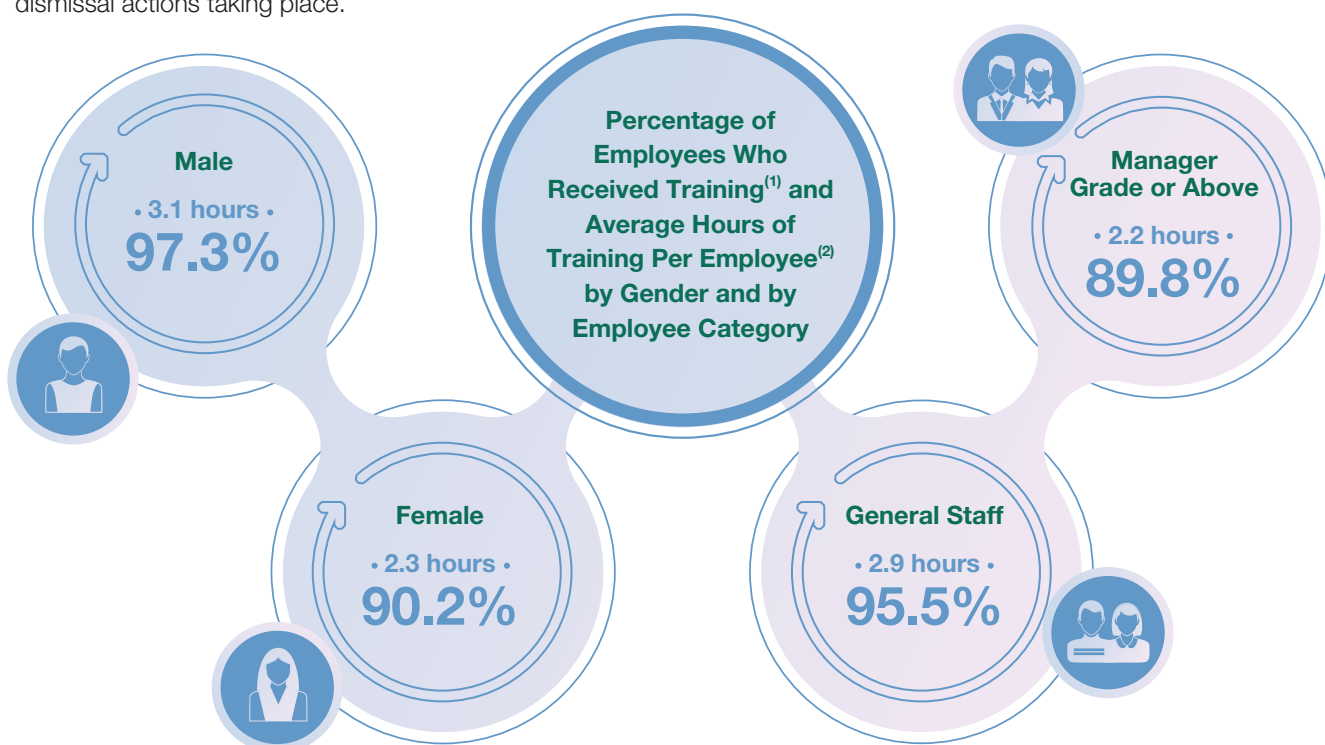
The Group’s human capital management strategy places the training and development of employees at its core. Employees are equipped with the knowledge and skills to discharge their work duties with the support of training programmes that are tailored to suit business needs. The Group’s businesses conduct regular training such as seminars and workshops, with additional special training organised on an as-needed basis.

Lipa has a Skills Gap Analysis System in place to ensure training and hiring programmes can effectively support current and future business development. This facilitates training officers in identifying employee skills gaps, for instance, due to changes in standard operating procedures or operations management, informing plans for future training sessions to equip employees with the necessary skill set. The Early Intervention and Training Support System addresses employee underperformance by providing dedicated support and training opportunities for employees to improve performance prior to any dismissal actions taking place.

Lipa also implements a buddy training system where employees are paired with a more experienced colleague to facilitate on-the-job learning, department integration, and ongoing employee skill development.

In Vitaquest, training is conducted online, year-round on an as-needed basis, based on company requirements, US Food and Drug Administration (“FDA”) regulations, etc. This includes an annual general safety and Current Good Manufacturing Practices (CGMP) training covering all safety topics and emergency procedures, so employees are fully prepared should any emergency situations arise.

In addition to training systems, Cheetham and Dominion conduct an annual review of the companies’ succession plans to ensure leadership development and employee progression are aligned with business strategic goals. This provides promotion opportunities to skilled employees and allows them to develop a clear career pathway.



Notes:

- (1) Permanent full-time staff including terminated employees who left the Company during the reporting period. Percentage of employees who received training = number of employees trained/total workforce at the end of the reporting period x 100%.
- (2) Average training hours = total hours of training received by employees/total workforce at the end of the reporting period.

5.1.3.3. DIVERSITY AND EQUAL OPPORTUNITY

The Group embraces diversity and endeavours to build a supportive and inclusive corporate culture, where there is no discrimination in any form of gender, age, sexual orientation, nationality, family status, race, or religion.

The importance of diversity is emphasised through anti-discrimination and equal opportunity training undergone by employees of Accensi, Cheetham and Lipa, which ensures principles of equal employment opportunity and inclusivity are respected in all work-related activities. Employees are encouraged to report any instances of discrimination occurring in the workplace.

To further encourage integration and communication between employees from different cultural backgrounds, Vitaquest provides English as a Second Language (ESL) Training Courses for non-native English-speaking employees. This demonstrates the value of inclusivity and empowers employees to reach their full potential.



Vitaquest provides English as a Second Language Training Courses for non-native English-speaking employees.

5.2. OCCUPATIONAL HEALTH AND SAFETY

5.2.1. WHY IT MATTERS

The processes and activities of the agriculture-related business involve risks of hazards such as falls, transportation accidents, equipment-related accidents, and heat-related illness or injury, among others. The continued outbreak of COVID-19 has also remained a challenge in maintaining efficient operations while safeguarding the health of all stakeholders.

5.2.2. OUR COMMITMENT

The Group is committed to providing a safe and secure working environment where employees, service providers, suppliers, contractors, and customers are protected against health and safety hazards.

This commitment is formalised in the “Health & Safety Policy”, which incorporates the following key principles:

- comply with all applicable laws and regulations in the relevant jurisdictions;
- meet industry-specific standards or reference relevant best practices;
- adopt local or international health and safety guidelines for goods and services purchased;
- maintain a safe working environment;
- provide employees and contractors with guidelines or training and development specific to their job requirements;
- assess the health and safety performance of contractors and suppliers on a regular basis;
- engage employees and contractors through information sharing and programmes to improve their health and well-being, and solicit feedback for continuous improvements;
- monitor and report health and safety performance;
- provide adequate resources to implement the Policy; and
- enforce the implementation of the Policy with regular reviews and internal audits.



Dominion conducted toolbox talks on COVID-19 precautionary measures to ensure employees are provided with up-to-date safety information regularly.





Vitaquest's warehouse.



Vitaquest's Dedusting Safety Booth installed at the 100 Jefferson manufacturing facility

5.2.3. HOW WE WORK

5.2.3.1. HEALTH AND SAFETY MANAGEMENT SYSTEM

Health and safety management systems are established by different business units as applicable to ensure compliance with local regulatory requirements.

Cheetham is in the process of setting up a more comprehensive health and safety management system, the HSEQ Road map, which aims at obtaining ISO 45001 certification in 2022 to ensure that appropriate policies and processes are in place to manage workplace safety.

In particular, the operational health and safety management systems at Accensi, Cheetham, and Lipa are governed by their National Manufacturing Manager, HSEQ Group Manager, and Employee Relations Manager respectively.

WORKFORCE HEALTH IN TIMES OF COVID-19

Our workforce has faced a number of exacerbated new challenges throughout the pandemic and we are proud of the support we have offered in response.

INTENSIFIED HYGIENE AND CLEANING PROCEDURES

At Vitaquest, an Infectious Disease Response Plan was established to provide a clear framework for continuing company operations and business throughout the pandemic. A Dedusting Safety Booth installed at the 100 Jefferson manufacturing facility this year is capable of fully dedusting employees in 17 seconds, achieving greater sanitation while also saving time. To encourage vaccine uptake, Vitaquest's COVID Vaccine Awards offer employees gift cards for full vaccination by July 2021; over 75% of employees have since been fully vaccinated.

Accensi hosted a training on COVID-19 safety for employees, with all sites having set up sanitiser stations, visitor scanning, mask-wearing policies and visitor control in compliance with government requirements. Lipa has implemented ongoing monitoring of COVID-19 and communicates any updates from the CEO and senior management to all Lipa staff. Safety measures at work such as providing face masks, the option to work from home and increased cleaning and sanitation have contributed to minimising the risk of spreading the virus. To safeguard employee health, Cheetham has established a COVID-19 Roadmap to provide statistical data and case-by-case management.

5.2.3.2. HAZARD IDENTIFICATION AND RISK ASSESSMENT

Business units of the Group implement continuous identification and risk assessment to prevent workplace accidents and mitigate any risks from occupational hazards.

Employees at Lipa are prepared to address workplace hazards and risks with monthly safety meetings to review any safety issues that arise throughout various departments. Health and Safety officers also conduct fire prevention training throughout the year, with an annual on-site fire drill to prepare all staff for fire emergencies.



5.2.3.3. PROMOTION OF MENTAL HEALTH

The Group not only addresses the physical but also the mental health needs of its employees. The Group's business units continue to implement policies to support the mental health of employees, with this being particularly important from uncertainties caused by COVID-19 over the past two years.

Flexible working options are provided in Cheetham, Dominion, Lipa, and Vitaquest to ensure that employees are able to manage work and family commitments, as well as factoring in pandemic social distancing concerns at the workplace. Employees are able to make work arrangements that take into account childcare or eldercare responsibilities, as well as health concerns or the use of public transportation. This flexibility continues to be a core offering for employees through the various phases of returning to work.

To encourage dialogue on employee well-being at work, Dominion organises 'Well at Work' workshops that highlight the importance of open communication and well-being in the workplace.



Note:

- (1) Number of lost-time injuries per million hours worked, calculated using the formula: (Number of lost-time injuries)/(Total hours worked in the reporting period) x 1,000,000

5.3. SUPPLY CHAIN MANAGEMENT

5.3.1. WHY IT MATTERS

The Group manages supply chain risks through collaboration with a large number of suppliers used to source inputs. Supply chain risks related to labour, environmental practices, ethics, and corruption, and may result in reputation damage, regulatory fines and/or increased long-term operational costs.

The Group promotes effective management of supply chains to help increase the capabilities of both the supplier and business in areas of process management and product/service innovation. This in turn improves supply chain stability, which is critical to business continuance in the face of uncertainties such as pandemic-related impacts.

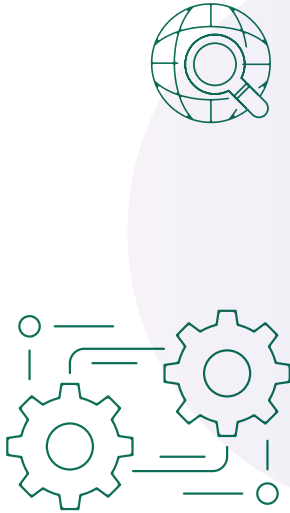
5.3.2. OUR COMMITMENT

The Supplier Code of Conduct (the “Code”) applies to all business partners, and products and service providers, and guides the Group’s suppliers in implementing sustainable practices and performance.

The Code takes into consideration international charters and conventions such as the United Nation’s Universal Declaration on Human Rights and the 1998 Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work.

Several other policies also support the Group’s commitment to promoting supply chain sustainability, including:

Supply chain-related policies	Expectations and Requirements
Human Rights Policy	The Group aims to help increase the protection and enjoyment of human rights within the communities in which it operates and expects business partners and suppliers to uphold the principles in the Policy.
Modern Slavery and Human Trafficking Statement	The Group has zero-tolerance for modern slavery and is fully committed to preventing modern slavery and human trafficking in any part of its business or in its supply chains.
Environmental Policy	The Group is aware of the indirect environmental impact through its influence on the related performance of its value chain and its investments. It endeavours to influence suppliers by raising awareness on environmental issues, eco-friendly practices and professional environmental considerations.



The Group promotes effective management of supply chains to help increase the capabilities of both the supplier and business in areas of process management and product/service innovation.

5.3.3. HOW WE WORK

5.3.3.1. SUPPLIER SCREENING AND SELECTION

ESG-related factors are considered as part of the screening and assessment process for suppliers and contractors. Business units have developed and adopted some of these standards to ensure the quality of our selected suppliers.

Vitaquest sets “Management of Purchased Materials” and “Management of Service Suppliers” guidelines which list the standard operating procedure throughout the sourcing process. It provides a safeguard to reduce potential risks to the supply chain quality.

Also, the “Management of Service Suppliers” standard operating procedure is managed by the Food Safety Team and service suppliers. It involves issuing a service agreement to all service suppliers to ensure all services meet Vitaquest’s standards for quality and food safety.

Dominion has supplier agreements that require the vendor to comply with quality standards, including health & safety, ethical sourcing, and consideration of the environmental impact of their business. These quality standard agreements have been implemented with key packaging suppliers and are monitored annually to encourage more vendors to adopt relevant standards.

As a result, all packaging products are purchased as fit for purpose and recyclable as much as possible. All polyethylene and clear plastics are recyclable; cartons and paper products are unbleached and recyclable; flexible intermediate bulk containers (FIBCs) are purchased and designed to minimise complexity for recyclers.

5.3.3.2. ONGOING MONITORING AND EVALUATION

Regular monitoring, audits and evaluations are carried out to assess the performance of suppliers.

Cheetham’s Approved Supplier programme involves conducting an annual review of suppliers; 100 suppliers are involved in this review as of this year.

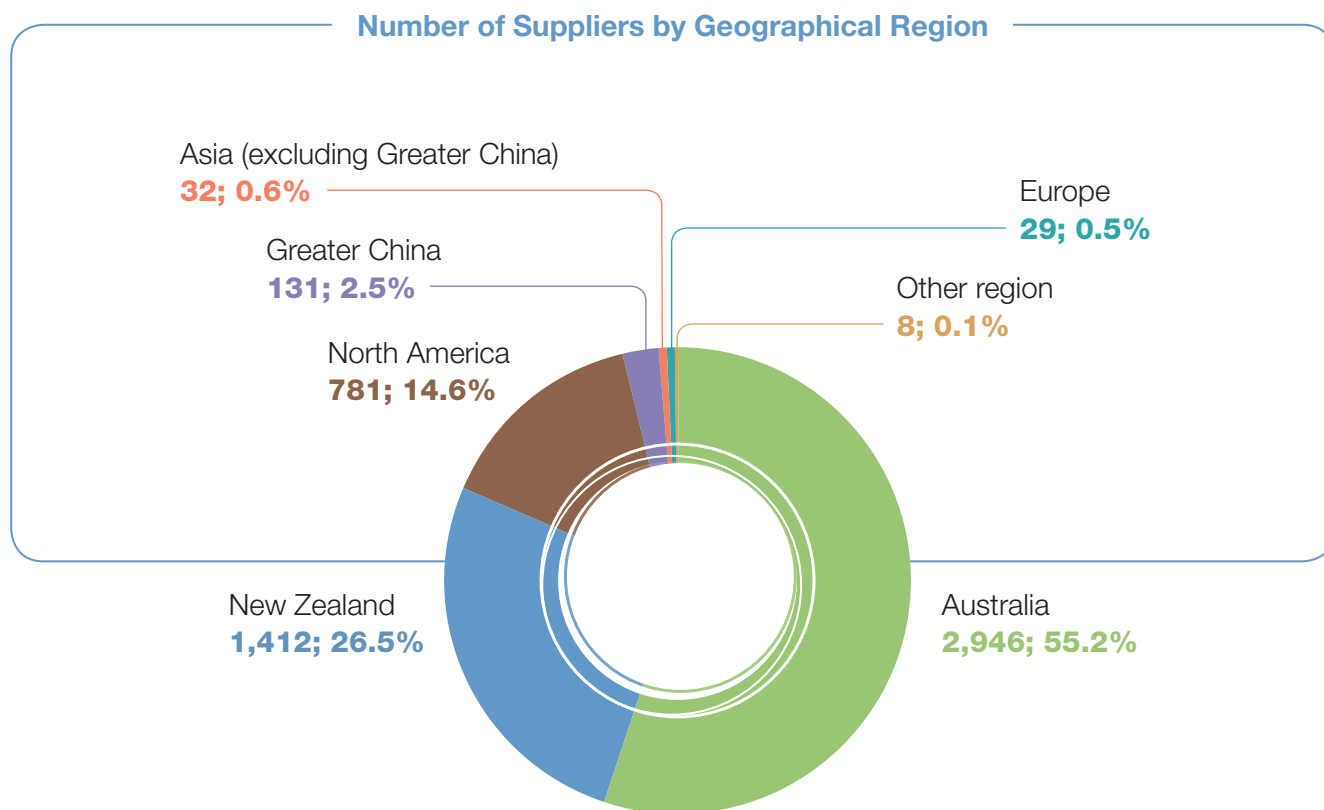
The Procurement Team at Vitaquest has implemented Procurement Vendor Scorecards to evaluate the performance of the company’s top 100 vendors. On-Time In-Full (OTIF) is used to analyse the supply chain process within these vendors to gain knowledge of their overall performance.

5.3.3.3. COMMUNICATION

The Group expects suppliers to uphold high ethical standards on matters related to health and safety, environmental protection and fair labour practices. It endeavours to help vendors understand the Group's expectations and meet these requirements through open communication.

Business units will initiate discussions with suppliers from time to time to exchange ideas on enhancing the overall sustainability performance of the supply chain.

Lipa engages with suppliers directly when it comes to implementing its modern slavery policy across all vendors. All suppliers must agree to share any auditing and disclose information regarding their practices in relation to modern slavery for Lipa's review. This sets up a mutual relationship with suppliers where Lipa can gauge, review, and monitor their actions. This facilitates the continuous efforts in progressing any actions put in place to address modern slavery risks.



5.4. PRODUCT RESPONSIBILITY

5.4.1. WHY IT MATTERS

Increasing consumer concerns about food safety and close watch by regulators on the quality, safety and efficacy of nutraceutical ingredients and finished products means the Group must ensure products conform with applicable safety and quality standards.

The nutraceutical and food-related industries are also more likely to face challenges associated with the marketing, labelling and claims of specific products. The Group ensures its marketing strategies comply with relevant regulations, while also considering the consumers' perception and managing their expectations towards products.

5.4.2. OUR COMMITMENT

Maintaining the high quality and safety standards of its products at all times is an important commitment of the Group. Its businesses drive performance improvement by striving to meet stringent quality standards and initiating self scrutiny on product safety and quality.



Cheetham's Mermaid Finest Swimming Pool Salt, which is made under a quality system that complies with ISO 9001.

5.4.3. HOW WE WORK

5.4.3.1. PRODUCT SAFETY AND QUALITY

All stages of production have quality assurance and control procedures in place. Raw materials are subject to compliance screening prior to being purchased and used in production. The manufacturing process is monitored and controlled by process owners. Finished products are subject to comprehensive laboratory testing to meet product quality standards and customer expectations. These practices are consistent with applicable certification requirements such as Good Manufacturing Practices (GMP).

Nutraceutical quality is guaranteed through a systems approach. At Lipa, a Total Quality Management system is adopted at all levels to ensure specific standard operating procedures in quality control are followed. The system is annually reviewed by internal and external parties to ensure its suitability and effectiveness in the changing business environment.

Lipa's Quality Assurance team determines the risk of potential vendors by assessing their management system, quality of product, vendor rating system. Assessments are conducted prior to engaging a supplier, and then every five years. Assessments can take the form of Quality Control lab tests and physical site inspections of the suppliers' facilities. This provides both Lipa and by extension their consumers with assurance that the sourcing of raw materials for their products is of a sufficient quality and mitigates the risk of product recalls due to inferior quality. Lipa's Quality Assurance also conducts routine mock recall exercises to ensure staff are trained to handle any future case of a product recall, and to provide timely and effective root cause analysis.

Accensi manages product quality through Product Recall Procedure, Non Conformance Procedure, and Customer Complaints Procedure. Similarly, Cheetham has a Recall Procedure and simulation in place.

The Group's businesses work proactively to lead the industry in quality and safety practices.

Vitaquest was the first company of its kind in the United States to have achieved the FSSC 22000 Food Safety System Certification as a manufacturer of nutraceuticals and functional foods. Vitaquest also has established a Recall Committee to handle recall-related matters in accordance with FDA rules and regulations. Though have been no product recalls in the reporting period, having a standard operating procedure in place ensures clear follow-up procedures in such instances.

At Accensi, the Queensland and the Western Australia sites are both ISO 9001 Quality Management System accredited. Cheetham and Dominion's quality management systems are also ISO 9001 accredited, reviewed by management and audited by a third-party auditor. The systems also achieved Hazard Analysis and Critical Control Points (HACCP) certification for identifying and controlling food safety hazards that may occur within the business.



At Accensi, the Queensland and the Western Australia sites are both ISO 9001 Quality Management System accredited.

5.4.3.2. CUSTOMER EXPERIENCE

The Group seeks to understand customer needs and expectations by engaging in open and frequent dialogues with them. Various channels and strategies have been established to collect and respond to opinions and complaints. For instance, standard operating procedures of customers' complaints and claims are set up at Accensi, Cheetham, Lipa and Vitaquest for guiding the complaint handling and further investigation processes.



Vitaquest's warehouse.



Vitaquest was the first company of its kind in the United States to have achieved the FSSC 22000 Food Safety System Certification as a manufacturer of nutraceuticals and functional foods.

At Lipa, all complaints received are forwarded to the QA manager for further investigation. An investigation can commence within 24 or 48 hours of receiving the complaint, depending on the risk category of the complaint. Customer complaints are analysed and reviewed in a monthly Quality Review Meeting to discuss any improvements and actions that can be taken to reduce future complaints.

During the year, we have received 674 product and service-related complaints.

5.5. COMMUNITY INVESTMENT

The Group recognises the impact of its businesses on local communities and strives to create positive contributions by leveraging its strengths and resources.

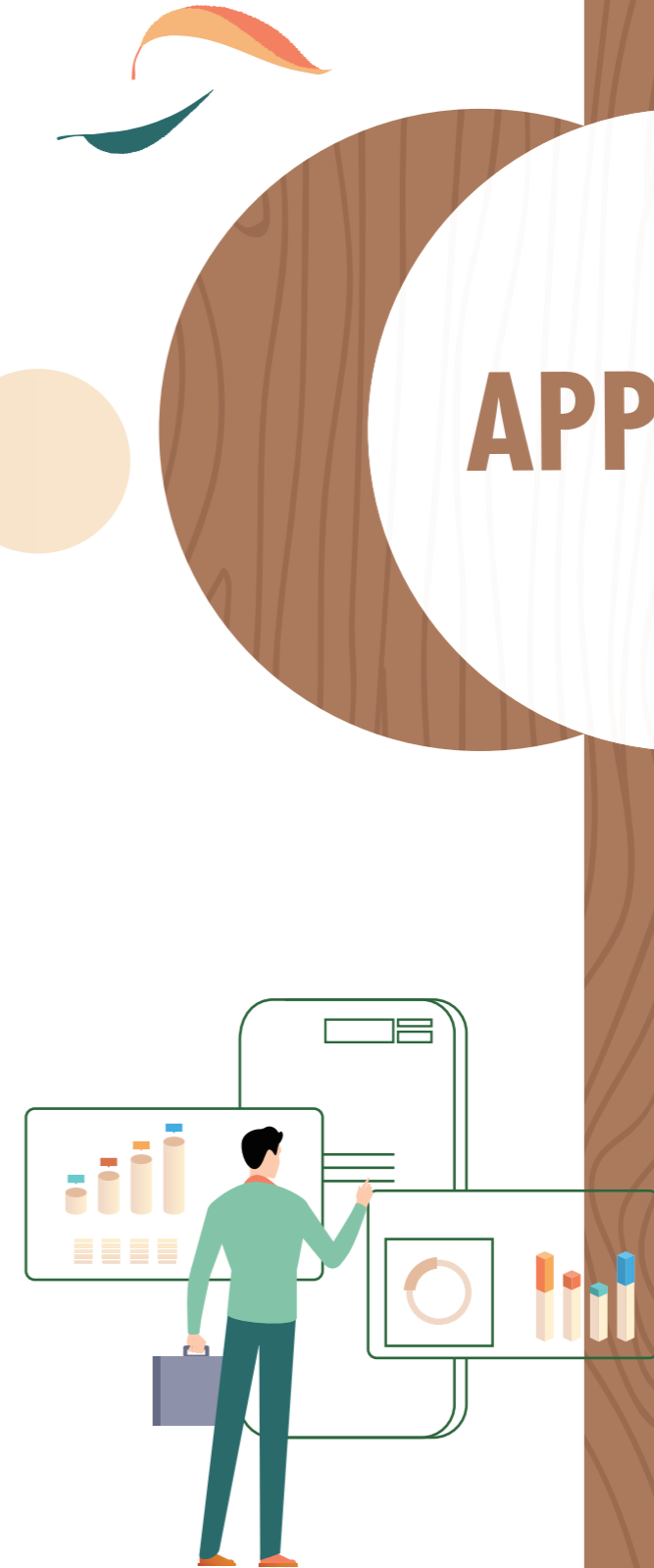
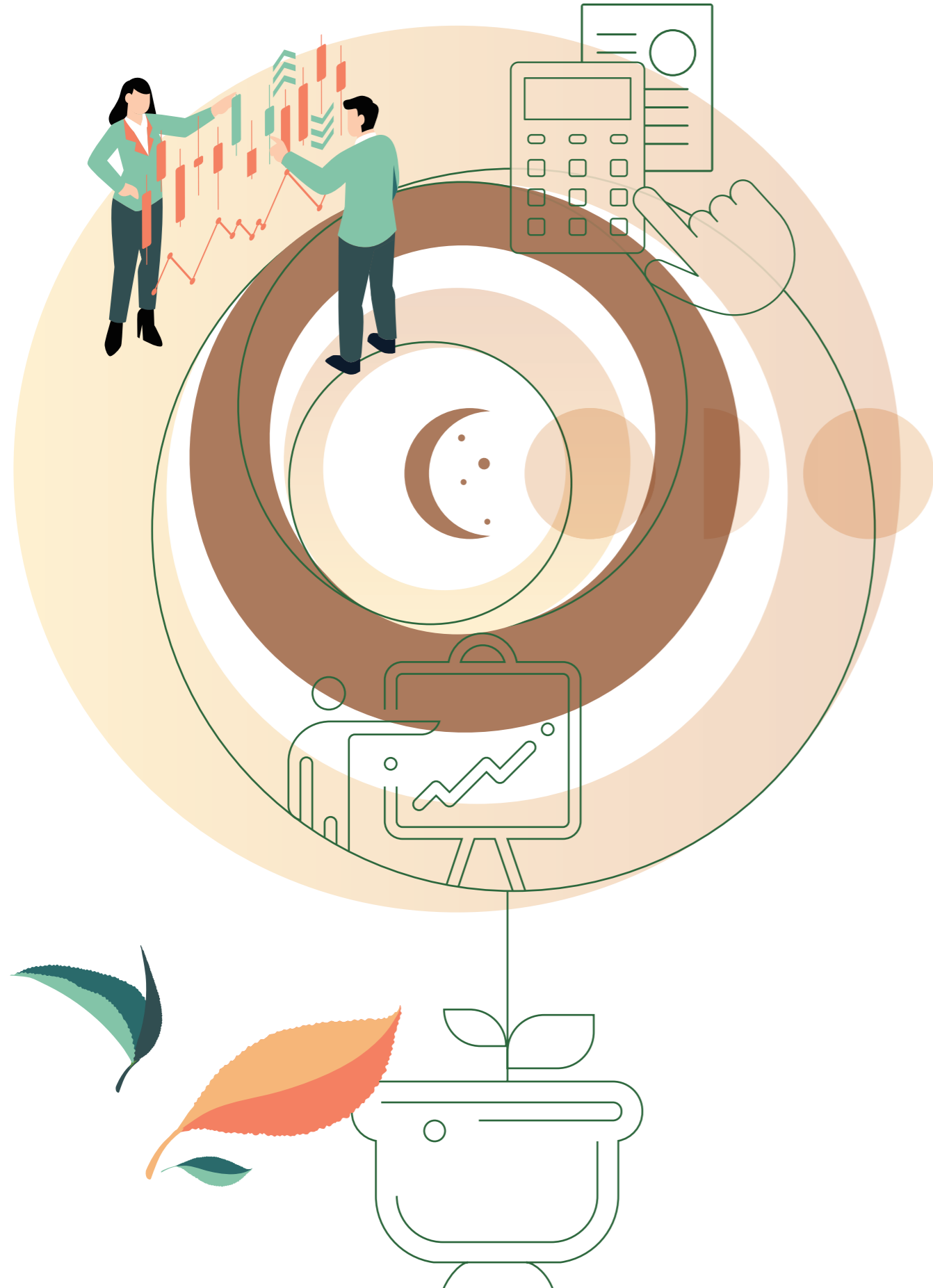
Lipa places great emphasis on employing locally to support the broader community it operates in. Ongoing recruitment throughout the year allows for greater interaction and stronger relationships. Furthermore, Lipa's engineering team conducts regular noise pollution audits to ensure operations have limited disruptions to the local residential community.

The Group is committed to investing in the community; for instance, Vitaquest partnered with Vitamin Angels, a non-profit organisation, to provide vitamins to children in need. Accensi supports children with special needs by sponsoring Special Children's Christmas Party every year in December.

5.6. REGULATORY COMPLIANCE

The Group has established preventive, monitoring and controlling measures to ensure compliance with relevant employment and labour laws and regulations. It has placed high importance on relevant regulatory compliance concerning health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress.

The Group is not aware of (i) any material noncompliance with laws and regulations relating to employment, labour practices, health and safety, advertising, labelling and privacy matters relating to products and services and methods of redress that have a significant impact on the Group; or (ii) any incident that has a significant impact on the Group relating to the use of child or forced labour during the Reporting Period.



APPENDIX

6



APPENDIX

6.1. ENVIRONMENTAL PERFORMANCE INDICATORS

Environmental KPIs ¹	Unit	2020	2021
GHG emissions²			
Total GHG emissions	tonne CO ₂ e	47,527	50,073
Scope 1 GHG emissions		31,322	33,098
Scope 2 GHG emissions		16,205	16,975
Total GHG emissions intensity³	tonne CO ₂ e/ HK\$'000 revenue	0.012	0.011
Scope 1 GHG emissions intensity		0.008	0.007
Scope 2 GHG emissions intensity		0.004	0.004
Use of energy			
Total energy consumption	'000 kWh	165,728	170,439
Direct energy consumption		131,876	134,979
Gasoline/Petrol		120	159⁴
Diesel		11,309	9,911
Natural gas		79,881	77,646
Liquified Petroleum Gas ("LPG")		15,237	14,512
Other fuels ⁵		25,329	32,751⁶
Indirect energy consumption		33,852	35,460
Electricity		33,852	35,460
Total energy consumption intensity⁷		kWh/HK\$ revenue	0.043
Direct energy consumption intensity	0.034		0.030
Indirect energy consumption intensity	0.009		0.008

1 Any discrepancies between (i) totals provided and the sum of the numbers presented; and (ii) percentages provided and the associated numbers throughout the Report are due to rounding.

2 Greenhouse gas (GHG) emissions comprise carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. The data are calculated using local/industry-specific methodology where applicable under regulations. Otherwise, the Scope 1 emissions are calculated using the latest available emission factors in line with the Greenhouse Gas Protocol, International Energy Agency ("IEA") Energy Statistics Manual, United States Environmental Protection Agency's Emission Factors for Greenhouse Gas Inventories and Environmental Protection Department and the Electrical and Mechanical Services Department's Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010 Edition). Scope 2 emissions include the emissions associated with electricity purchased and are calculated based on the IEA's latest available emission factors.

3 "Total GHG emissions intensity" equals "Total GHG emissions" over total revenue contributed by the In-scope Business Units, which is considered an appropriate intensity basis for the nature of the relevant business units.

4 The gasoline/petrol consumption increased by 33% compared to 2020 with lower usage of the company fleet at Cheetham, Dominion and Vitaquest during the lockdown period in 2020.

5 Includes bituminous coal.

6 The other fuel consumption increased by 29% compared with 2020. This is mainly due to the increase in the production volume of Dominion's business.

7 "Total energy consumption intensity" equals "Total energy consumption" over total revenue contributed by the In-scope Business Units, which is considered an appropriate intensity basis for the nature of the relevant business units.

(((APPENDIX (((

Environmental KPIs ¹	Unit	2020	2021
Use of water			
Water consumption	'000 m ³	3,704	2,947⁸
Water consumption intensity ⁹	m ³ /HK\$'000 revenue	0.945	0.664
Air Emissions			
NO _x emissions	tonnes	0.750	0.907
SO _x emissions		0.024	0.016
Particulate matter emissions		0.040	0.057
Waste Produced			
Total hazardous waste produced	tonnes	244	750¹⁰
Total non-hazardous waste produced		32,293	26,287
Packaging material			
Total packaging material used for finished products¹¹	tonnes	8,280	8,214
Plastic		5,056	4,657
Paper		1,468	1,641
Metal		247	207
Glass		56	143¹²
Other packaging materials		1,453	1,566

8 The water consumption decreased by 20% compared to 2020. This is mainly due to the decrease in the production volume of Cheetham's business.

9 "Water consumption intensity" equals "Water consumption" over total revenue contributed by the In-scope Business Units, which is considered an appropriate intensity basis for the nature of the relevant business units.

10 The hazardous waste produced increased by 207% compared with 2020. This is mainly due to the disposal of accumulated obsolete material and the expansion of the data boundary to include more vendors in Accensi.

11 Packaging materials used for finished products is the estimated volume purchased.

12 The glass used for finished products increased by 155% compared to 2020. This is mainly due to the increase in the production volume of Vitaquest's business.

6.2. ESG GUIDE CONTENT INDEX

Mandatory Disclosure Requirements		Section	Remarks
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	2.1 2.2	—
Reporting Principles — Materiality	(i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	1.4 2.1.2 2.1.3	—
Reporting Principles — Quantitative	Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable).	1.4 6.1	—
Reporting Principles — Consistency	The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	1.4 6.1	—
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report.	1.4	—

(((APPENDIX (((

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
A. Environmental			
Aspect A1: Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	4.1 4.3 4.4 4.5	<ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Environmental Policy • Supplier Code of Conduct
KPI A1.1	The types of emissions and respective emissions data	4.1 6.1	—
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	4.1 6.1	—
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility)	6.1	—
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility)	6.1	—
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	4.1	—
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	4.3	—

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect A2: Use of resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	4.1 4.4	<ul style="list-style-type: none"> • Corporate Social Responsibility Policy • Environmental Policy • Supplier Code of Conduct
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	4.1 6.1	—
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	4.4 6.1	—
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	4.1	—
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	4.4	During the reporting period, the Group does not encounter any issues in sourcing water that is fit for purpose.
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	6.1	—

(((APPENDIX (((

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources	4.1–4.4	<ul style="list-style-type: none"> • Environmental Policy • Supplier Code of Conduct
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the action taken to manage them	4.1–4.4	—
Aspect 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	4.2	<ul style="list-style-type: none"> • Environmental Policy
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	4.2	—
B. Social			
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	5.1 5.6	<ul style="list-style-type: none"> • Employee Code of Conduct
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	5.1	—
KPI B1.2	Employee turnover rate by gender, age group and geographical region	5.1	—

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect B2: Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	5.2 5.6	<ul style="list-style-type: none"> Health and Safety Policy
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	5.2	—
KPI B2.2	Lost days due to work injury	5.2	We disclose the lost-time injury rate to properly reflect our health and safety performance instead of lost days due to work injury.
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	5.2	—
Aspect B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	5.1	—
KPI B3.1	The percentage of employees trained by gender and employee category	5.1	—
KPI B3.2	The average training hours completed per employee by gender and employee category	5.1	—

(((APPENDIX (((

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect B4: Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	5.3 5.6	<ul style="list-style-type: none"> • Human Rights Policy • Modern Slavery and Human Trafficking Statement • Supplier Code of Conduct
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	5.3	—
KPI B4.2	Description of steps taken to eliminate such practices when discovered	5.3	—
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	5.3	<ul style="list-style-type: none"> • Human Rights Policy • Modern Slavery and Human Trafficking Statement • Supplier Code of Conduct
KPI B5.1	Number of suppliers by geographical region	5.3	—
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	5.3	<ul style="list-style-type: none"> • Policy on Appointment of Third Party Representatives
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	5.3	—
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	5.3	—

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	5.4 5.6	<ul style="list-style-type: none"> Employee Code of Conduct Policy on Personal Data Governance
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	—	0.003% (in terms of sales value)
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	5.4	—
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	—	Our Employee Code of Conduct outlines our commitment to intellectual property rights protection.
KPI B6.4	Description of quality assurance process and recall procedures	5.4	—
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	—	<ul style="list-style-type: none"> Information Security Policy Policy on Personal Data Governance

(((APPENDIX (((

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	3.2 3.3	<ul style="list-style-type: none"> • Employee Code of Conduct • Anti-Fraud and Anti-Bribery Policy • Policy on Appointment of Third Party Representatives
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	3.3	—
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	3.2	<ul style="list-style-type: none"> • Whistleblowing Policy — Procedures for Reporting Possible Improprieties
KPI B7.3	Description of anti-corruption training provided to directors and staff	3.2	—

Subject Areas, Aspects, General Disclosures and KPIs		Section	Remarks
Aspect 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	5.5	<ul style="list-style-type: none"> Corporate Social Responsibility Policy
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	5.5	Focus of the Group's community initiatives includes employee volunteerism, education, medical, health and elderly care, arts and culture, as well as sports and disaster relief.
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	5.5	—





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