



**2024/
2025**

Environmental, Social and Governance Report

Driving positive impact on health and sustainability

Stock Code: 2633

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"At Jacobson, we are on a purposeful journey to integrate operational excellence with sustainable practices. We remain dedicated to delivering high-quality healthcare that supports public well-being, while advancing environmental sustainability - striving to make a meaningful, lasting impact on both health and the planet."

CHAIRMAN'S SUSTAINABILITY STATEMENT

As we entered FY2025, Jacobson continued integrating business strategy with sustainable development through our "5 to Thrive" sustainability framework. Built on our responsibility to society, this strategy encompassed five core pillars: Corporate Governance Duty, Product Responsibility, Societal Engagement, Environmental Stewardship, and Commitment to Employees.

Each pillar defined strategic priorities that drove sustainable value and guided stakeholder implementation. By embedding ESG principles into daily operations, our team's dedicated efforts delivered measurable results as initiatives rolled out systematically. This focused approach positioned Jacobson as a purpose-driven business contributing meaningfully to society's sustainable development.

Jacobson aligns with the United Nations ("UN") Sustainable Development Goals ("SDGs"), identifying areas where we can deliver meaningful contributions and defining key actions to address global challenges. In FY2025, we achieved environmental milestones and set ambitious targets: replacing 20% of company vehicles with hybrid and electric models by FY2026, training employees on energy conservation and waste reduction, and completing a waste baseline study. We are developing a refined waste management system focusing on non-hazardous waste areas. These initiatives aim to reduce greenhouse gas emissions, waste, electricity, fuel, and water consumption for a sustainable future.

Under Professor Simon Lam's leadership, our ESG Committee developed action plans for FY2025 implementation. Key initiatives include ESG Education Sharing Sessions to enhance employee understanding of sustainability principles and support our environmental targets. We applied for CLP Power's Peak Demand Management Programme and engaged their energy audit service to evaluate power consumption and improve operational efficiency.

In the social domain, we empowered stakeholders to develop workplace engagement activities and collaborate with social enterprises on grassroots projects. These efforts earned recognition through the Good MPF Employer Award 2023-2024 and Partner Employer Award 2024. We also launched "J+ Fellow," a multifunctional shared space promoting employee well-being and collective growth, reflecting our holistic approach to workforce development.

At the community level, we have dedicated resources to support healthcare-focused organisations, such as the Hong Kong Federation of Handicapped Youth. Building on this commitment, we will continue to offer scholarships to students from pharmaceutical-related disciplines, supporting their academic journey and nurturing their professional development. In parallel, we aim to cultivate future industry leaders by providing internship opportunities and potential career pathways for outstanding talents, thereby advancing healthcare research and promoting long-term growth in the sector.

As a leading pharmaceutical company in Hong Kong, we are committed to advancing sustainable practices across our operations and within the industry. We extend our heartfelt gratitude to our dedicated team, whose unwavering efforts have been instrumental in building Jacobson's reputation for trust and excellence. Staying true to our mission, Jacobson remains focused on making a meaningful contribution to environmental and social well-being, while creating sustainable value for the communities within which we serve.

Sum Kwong Yip, Derek

Chairman and CEO

JACOBSON PHARMA CORPORATION LIMITED

FY2025 ESG PERFORMANCE HIGHLIGHTS



ABOUT THIS ESG REPORT

Jacobson Pharma Corporation Limited (stock code: 2633), hereinafter referred to as the “**Company**” or together with its subsidiaries, the “**Group**”, is delighted to present its fourth independent ESG report (the “**ESG Report**”). This ESG Report describes our commitments, vision, progress, and overall performance in our sustainability journey. All information is prepared and published based on existing policies, practices, official documents, or reports in an impartial and accurate manner. This ESG Report has been endorsed and approved by the Board.

ESG REPORTING SCOPE AND PERIOD

The scope of this ESG Report mainly covers the Group's 9 PIC/S GMP-accredited production facilities in Hong Kong, as well as warehouses, laboratories, and offices. The Group's revenue was approximately HK\$1,576,897,000 in this financial year. The reporting scope was determined based on the financial materiality of operating segments to the Group, and the significance of our impact on the environment and society. Unless otherwise specified, this ESG Report covers the period from 1 April 2024 to 31 March 2025.

ESG REPORTING FRAMEWORK AND STANDARDS

This ESG Report is prepared in accordance with the “Mandatory Disclosure Requirements” and “Comply or Explain” provisions set out in the ESG Reporting Guide (the “**Reporting Guide**”) under Appendix C2 to the Listing Rules of the Stock Exchange. The reporting principles are adhered to in the preparation of this ESG Report.

MATERIALITY

This ESG Report is structured based on the materiality of the Group's environmental and social topics, which was determined following a stakeholder engagement activity and materiality assessment process. The Board and management have reviewed and validated the materiality of the identified ESG topics.

QUANTITATIVE

Quantitative information, KPIs and supplementary statements are disclosed in this ESG Report. Further information on the standards, methodologies, assumptions, and calculation tools used are disclosed in relevant sections in this ESG Report.

BALANCE

This ESG Report provides an unbiased representation of the Group's ESG performance. Both achievements and areas of improvement are disclosed.

CONSISTENCY

Consistent calculation methodologies are used to enable a meaningful comparison of ESG data. Any changes to the methodologies, tools, KPIs used, or any other relevant factors affecting a meaningful comparison are disclosed in relevant sections in this ESG Report.

FEEDBACK ON OUR SUSTAINABILITY COMMITMENTS

The Group highly appreciates and welcomes any feedback on this ESG Report in order to continuously improve its approach to sustainability. Please share your feedback with us at esg@jacobsonpharma.com.

ABOUT JACOBSON'S SUSTAINABILITY JOURNEY

OUR ETHICAL BUSINESS MILESTONES

Jacobson is a leading pharmaceutical company in Hong Kong that is engaged in the research, development, production, sale, and distribution of essential medicines and specialty drugs. Jacobson's roots can be traced back to the 1960s, when it was first founded as a pharmaceutical trading house. Since then, Jacobson has grown significantly due to its unwavering commitment to serving the needs of medical professionals and consumers in Hong Kong. Nowadays, the Group has transformed into a pharmaceutical leader that manages its own production, warehousing, logistics, regulatory, quality control and assurance, sales and marketing, as well as research and development operations. The Company's shares were listed on the Main Board on 21 September 2016.

OUR GUIDING PRINCIPLES ON RESPONSIBILITY

VISION

At Jacobson, we aspire to be an eminent player in pharmaceutical and healthcare solutions in Greater China and Asia, providing essential medicines, specialty drugs, and healthcare solutions for medical professionals and the public.

MISSION

Our mission is to enhance people's lives by delivering health as a trusted partner. We strive to create sustainable values in healthcare by offering quality and accessible medicines as well as healthcare solutions to meet current and future customer needs. We are committed to bettering the future of healthcare through community care and technological advancement.

OUR PORTFOLIO OF QUALITY PRODUCTS

Committed to uncompromised quality in products and services, Jacobson is an eminent supplier of essential medicines and specialty drugs, covering therapeutic categories such as cardiovascular, central nervous system, gastrointestinal, anti-diabetic, respiratory, anti-infective, dermatological, and anti-allergy. With its balanced and diversified product portfolio, the Group serves both the public and private sectors through its extensive market penetration covering substantially all of the public hospitals and clinics, private hospitals, and registered pharmacies, private doctors, and retail outlets in Hong Kong.

The Group operates a host of 9 licensed production facilities for pharmaceutical products in Hong Kong. The Group has invested significantly in its commercial infrastructure and manages its own production, warehousing, logistics, regulatory, quality control and assurance, and sales and marketing operations. Our SAP-powered warehousing complex is located at the hub of Hong Kong, which facilitates a high degree of supply chain efficiency and flexibility in providing logistic solutions to our customers.

PRODUCT OFFERINGS

GENERIC	ESSENTIAL MEDICINES	Jacobson's is an eminent provider of essential medicines in Hong Kong. The Group's comprehensive product portfolio covers therapeutic categories such as cardiovascular, central nervous system, gastrointestinal, anti-diabetic, respiratory, anti-infective, dermatological, and anti-allergy. Through a broad portfolio, the Group cements its position as a one-stop solution provider for healthcare professionals in both public and private sectors, including public and private hospitals, private clinics, medical franchises, registered pharmacies, and drugstore chains.
	SPECIALTY DRUGS	With the established strength in essential medicine offerings and in-licensing capacity, Jacobson is well poised to expand its portfolio and diversify into complex and specialty drugs, such as biosimilars, oncology medications, and orphan drugs, which have witnessed a robust growth trend driven by the advancement of healthcare. The Group has also invested in projects to leverage its expertise in the specialty drug market and collaborates with world-renowned research institutes to further expand the indications of selected products.

AWARDS AND RECOGNITIONS

Jacobson is committed to accelerating progress in achieving its goals and objectives in the ESG domain. We are proud to showcase our awards and recognitions received during the Reporting Period, which highlights our spirit in driving long-term value and shaping a sustainable future.

Award Name	Recipient Business Unit	Awarding Organisation
Good MPF Employer Award 2023-2024 (「積金好僱主」)	Jacobson Group Management Limited	Mandatory Provident Fund Schemes Authority
Partner Employer Award 2024 10 Years+ Outstanding Enterprise Award	Europarm Laboratoires Company Limited	The Hong Kong General Chamber of Small and Medium Business



LONG-TERM ESG STRATEGIC VISION

Governance



Innovation



Resources



Environment



Commitment



ESG
TRACKER

LONG-TERM ESG STRATEGIC VISION

As we continue to embark on a path to sustainable development, we acknowledge that there is untapped potential to contribute to the betterment of the environment and society, and we will deliver this in a wholehearted manner. By adopting a robust ESG governance system, following our sustainability strategy, and engaging with stakeholders, we strive to play our role in the global sustainable development agenda.

ESG GOVERNANCE

Forming a strong governance structure is crucial to ensuring that sustainability is well understood and effectively applied throughout our operations. The Board has set up an ESG Committee with well-defined duties and responsibilities to oversee the Group's execution of ESG-related matters. The Board and the ESG Committee plan and manage sustainability at the strategic level, whilst the ESG Working Group leads the execution and monitoring of policies and practices at the operational level.

MANAGEMENT LEVEL	MANAGEMENT STRUCTURE	MEMBERS
Strategic Level	Board	Directors of the Company
	ESG Committee & Executive Committee	ESG Committee Chairman: • Professor Lam Sing Kwong, Simon (independent non-executive director) ESG Committee Members: • Mr. Yim Chun Leung (executive director) • Mr. Yu Chun Kau (company secretary)
Operational Level	ESG Working Group	Management personnel from different departments
Execution Level	Group Functions and Business Units	All employees

RESPONSIBILITIES OF THE BOARD

- Set up ESG overall visions, approaches, strategies, or initiatives
- Establish, monitor, and regularly review short-, medium-, and long-term ESG targets aligned with the Group's material business and stakeholder priorities, ensuring accountability for sustainable development performance and environmental target progress
- Assess whether the ESG performance follows the Company's visions, approaches, strategies, or initiatives
- Review and assess the Company's ESG performance with reference to the performances of industry leaders and peers of comparable sizes
- Monitor the risk evaluation process on sustainability and ESG-related issues
- Monitor and review the compliance status of ESG-related laws and regulations by external governing/regulatory parties (e.g. discuss environmental non-compliance incidents in meetings, etc.)
- Oversee the execution and effectiveness of anticipation and mitigation plans regarding the ESG risks
- Review and validate the results of materiality assessment, and review regularly the ESG issues that are material to stakeholders

RESPONSIBILITIES OF ESG COMMITTEE

- Monitor the formulation of the annual ESG report
- Review and discuss the content and quality of ESG reports to ensure that they meet the requirements of the Board
- Monitor the quality and quantity of ESG-related training for staff (e.g. using feedback surveys, knowledge assessment, etc.)
- Keep track of emerging market trends regarding ESG-related issues that may potentially impact business operations, and make timely adjustments to business operations, ensure that the Group's business operation closely follows the newest international trends regarding ESG-related issues
- Regularly inform the Board of the Group's ESG strategies, performance progress, stakeholder expectations management, compliance status, and ESG-related market/international trends including goals, targets, and their implementation through Board meetings, dedicated reports, or other communication channels
- Establish communication methods between the company and major stakeholders (e.g. investors, government, the public, employees, etc.)
- Establish systematic criteria for identifying ESG and climate-related risks, develop a materiality assessment framework to prioritise risks based on business impact, and define actionable focus areas for mitigation
- Present the annual ESG report/highlights of the annual ESG report to the Board
- Present to the Board the results and findings from ESG materiality assessment and stakeholder engagement management
- Urge related ESG Working Groups to seek improvements in ESG strategy, in order to reduce the negative impacts on the business
- Conduct at least one meeting per year

RESPONSIBILITIES OF ESG WORKING GROUP

- Implement policies and practices at different business units to improve/maintain/rectify the ESG performance against the goals and targets
- Monitor the effectiveness of procedures and suggest improvements
- Record and analyse ESG data, as well as report on the Group's ESG performance
- Conduct at least two meetings per year

ESG RISK MANAGEMENT

Understanding the Group's ESG risks is fundamental to its long-term success. Thus, we have a risk governance structure in place to facilitate effective ESG risk management. Through this system, we are able to regularly monitor and review our risk management framework, internal control systems, and risk management policy to ultimately build a resilient corporate culture.

RISK GOVERNANCE AND RESPONSIBILITIES

The Board and the Audit Committee assume the overall responsibility for evaluating and determining the nature and extent of the Group's risks, as well as ensuring that the Group establishes and maintains appropriate and effective risk management and internal controls systems.

First Line of Defence	Risk Owner (Risk Ownership)	As the first line of defence, risk owners are responsible for identifying, assessing, and monitoring risks associated with each business operation.
Second Line of Defence	Risk Management Committee (Risk Control)	The Risk Management Committee acts as the second line of defence. It comprises both financial and operational executives of the Group and is responsible for overseeing the Group's overall risk management framework, as well as advising the Audit Committee and the Board on the Group's risk-related matters. The Committee is also tasked with carrying out necessary control activities and presenting regular reports to the Audit Committee.
Third Line of Defence	Internal Audit (Risk Assurance)	As the third line of defence, the Internal Audit performs internal audit work on an annual basis and ensures that the first and second lines of defence are effective. It provides independent assurance to the Audit Committee and the Board on the adequacy and effectiveness of internal controls for the Group.

During the Reporting Period, we have identified the following ESG risks to have a potentially significant impact on the Group's operations and formulated corresponding risk mitigation measures.

MATERIAL ESG RISKS	RISKS DESCRIPTION	MITIGATION MEASURES
Regulatory Risk	Changes in regulations and compliance requirements can directly affect the Group's ability to manufacture, market, and distribute its products. Non-compliance with regulatory standards can lead to penalties, fines, and even legal actions. It can also result in delays in product approvals or withdrawals from the market, leading to revenue loss.	Each production facility of the Group is equipped with a designated Authorised Person and a quality control and quality assurance team. This ensures stringent adherence to regulations and guarantees the production of high-quality products.
Reputational Risk	Negative publicity or public perception can harm the Group's brand image and customer trust, leading to decreased sales, loss of market share, and potential boycotts. Reputational risks can also affect relationships with key stakeholders, including investors, employees, customers, and regulatory authorities. This can result in difficulties in attracting investment, recruiting top talent, or securing favourable business partnerships.	The Group has implemented proactive reputation management strategies, including transparent communication, stakeholder engagement, and timely response to concerns. We are focused on building a strong brand identity centred on ethical practices, sustainability, and social responsibility.
Quality Control Risk	Quality control risks can arise from manufacturing errors, contamination issues, inadequate testing procedures, or non-compliance with quality standards. These risks can lead to product recalls, supply chain disruptions, and damage to the Group's reputation. Poor quality control practices can also result in adverse events for patients, leading to legal liabilities and regulatory scrutiny. Additionally, quality control risks can impact the Group's ability to meet market demand, resulting in potential revenue losses and loss of market share.	The Group has arranged product liability insurance to minimise the impact in case of any proven product defects caused by its negligence. In addition, the Group has designated a production and quality assurance team at each production facility to monitor product quality and ensure that products comply with respective specifications.

SUSTAINABILITY STRATEGY

Developing a well-defined sustainability strategy allows us to accelerate progress in becoming a purpose-driven business that inherently contributes to the sustainable development of our planet. At Jacobson, we integrate our expertise and resources to induce positive change in the economy, environment, and society.

To this end, we follow the “5 to Thrive” strategy, which is based on a long-term ESG strategic vision and principle of Jacobson ‘upholding a profound obligation to shape a better society’. This strategy is constructed of five pillars that are most relevant to Jacobson’s business operations, namely “Corporate Governance Duty”, “Environmental Stewardship”, “Commitment to Employees”, “Product Responsibility” and “Societal Engagement”. Within each pillar, strategic priorities have been laid out that shape our approach to driving sustainable value and act as an overarching model for stakeholders to put into practice. The ESG Committee reviews the sustainability strategy, which was slightly modified during the Reporting Period, to ensure that upcoming ESG trends, challenges, and opportunities are ingrained into the foundation of our framework.

LONG-TERM ESG VISION OF JACOBSON

“We uphold a profound obligation to shape a better society.”



ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The Group recognises that contributing to the global sustainable development agenda is essential to transforming our world towards sustainability.

Thus, our sustainability strategy is aligned with the UN SDGs to reinforce our commitment to tackling pressing global issues and achieving harmony. Upon completion of a mapping exercise, the Group identified five goals that are most relevant to its business operations and took action to drive contribution. Moving forward, we aim to integrate specific targets of the SDGs to strengthen our progress in this regard.

SDGs	IMPLICATIONS AND ACTIONS
 3 GOOD HEALTH AND WELL-BEING	At Jacobson, the health and well-being of society is at the heart of our operations. Thus, we are driven to improve the wellness of employees and local communities by promoting healthcare-related initiatives. • Provide annual health checks to employees at production facilities • Transform patented drugs that are expiring into generic drugs to strengthen access to essential medicines • Collaborate with charities that focus on enhancing healthcare and donate healthcare-related products to organisations that support the elderly and underprivileged in particular
 8 DECENT WORK AND ECONOMIC GROWTH	The Group is committed to pursuing economic growth and providing employment opportunities that are productive yet safe. Our measures provide organisations and individuals that can shape the healthcare landscape with pathways to showcase their abilities. • Provide local and overseas university students with scholarships and internship opportunities • Engage in the in-licensing of innovative medicines to support academic institutions and peers to achieve sustained growth • Create a Risk Assessment Register to mitigate the risks associated with our production activities in order to maintain workplace safety
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Upholding responsible production and consumption practices is of great importance to Jacobson. To reduce our impact on the environment and natural resources, we implement a set of sustainable measures that reduce usage and increase efficiency. • Procure FSC or PEFC-certified paper for office paper usage across the Group • Dispose of all hazardous waste responsibly according to the legislation of local regulatory authorities • Implement a water recycling system to facilitate the reuse of water for cleaning and flushing purposes
 13 CLIMATE ACTION	Climate change is an increasingly pressing issue that requires a multi-faceted approach to adapt to or mitigate the associated risks. To this end, we have adopted strategies to address climate change and its impact to ultimately build resilience of our operations. • Explore renewable energy sources and plan to install solar panels at appropriate production facilities • Phase out fossil fuel-based company vehicles with hybrid or electric vehicles • Develop energy-saving initiatives across production facilities in collaboration with external partners
 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Building a robust corporate governance system that promotes peace, justice and inclusivity enables Jacobson to create an ethical corporate culture. Our efforts to prevent discrimination and corruption in the workplace are applied at all levels across our operations. • Formulate a company policy on equal opportunities to enforce a zero-tolerance approach to all forms of harassment and discrimination • Encourage staff to report cases of bribery and corruption by submitting specific documents and the whistleblowing system • Provide annual training on anti-corruption and data privacy matters to employees commencing from FY2024

STAKEHOLDER ENGAGEMENT

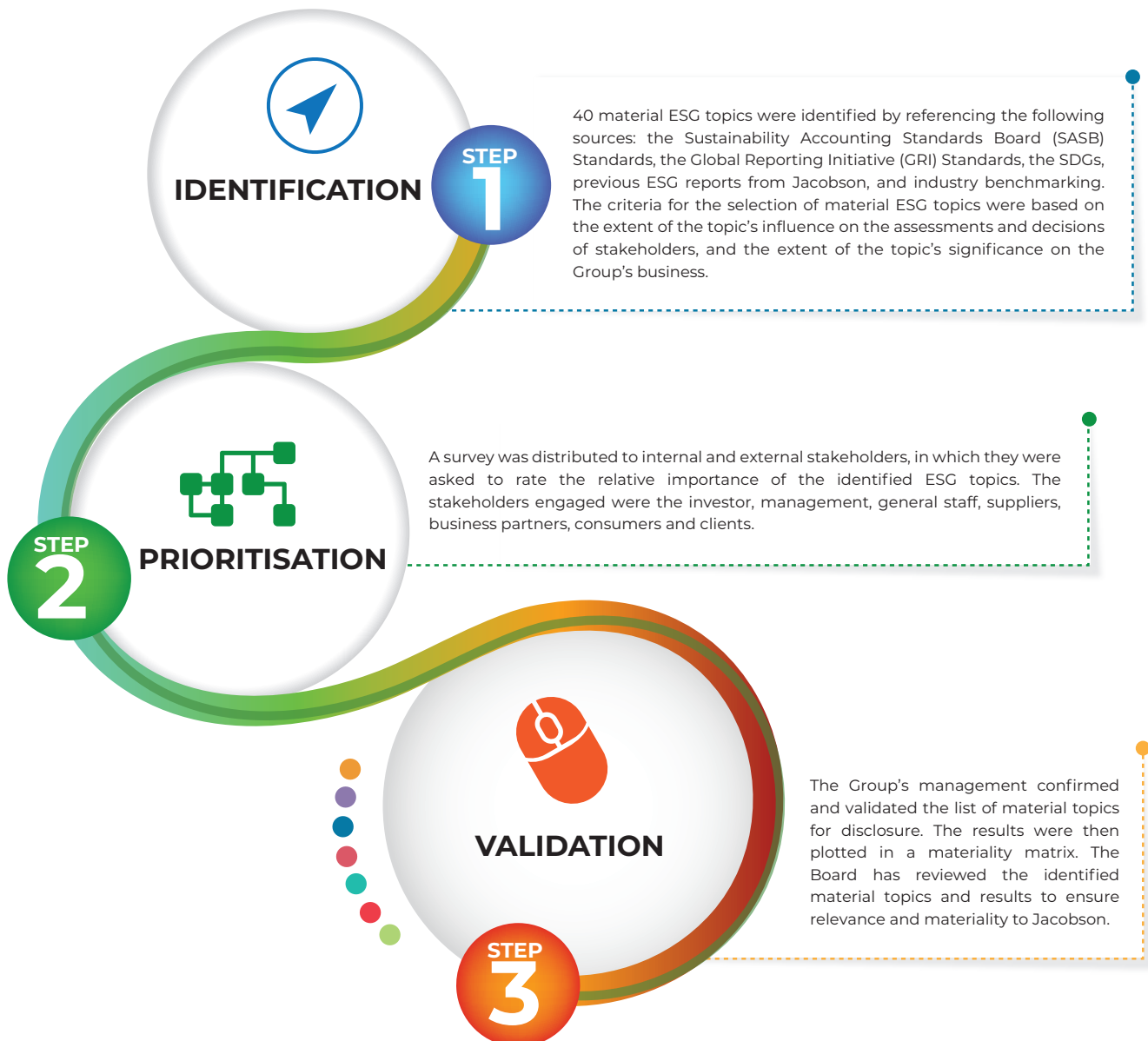
Engaging with our stakeholders to build connections and understand their priorities influences the Group to operate in a mindful and responsible manner. During the Reporting Period, we have established a range of engagement channels to communicate with our stakeholders.

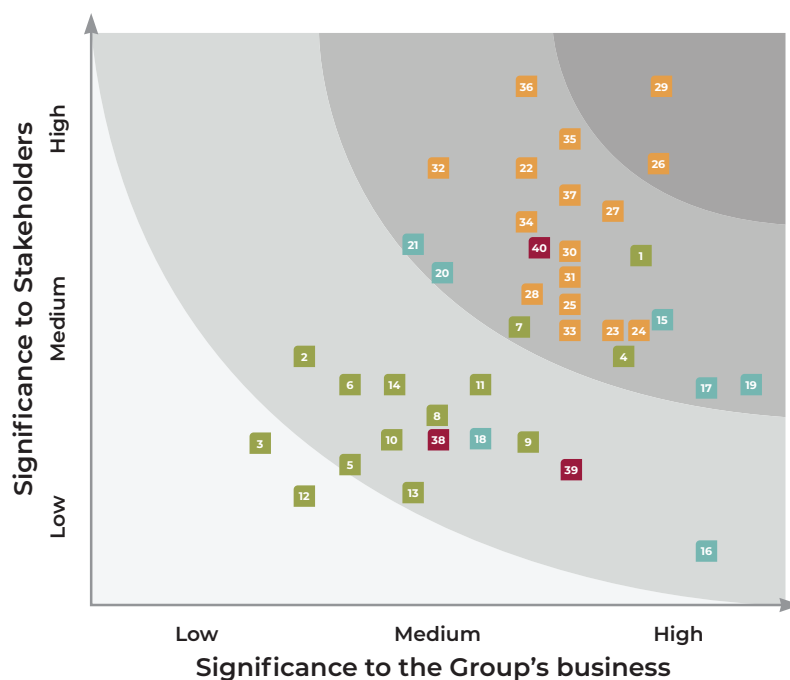
STAKEHOLDERS	EXPECTATIONS AND REQUIREMENTS	RESPONDING CHANNELS
Government and Regulators	- Compliance with policies, laws, and regulation - Support local economic growth - Drive local employment - Ensure production safety	- Compliance and non-compliance reports - Meetings and correspondences - Site visits
Investors and Shareholders	- Cash flow - Returns - Compliant operation - Research and development pipeline - Company's competitiveness among peers	- Annual and interim reports - Annual general meetings - Circulars - Meetings and correspondences - Press releases and announcements
Business Partners	- Operate with integrity - Equal Rivalry - Performance of contracts - Mutual benefit and win-win result	- Business communications - Exchanges and discussions - Engagement and cooperation - Assessment surveys
Customers	- Outstanding products and customer services - Logistic efficiency - Offered price - Product quality - Supply stability and stock level - Performance of contracts - Health and Safety	- E-commerce platforms - Meetings and correspondences - Customer service centre and hotlines - Personal contact - Social media - Continuous goods planning and supply
Environment Regulators	- Energy saving and emission reduction - Ecosystem protection - Rational use of water	- Communicate with the locals - Reporting - Investigations and inspections
Industry	- Establishment of industry standards - Drive industry development	- Participate in industry forums - Visits and inspections - Regulatory collaboration & feedback - Knowledge & Competency building - Audit & Compliance assurance
Employees	- Protection of rights - Occupational health and safety - Remunerations and benefits - Career development - Humanity cares - Working hours	- Business meetings - Briefings - Performance appraisal meetings - Employee mailbox - Training and workshop - Employee activity
Community and the Public	- Improve community environment - Participation in charity - Information transparency	- Company website - Announcements

MATERIAL ESG TOPICS

To understand its stakeholders' needs and expectations, the Group carries out an annual stakeholder engagement activity. The results derived from the exercise are evaluated through a materiality assessment to identify the impacts of the Group's operating activities, assess the significance of impacts, and determine the material topics of the Group.

In FY2025, the Group commissioned an independent sustainability consultancy to conduct a comprehensive materiality assessment. For this process, a 3-step approach was adopted:





ASPECTS	ESG TOPICS
ENVIRONMENT 	1 Environmental Compliance 2 Air Pollutant Management 3 Fleet Emissions Management 4 Wastewater Management 5 Noise Management 6 Greenhouse Gas Emission 7 Waste Management 8 Energy Consumption 9 Use of Water Resources 10 Green Office 11 Use of Raw Materials and Packaging Materials 12 Ecological Protection 13 Responding to Climate Change 14 Prevention and Handling of Environmental Incidents
LABOUR PRACTICES 	15 Employment Compliance 16 Remuneration and Benefits 17 Working Hours and Rest Periods 18 Diversity and Equal Opportunity 19 Occupational Health and Safety 20 Training and Education 21 Prevention of Child Labour and Forced Labour
OPERATION PRACTICES 	22 Operational Compliance 23 Managing Environmental Risks of Supply Chain 24 Managing Social Risks of Supply Chain 25 Procurement Practices 26 Product Quality Management 27 Customer Accessibility to Medicine 28 Customer Affordability to Medicine 29 Customer Health and Safety 30 Responsible Sales and Marketing 31 Customer Service Management 32 Intellectual Property Protection 33 Research and Development 34 Information Security 35 Customer Privacy Protection 36 Anti-corruption 37 Business Ethics
COMMUNITY INVESTMENT 	38 Charity 39 Promotion of Community Development 40 Public Access to Healthcare

The materiality matrix and table above illustrate the results of the materiality assessment in FY2025. The matrix reflects the prioritisation of the ESG topics based on their significance to the business and stakeholders. The table displays the 40 identified ESG topics, which were grouped into one of the five pillars of our sustainability strategy, and the top 25 material topics are displayed in bold. The Board has reviewed the significant impacts and results to ensure relevance and materiality to Jacobson. The following table lists the major ESG topics determined based on the assessment result and their corresponding sections in this ESG Report.

ASPECTS	ESG TOPICS	CORRESPONDING CHAPTER
ENVIRONMENT	1 Environmental Compliance	Environmental Compliance
	4 Wastewater Management	Water and Wastewater Management
	7 Waste Management	Emissions and Waste Management
LABOUR PRACTICES	15 Employment Compliance	Employee Benefits and Engagement
	17 Working Hours and Rest Periods	Employee Benefits and Engagement
	19 Occupational Health and Safety	Occupational Health and Safety
	20 Training and Education	Development and Training
	21 Prevention of Child Labour and Forced Labour	Child and Forced Labour
OPERATION PRACTICES	22 Operational Compliance	Regulatory Compliance
	23 Managing Environmental Risks of Supply Chain	Supply Chain Management
	24 Managing Social Risks of Supply Chain	Supply Chain Management
	25 Procurement Practices	Procurement Practices
	26 Product Quality Management	Product Quality
	27 Customer Accessibility to Medicine	Public Access to Healthcare
	28 Customer Affordability to Medicine	Public Access to Healthcare
	29 Customer Health and Safety	Consumer Safety
	30 Responsible Sales and Marketing	Product Quality
	31 Customer Service Management	Customer Service Management
	32 Intellectual Property Protection	Protection of Intellectual Property
	33 Research and Development	Research and Development
	34 Information Security	Data Privacy
	35 Customer Privacy Protection	Business Ethics and Anti-corruption
	36 Anti-corruption	Business Ethics and Anti-corruption
	37 Business Ethics	Business Ethics and Anti-corruption
COMMUNITY INVESTMENT	40 Public Access to Healthcare	Public Access to Healthcare



CORPORATE GOVERNANCE DUTY

CORPORATE GOVERNANCE DUTY



As pharmaceutical manufacturers have a duty to serve the public and a pivotal role in the protection of public health, Jacobson is committed to building a robust corporate governance system in order to continuously provide efficacious products. Creating an ethical corporate culture that is based on a set of well-established moral principles influences our business ethics and dedication to stamping out corruption reinforces our regulatory compliance, and strengthens the protection of IP rights. For future details regarding compliance with relevant laws and regulations, please refer to the “Laws and Regulations” section of this ESG Report.

BUSINESS ETHICS AND ANTI-CORRUPTION

Our business is built on a foundation of sound business ethics to ensure that the highest standards of integrity are enforced and upheld throughout operations. To drive our moral compass, we have procedures in place that rigorously safeguard personal data and embrace equal opportunities whilst eliminating discrimination, as well as preventing any forms of corruption. This system ensures that our business activities, in particular procurement and sales functions, always operate with a responsibility-driven purpose to prioritise and essentially safeguard the health and well-being of patients. In addition, we will organise annual training on data privacy and anti-corruption topics to strengthen employees’ understanding of key developments.

DATA PRIVACY

Our principles of integrity are thoroughly applied when protecting the personal data of all parties. To this end, we have rigorously complied with the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong) and developed guidelines in the IT Acceptable Use Policy and Code of Conduct within our Employee Handbook to properly safeguard private and confidential information of the Group, personnel, and customers. Personal information collection statements are included in our Job Application Form and Employment Contract, which clearly state procedures relating to the collection, usage, and/or storage of such data. Enhanced security measures are established, in which authorised personnel are required to monitor and detect any suspicious activities. Employees are strictly prohibited from disclosing sensitive data without prior authorisation and are subject to disciplinary action, including termination of employment for any data breaches. During the Reporting Period, the Group did not record any data breaches.

ANTI-CORRUPTION

To enable the continuous provision of authentic products for citizens, we adopt a zero-tolerance approach to bribery and corruption. Provisions that employees are obligated to follow have been set out in the Prevention on Bribery Policy and the Code of Conduct within our Employee Handbook. The policy states that staff members are strictly prohibited from soliciting, accepting, or offering any bribe or advantage relating to a private, public, or government entity when undertaking their responsibilities or when representing our Group. If a staff is offered gifts or souvenirs that could constitute impropriety or is engaged in a conflict of interest, the staff member should seek further guidance by completing the “Report on Gifts/Advantages Received Form” and “Declaration of Conflict of Interest Form” respectively. They should also report the situation to the chief financial officer of the Group.

Our whistleblowing system can be found in the Code of Conduct within our Employee Handbook, which encourages employees to report any suspected cases of corruption to the Human Resources (“HR”) Department. As stated, the identity of the whistle-blower will be protected to avoid any potential retaliation, and an internal investigation will be conducted on the matter. If staff members are found to have engaged in fraudulent activities, they will be subject to disciplinary action that includes but is not limited to termination of employment. The case may also be reported to regulatory authorities. During the Reporting Period, we were not aware of any legal cases brought against the Group or our employees relating to corruption, bribery, extortion, fraud, and money laundering. Through our stringent measures, we have also ensured compliance with the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) and the Code of Practice of the Hong Kong Association of the Pharmaceutical Industry (HKAPI).

The Group pays great attention to keeping abreast of the latest developments in anti-corruption matters. During the Reporting Period, we arranged a self-study training course for employees, including management personnel and general staff, using resources provided by the Independent Commission Against Corruption (ICAC) of Hong Kong. 100% of the invited employees successfully completed the training programme. Consequently, our employees have increased their awareness of identifying and combating corruptive behaviour in the workplace.

EQUALITY, DIVERSITY AND INCLUSION

The Group acknowledges the benefits of attracting talented individuals from diverse backgrounds and embracing an inclusive workforce to promote equality in the workplace. All recruitment, promotion, and transfer or job rotation decisions are made solely based on objective criteria that include experience, capabilities, and performance. In addition, our Policy on Equal Opportunities underpins our approach to fostering an impartial work environment and zero-tolerance on any form of unwarranted sexual harassment or discriminatory behaviour on characteristics including gender, marital status, pregnancy, family status, disability, and race. Training on enhancing equality, diversity, and inclusion in the workplace is further provided to the Board and employees. We have formulated a Retirement Policy, which states that employees who have reached retirement age can seek an extension of their employment contract and are eligible for the long service payment. Our practices rigorously adhere to the Hong Kong Bill of Rights Ordinance (Cap. 383 of the Laws of Hong Kong) and Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong), amongst others, to uphold the fundamental rights of our employees.

REGULATORY COMPLIANCE

Operating in compliance with laws and regulations and responding to societal expectations is a key priority for the Group. To this end, we have formulated monitoring measures to verify that our policies and practices continuously adhere to relevant legislation and the requirements of the markets in which we operate.

The Group rigorously operates according to the provisions under the Pharmacy and Poisons Ordinance (Cap. 138 of the Laws of Hong Kong). It has obtained the necessary licences, permits, and approvals, including the "Licence for Manufacturer" granted by the Pharmacy and Poisons Board of Hong Kong ("PPBHK") and the "Drug Manufacturing Certificate" issued by the National Medical Products Administration (NMPA) of Mainland China. In addition, professional licences have been issued by Hong Kong's Department of Health ("DH") for Authorised Persons, Production Managers, and Quality Control Managers of the Group.

As a responsible pharmaceutical manufacturer, the Group's production facilities have achieved GMP certification, which demonstrates that products are consistently produced and controlled according to defined quality standards. By acquiring licences for all production facilities in Hong Kong, the Group conforms to the international standards set by PIC/S GMP, which are updated every year and rigorously followed by the Group.

At production facilities, SOPs are formulated and regularly updated to maintain full compliance with industry standards. At least one Authorised Person is stationed at the sites to implement the latest regulatory requirements of PIC/S GMP and licensing conditions of the DH. In addition, the distribution of products is subject to control and is classified into certain categories to safeguard the health and safety of patients.

PROTECTION OF INTELLECTUAL PROPERTY

To stimulate product development and innovation, Jacobson has a fundamental responsibility to protect and respect the IP of all parties. To protect the best interests of partners, we require them to sign a Non-Disclosure Agreement and observe the stipulations within to confirm that sensitive and confidential information of the Group is not divulged to third parties. Prior to any product launches, we consult with a patent attorney to avoid any potential rights infringements. Patents are also declared for all of our submitted tenders to public hospitals.



ENVIRONMENTAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP



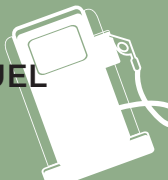
ENVIRONMENTAL COMPLIANCE

Adherence to environmental laws and regulations is an obligation that we pay great attention to. Hence, the Group maintained full compliance with all relevant environmental legislation, including but not limited to the Hazardous Chemicals Control Ordinance (Cap. 595 of the Laws of Hong Kong). We are a registered chemical waste producer under the Environmental Protection Department ("EPD"), and all chemical waste is properly packed, labelled, and stored according to their guidelines prior to collection. For each disposal of chemical waste classified as dangerous drugs, a "Notification under Section 17 for 'Part A' Chemical Wastes" must be submitted to the EPD. Disposal instructions will be returned by them that must be followed and handed to a licensed waste collector endorsed by the EPD. In addition, our procedures to manage emissions and wastewater discharge are executed according to the relevant regulations of the EPD.

ENVIRONMENTAL MANAGEMENT AND TARGETS

Preserving the environment and natural resources from irreparable damage is a key concern for Jacobson. Thus, we strive to effectively handle the pressing issue of climate change, and mitigate our carbon footprint to protect ecosystems and enable sustainable development. To minimise its environmental impact, the Group has measures in place to efficiently consume energy, packaging materials, and water whilst reducing harmful wastewater, emissions, and waste. Through this multi-faceted approach, the Group maintains compliance with environmental laws and regulations.

We have initiated the formulation of the Environmental Policy to strengthen our dedication to protecting the environment. Environmental targets to reinforce this commitment were disclosed in FY2022, and progress on these targets was monitored. We also deposited HK\$10,000,000 into Chong Hing Bank as a green deposit which was used to finance and/or refinance the eligible Green Projects. Waste reduction targets were not set as the Group rigorously complies with environmental regulations, which affects its abilities in this regard.

	TARGET	FY2025 PROGRESS
 GHG	- By FY2023, organise an environmental initiative that reduces or offsets GHG. - By FY2026, replace at least 20% of existing company vehicles with hybrid or electric vehicles.	Achieved – organised two ESG Education workshops to provide practical strategies to create green workspace and on how to plant without soil. In progress – no car replaced during the Reporting Period, transition to hybrid or electric vehicles will align with the write-off schedule of company vehicles in FY2026. Besides, we explored sourcing options from different markets and will continue to monitor stock availability and search for alternative providers of hybrid or electric vehicles.
 WASTE	- By FY2023, set up a waste monitoring system for non-hazardous waste to facilitate data collection. - By FY2023, set up a recycling policy and system for non-hazardous waste to facilitate recycling at offices and facilities. - By FY2023, provide at least 1-hour waste reduction training for employees. - By FY2027, we aim to identify 1 or 2 non-hazardous waste focus areas in different business units in order to build a refined waste management system, improve waste recycling and reduce the environmental impact of our operations.	Achieved – waste baseline study completed, the monitoring system is under review. Achieved – Group-level policy completed, waste disposal practices reviewed and consolidated across manufacturing business units, and support ensured for successful implementation. Pilot project initiated for office paper recycling. Achieved – provided a 1-hour training session on waste reduction to employees. In Progress – we have completed the initial assessment of non-hazardous waste in all business units and are now working on optimising the waste recycling progress. Europharm Laboratoires Company Limited as a pilot site have start to collect non-hazardous waste including plastic, carton box and common office garbage.
 ELECTRICITY	- By FY2023, provide at least 1-hour energy and resource-saving training for employees. - By FY2026, reduce electricity usage intensity by revenue (kWh/HK\$' million) of at least 20% of all facilities by 3%, compared to a FY2020 baseline.	Achieved – provided a 1-hour training session on energy and resource-saving to employees. In progress – submitted the application for the Peak Demand Management Programme of CLP Power and pending the next step from CLP Power.
 FUEL	By FY2026, replace at least 20% of existing company vehicles with hybrid or electric vehicles.	In progress – no car replaced during the Reporting Period, transition to hybrid or electric vehicles will align with the write-off schedule of company vehicles in FY2026. Besides, we explored sourcing options from different markets and will continue to monitor stock availability and search for alternative providers of hybrid or electric vehicles.
 WATER	By FY2023, provide at least 1-hour energy and resource-saving training for employees.	Achieved – provided a 1-hour training session on energy and resource-saving to employees.

CLIMATE CHANGE VULNERABILITY

Climate change is a complex phenomenon with increasingly devastating impacts on livelihoods. At Jacobson, we acknowledge the urgency of creating a robust climate change strategy that is aligned with the Paris Agreement as well as Hong Kong and China's goals to achieve carbon neutrality by 2050 and 2060 respectively to accelerate action on environmental protection. To strengthen our oversight of climate-related risks and opportunities, we commissioned an independent sustainability consultancy to perform a climate-related risk and opportunities analysis with reference to the International Financial Reporting Standards S2 Climate-related Disclosures (IFRS S2) issued by International Sustainability Standards Board (ISSB), so as to identify climate change-related risks and opportunities that may have a significant impact on the Group's operation, as well as the corresponding financial impacts.

GOVERNANCE

The Board and ESG Committee provide leadership, guidance, and supervision on all climate-related matters at the strategic level, whilst the ESG Working Group leads the execution and monitoring of policies and practices at the operational level. The management responsibilities of these parties, and the detailed governance structure of the Group are shown in "ESG GOVERNANCE" of this ESG Report.

STRATEGY

Climate-related Risks

Climate-related Risks	Impact Period	Aspect	Impacts	Risk Mitigation Measures and Progress
Physical Risks				
Increased severity of extreme weather events	Long-term	Acute	Increased Operating Costs to implement more sustainable practices and processes for extreme weather events management. Increased capital costs/Reduction in capital availability due to increased repairment costs resulting from damage to facilities and buildings. Increased insurance premiums/Reduced availability of insurance on assets due to the increasing frequency and severity of extreme weather events. Increased severity of extreme weather events can lead to various risks in the supply chain, such as supply chain disruptions, delays in transportation, damage to infrastructure, and increased costs for mitigation and recovery efforts.	- Enforcement of Preventive Measures in response to the increased severity and frequency of extreme weather events due to climate change. - Enhance storage facilities for organic goods (e.g. temperature-sensitive raw materials, medicine or vaccine). - Regular inspection of equipment and other physical assets to ensure proper maintenance and resilience. - Maintain comprehensive insurance coverage for properties and other assets that are prone to damage by extreme weather or other physical impacts caused by climate change. - Activate extreme weather protocols with safety alerts and adjust work arrangements (e.g., typhoon signals) to ensure workforce safety, followed by post-event recovery execution. - Conduct climate-related risk assessments of the supply chain (e.g., supplier locations in flood-prone zones) to diversify sourcing options, while requiring suppliers to have climate-related risk prevention practices in place through vendor audits.

Climate-related Risks	Impact Period	Aspect	Impacts	Risk Mitigation Measures and Progress
Transition Risks				
Enhanced emissions-reporting obligations	Medium-term	Policy and Legal	Increased operating costs to comply with increasingly stringent requirements.	- Collaborate with sustainability professionals to maintain compliance with emissions reporting requirements. - Evaluating potential participation in the Hong Kong Green Organisation Certification (HKGOC).
				- Conduct ESG-related training for Directors regularly to keep abreast of the latest environmental regulatory updates. - Participated in a talk on reforestation.
Increased pricing of GHG emissions	Long-term	Policy and Legal	Increased operating costs to comply with higher compliance costs and implement more sustainable practices and processes. Capital investment/ expenditures in technology development. Increased capital costs/Reduction in capital availability for purchasing equipment and building new facilities.	- Actively participating in environmental protection activities to reduce carbon footprint. - Participated in tree planting activities to drive environmental protection.
				- Comprehensively verify the data of GHG emissions and adopting cleaner technologies to promote sustainable practices. - Review and assess the feasibility of deployment, financial implications, and on-site installation of solar energy technologies.
Substitution of existing products and services with lower emissions options	Medium- to long-term	Technology	Increased operating costs to adopt more sustainable operating practices. Capital investment/ expenditures in technology development. Increased capital costs/ Reduction in capital availability for lower emissions options.	- Retrofit existing facilities with energy-efficient systems. - Explored renewable energy sources that can be implemented at production facilities.
				- Implement optimal energy control programmes to conserve energy. - Expect to join the Peak Demand Management programme of CLP Power.
				- Adopt a mobile ordering system to reduce paper usage. - The mobile ordering system is in the final stage of development.

Climate-related Risks	Impact Period	Aspect	Impacts	Risk Mitigation Measures and Progress
Costs to transition to lower emissions technology	Long-term	Technology	Increased expenditure to convert to greener infrastructure and employ new technology.	- Invest in hybrid or electric vehicles for company vehicles. - Explored sourcing options from different markets and will continue to monitor stock availability.
				- Build new production facilities with energy conservation features. - Considering collaboration with an academic institute for energy-saving initiatives in building design, we have engaged the academic unit to design and implement an energy management plan for the new factory (towards decarbonisation).

Climate-related Opportunities

Countries or regions worldwide have successively set goals of carbon peaking and carbon neutrality and developed regulatory measures related to GHG emissions, such as carbon pricing and carbon tariffs. In response to such measures, downstream customers will turn to low-carbon products and services to reduce emissions along the value chain. Additionally, as consumers become increasingly aware of sustainability, they are showing a greater interest in green and low-carbon offerings. The development and production of more environmentally friendly medicines may bring more consumers to the Group.

Increasing R&D and investment in clean technology and green consumption, on the one hand, can reduce GHG emissions from our operations, improve energy efficiency, and thereby lower operational and compliance costs. On the other hand, it helps us enhance our brand reputation, attract clients and consumers, and capture and expand in the green and low-carbon market, thus improving our financial performance with higher revenue.

RISK MANAGEMENT

Identification and Assessment of Climate-related Risks and Opportunities

The Board identifies a preliminary list of climate-related risks and opportunities with financial implications for the Group by reviewing global/local policies, regulatory trends, technological developments, and market dynamics through the ESG Committee and independent consultancy feedback. There are a total of nine physical (acute and chronic) risks and nine transition risks (policy and legal, technology, market, and reputation) that would have an impact on our operations.

Climate-related Physical Risks

We ranked each identified acute physical risk that relates to extreme weather events based on assessment criteria of frequency and severity. To evaluate frequency, we analysed relevant statistics published by the Hong Kong Observatory, whilst our severity assessment was based on applying forecasting methods to quantitatively predict the potential impact on our financials, operations, and health and safety. An overall risk level was calculated using a heat map of the frequency and severity of climate-related physical risk.

For ranking chronic physical risk of rising sea levels, the Group employed the Coastal Risk Screening Tool prediction model devised by Climate Central to analyse the number and percentage of the Group's production facilities and offices that are vulnerable to the threat of coastal flooding by 2050 based on their location. An overall risk level was determined based on the percentage of production facilities and offices affected under different hypothetical scenarios. The hypothetical scenario including annual flooding, moderate reductions in pollution levels, exclusion of areas isolated by higher land, and a median rise in sea level were incorporated into this assessment.

Climate-related Transition Risks

For each identified transition risk to a low-carbon economy, four aspects were evaluated to determine the significance. To evaluate the three aspects of jurisdiction, timeframe, and sector, we carried out desk research to identify measures enacted by relevant governments. A prediction model was used to forecast the Group's approximate CAPEX and OPEX, which is the final aspect. A risk heat map focusing on the four aspects was created to determine an overall risk level.

Through our approach, five climate-related risks were concluded to be high risk to the Group. Mitigation measures to address these challenges have been implemented and were monitored to enhance our management of these climate-related issues. Short, medium, and long-term climate-related risks are defined as within three years, three to ten years, and over ten years respectively.

In order to actively respond to the identified risks of climate change and effectively prevent the adverse effects and risks of climate change, the Group has formulated strategies to adapt to and mitigate climate change based on material issues.

Adaptation

The Group is committed to improving the monitoring and early warning of climate change at the place of operation, identifying the vulnerability of key infrastructure to climate change, and improving its adaptability and resilience to climate change.

Continuous monitoring of meteorological information

- We improved the communication channels with relevant departments to ensure that each operating site understands local meteorological information in a timely manner and brace up for extreme weather in advance.

Regular inspection

- We regularly inspected the drainage system, electrical instruments, and other facilities of the operation site, and carried out troubleshooting and reinforcement for outdoor facilities.

Development of emergency plans in response to climate changes

- We set up a climate change emergency response team to assist each operating site in implementing emergency plans in a timely and orderly manner under extreme weather conditions to minimise the damage of extreme weather to the Group.

METRICS AND TARGETS

To reduce GHG emissions, the Group is committed to reducing its carbon footprint, which is mainly derived from energy usage to support its manufacturing and logistics operations as well as maintain the safety of products. We acknowledge that these operations will generate a large of GHG and may be detrimental to the environment. Therefore, we have set the GHG targets listed below:

- By FY2023, organise an environmental initiative that reduces or offsets GHG emissions.
- By FY2025, identify and join an industry association/coalition/partnership group to promote carbon reduction in the industry.
- By FY2026, replace at least 20% of existing company vehicles with hybrid or electric vehicles.

To minimise our environmental impact, we have designated staff at production facilities in charge of switching off lights and air conditioners where possible. Shuttle buses are provided to employees to reduce pollution from commuting. In relation to our procurement activities, FSC or PEFC-certified paper and office appliances with energy-saving labels are purchased whilst raw materials are mainly sourced from suppliers close to production facilities.

Additionally, in the renovation of our office, we used 534 square meters (including wastage) of 2TEC2 flooring containing 70% recycled PET. According to Longevity Design House Limited, the NGO engaged in the project, this initiative prevented approximately 8,010 PET bottles from entering landfills, directly contributing to a reduction in our carbon footprint by minimising the demand for virgin plastic materials and associated greenhouse gas emissions. This demonstrates our commitment to driving tangible carbon reductions through sustainable material choices in operational spaces.

During the Reporting Period, we organised several activities to reduce harmful emissions. The Group has organised a series of ESG Education Sharing Sessions with diverse topics to enhance employees' understanding of ESG principles, thereby supporting the Group's future development and advancing its environmental targets. These sessions cover topics such as Light & Energy Wastage, Green Living for a Better Climate, and Clean Air & Green Driving, among others. The Group also completed a review and consolidation of the current waste disposal practices of each manufacturing business unit, as well as the arrangement of recycle bins (三色桶) to identify the necessary support.

To kick-start our transition to clean energy, we have conducted research on renewable energy and plan to install solar panels at appropriate production facilities. Moving forward, we will further apply a bottom-up approach, in which employees will be empowered to take individual and collective action on reducing carbon footprint to ultimately influence behavioural change across the Group.

GHG emissions emitted by the Group originate from the combustion of fuels from manufacturing equipment and vehicles (scope 1), the consumption of purchased electricity and purchased steam (scope 2), waste paper disposed of at landfills, electricity used for fresh water and sewage processing, and business travel (scope 3). For details of our initiatives to minimise GHG emissions, please refer to the "Energy Consumption", "Water and Wastewater Management", and "Hazardous and Non-Hazardous Waste Management" subsections within this section of this ESG Report.

In order to better understand the Group's GHG emissions, we commissioned an independent sustainability consultancy to evaluate our performance. The quantification methodologies used to reference both local and international guidelines, including the "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong" published by the EPD and the Electrical and Mechanical Services Department (EMSD), and the "Greenhouse Gas Protocol" produced by the World Resources Institute and World Business Council for Sustainable Development. During the Reporting Period, the Group's total GHG emissions intensity by revenue increased by approximately 13.39%.

GHG Emissions	Unit	FY2025	FY2024	% Change
Scope 1: Direct GHG Emissions ¹	tCO ₂ -e	1,196.01	1,190.98	0.42%
Scope 2: Energy Indirect Emissions – Location-based ²	tCO ₂ -e	13,864.32	11,136.26	24.50%
Purchased Electricity – Hong Kong	tCO ₂ -e	11,890.96	11,136.26	6.78%
Purchased Electricity – Mainland China	tCO ₂ -e	1,431.63	0.00	NA
Purchased Steam – Mainland China	tCO ₂ -e	541.73	NA	NA
Scope 2: Energy Indirect Emissions – Market-based ³	tCO ₂ -e	19,645.69	15,500.73	26.74%
Purchased Electricity – China Market	tCO ₂ -e	19,103.96	15,500.73	23.25%
Purchased Steam – China Market	tCO ₂ -e	541.73	NA	NA
Scope 3: Other Indirect Emissions ⁴	tCO ₂ -e	259.93	249.02	4.38%
Total GHG Emissions (Scope 1, Scope 2 – Location-based and Scope 3)	tCO ₂ -e	15,320.26	12,576.26	21.82%
Total GHG Emissions (Scope 1, Scope 2 – Market-based and Scope 3)	tCO ₂ -e	21,101.63	16,940.73	24.56%
Total GHG Emissions Intensity by Revenue – Location-based ⁵	tCO ₂ -e/HK\$' million	9.72	8.57	13.39%
Total GHG Emissions Intensity by Revenue – Market Based ⁵	tCO ₂ -e/HK\$' million	13.38	11.54	15.94%

Notes:

1. In FY2025, Scope 1 emissions data comprises the emissions generated from the combustion of fuels in stationary and mobile sources. The emission factors used for calculating GHG emission from fuel combustion in stationary and mobile sources in FY2025 are based on the "Reporting Guidance on Environmental KPIs (Appendix II)" provided by the Stock Exchange. As the Group has updated its statistical methods on GHG directly generated by combustion of fuels from manufacturing equipment and vehicles during the Reporting Period, the Scope 1: Direct GHG Emissions data for FY2024 has been restated; there was a reduction of approximately 7,224.32 tCO₂-e.
2. In FY2025, Scope 2 emissions data covers purchased electricity and purchased steam (a new disclosure category), with both emission calculations based on the regional location where the energy is consumed. The emission factors used for calculating GHG emissions from purchased electricity in Hong Kong are based on the "2024 Sustainability Report" Provided by the Hong Kong Electric Company Limited, the "2024 ESG Databook" provided by the China Light & Power Company Limited, The emission factors used for calculating GHG emissions of purchased electricity in Mainland China are based on the "Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022" published by the Ministry of Ecology and Environmental of PRC and the National Bureau of Statistics of China in 2024. The emission factors used for calculating GHG emissions of purchased steam in Mainland China are based on the "Guidelines on Greenhouse Gas Emission Accounting and Reporting" provided by the National Development and Reform Commission of the PRC.
3. In FY2025, Scope 2 emissions data covers purchased electricity and purchased steam (a new disclosure category), with both emission calculations based on the China market. The emission factors used for calculating GHG emissions from purchased electricity and purchased steam in China market are based on the "Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2022" published by the Ministry of Ecology and Environmental of PRC and the National Bureau of Statistics of China in 2024 and the "Guidelines on Greenhouse Gas Emission Accounting and Reporting" provided by the National Development and Reform Commission of the PRC, Separately.
4. In FY2025, Scope 3 emissions data in FY2025 includes the methane gas generated from landfill due to paper waste disposal, business travel, and the electricity used for fresh water and sewage processing. The emission factors used for calculating GHG emissions from methane gas generation at landfill due to paper waste disposal are based on the "Reporting Guidance on Environmental KPIs (Appendix II)" published by the Stock Exchange. The emission factors used for calculating GHG emissions from business travel are based on the Carbon Emissions Calculator published by the International Civil Aviation Organisation (ICAO). The emission factors used for calculating GHG emissions from electricity used for fresh water and sewage processing are based on the latest Sustainability Report published by the Hong Kong's Drainage Service Department and latest Annual Report published by the Hong Kong's Water Supplier Department.
5. The total GHG emissions intensity by revenue increases mainly due to the addition of the purchased steam disclosure category and increase in purchased electricity consumption during the Reporting Period.

ENERGY CONSUMPTION

We concentrate on reducing energy consumption to decrease the burning of fossil fuels and corresponding emissions. Electricity, town gas, and fuel used for manufacturing, cleanroom maintenance, and/or 23 (FY2024: 23) company vehicles represent our main sources of energy consumption.

Energy-saving features are incorporated into the construction design of new facilities, whilst existing buildings are retrofitted with energy-efficient technologies where possible. The temperature and humidity levels of cleanrooms are strictly controlled according to GMP and DH standards, and it is the most energy-intensive operation at production facilities. An energy control programme that is integrated with our building automation system is in place, which monitors real-time conditions of areas and adjusts room temperature, humidity, and airflow to optimise energy usage. Our Engineering Department has installed monitoring devices at certain production facilities and tracks the performance of implemented energy-saving systems. To further develop knowledge of best practices and practise responsible energy management, Jacobson collaborates with external organisations and academic institutes on sustainable initiatives.

To manage town gas usage, our Engineering Department carries out daily patrols to ensure that gas combustion equipment is well maintained, and it also keeps consumption records. Employees are also reminded to practise fuel-efficient driving techniques when using company vehicles, which we are in the process of replacing with hybrid or electric vehicles. Additionally, we also promote and educate our employees on energy-saving measures through email, posters, and internal networks, enhancing their sense of environmental responsibility.

By evaluating our consumption patterns and making comparisons, we are able to identify trends and determine areas for improvement. During the Reporting Period, the Group's energy consumption intensity by revenue increased by approximately 14.88%.

Energy Consumption	Unit	FY2025	FY2024	% Change
Direct Energy Consumption	MWh	5,905.15	5,855.15	0.85%
Direct Energy Consumption – Combustion of fuels in stationary sources	MWh	4,733.49	4,729.42	0.09%
Direct Energy Consumption – Combustion of fuels in mobile sources	MWh	1,171.66	1,125.73	4.08%
Indirect Energy Consumption	MWh	35,678.28	27,838.95	28.16%
Indirect Energy Consumption – Purchased Electricity	MWh	34,310.27	27,838.95	23.25%
Indirect Energy Consumption – Purchased Steam ¹	MWh	1,368.01	NA	NA
Total Energy Consumption	MWh	41,583.43	33,694.11	23.41%
Energy Consumption Intensity by Revenue ²	MWh/HK\$' million	26.37	22.96	14.88%

Notes:

1. The indirect energy consumption from purchased steam is a new disclosure category during the Reporting Period.
2. The energy consumption intensity by revenue increase mainly due to the addition of the purchased steam disclosure category and increase in the purchased electricity consumption during the Reporting Period.

PACKAGING MATERIALS CONSUMPTION

The Group is mindful of its packaging materials consumption, which mainly comprises inserts, labels, boxes, and outer cartons. Although our packaging materials are generally not recycled due to restrictions imposed by regulatory authorities, we nevertheless aim to minimise waste during production by procuring packaging materials based on sales forecasts and purchasing them in bulk. We have created the Printing and Packaging Materials Receiving, Dispatching, and Control to carefully manage our procurement practices and allocated staff at each production facility to monitor the type and quantity of packaging materials used, expiry dates, and batch numbers printed on the packaging boxes to optimise usage.

To facilitate tracking and management efforts, during the Reporting Period, we created a road map for recording each packaging material by weight, which the glass, metal, and plastic packaging materials have already been weighed in FY2025. We have disclosed the glass, metal, and plastic packaging materials in KG in FY2025, for other packaging materials such as paper, the Group is in the process of standardising to by weight.

Packaging Materials	Unit	FY2025	FY2024
Total Packaging Materials Usage ¹	Pieces	65,259,976.77	112,681,700.74
Total Packaging Materials Usage ²	kg	1,624,642.60	973,101.43
Packaging Materials Usage Intensity by Revenue ¹	Pieces/HK\$' million	41,385.06	76,769.22
Packaging Materials Usage Intensity by Revenue ²	kg/HK\$' million	1,030.28	662.97

Notes:

1. In FY2025, the total packaging materials (Pieces) include only paper packaging materials. In FY2024, the total packaging materials (Pieces) include paper packaging materials and the plastic packaging materials of type bottle and tubes.
2. In FY2025, the total packaging materials (kg) include all types of plastic packaging materials consist of blister PVC/PVDC, bottle and tubes, metal packaging materials and glass packaging materials. In FY2024, the total packaging materials (kg) include only plastic packaging materials of type blister PVC/PVDC type, metal packaging materials and glass packaging materials.

WATER AND WASTEWATER MANAGEMENT

Practising responsible water and wastewater management is of great importance to Jacobson. Water is a critical component of our operations and is used for the production of medicines, general cleaning, and specialised sanitisation processes, whilst wastewater discharge is strictly observed and controlled.

WATER MANAGEMENT

To embrace sustainable water practices, we place water conservation posters in washrooms and in certain areas across the Group's facilities. A water purification system that maintains the quality and efficiency of water used for drug production processes has been set up, and the Operation of Purified Water System has been introduced to standardise the operation of the system. One of our production facilities has additionally been equipped with a water recycling system to facilitate the reuse of water for cleaning and flushing purposes. Water used for cooling towers is monitored to improve overall efficiency.

Water Conservation Project

The water recycling system at our subsidiary, Europharm Laboratoires Company Limited, optimises water usage by facilitating the reuse of water for cleaning and flushing purposes to ultimately enhance water efficiency. Through this system, we are able to effectively minimise wastage and reduce water pollution in the surrounding environment.

Since 2018, we have participated annually in the BOCHK Corporate Low-Carbon Environmental Leadership Awards, organised by the Federation of Hong Kong Industries and sponsored by Bank of China (Hong Kong) Limited, to showcase our environmental accomplishments.



We have carried out a feasibility study to enhance our practices in relation to recording water usage for production and non-production purposes, a site visit was conducted to our production facilities to confirm the feasibility of installing a water quantity monitoring system. Following internal discussions based on last year's Water Feasibility Study, it has been determined that the installation of additional meters to track water flow is currently not viable. As a result, this initiative will be temporarily suspended. During the Reporting Period, the Group's water usage intensity by revenue decreased by approximately 3.27%. The Group additionally did not encounter any problems with sourcing water that was fit for purpose.

Water	Unit	FY2025	FY2024	% Change
Water Usage	m ³	175,372.00	168,763.58	3.92%
Water Usage Intensity by Revenue	m ³ /HK\$' million	111.21	114.98	-3.27%

WASTEWATER MANAGEMENT

The Group exercises due care by monitoring the wastewater discharge system to ensure the proper and safe treatment of wastewater. Through this process, the temperature of generated wastewater is strictly controlled, in which samples are taken by regulatory authorities annually to maintain their concentration levels. At production facilities in Hong Kong, wastewater is properly discharged into the sewage network operated by the Drainage Services Department (DSD). Whereas, in Mainland China, we operate wastewater treatment facilities to dispose of discharge and reduce pollutants responsibly.

EMISSIONS AND WASTE MANAGEMENT

As a steward of the environment, the Group strives to minimise the generation of emissions and waste from its operational processes whilst embracing responsible measures to manage its environmental impact.

AIR EMISSIONS MANAGEMENT

Our air emissions mainly consist of nitrogen oxide (NOx), sulphur oxides (SOx), and particulate matter (PM), which are derived from machinery used in drug manufacturing and vehicles used for goods distribution. Pre-filters, medium filters, and HEPA filters have been equipped with the HVAC systems at production and laboratory facilities, which maintain specific temperature, relative humidity, and cleanliness levels to improve indoor air quality and reduce particulate emissions. In addition, all fossil fuel-based vehicles will be replaced with hybrid or electric vehicles in the near future.

Air Emissions ¹	Unit	FY2025	FY2024	% Change
Nitrogen Oxide Emissions	kg	1,415.49	1,193.23	18.63%
Sulphur Oxide Emissions	kg	2.10	2.03	3.45%
Particulate Matter Emissions	kg	133.11	81.35	63.62%

Note:

1. The air emissions increase is mainly due to the diesel consumption by vehicles increase during the Reporting Period.

HAZARDOUS AND NON-HAZARDOUS WASTE MANAGEMENT

The Group's waste generation primarily stems from production processes that include non-conforming products, expired raw materials, damaged goods, microbiological waste after testing, chemical waste from quality control testing, and packaging waste, amongst others.

For hazardous waste, we have formulated a Goods Destruction Policy for production facilities, which describes our handling and recording procedures and is reviewed by QA staff. It states that for the disposal of different types of hazardous waste, relevant personnel is instructed to complete and attach a specified label on the items and fill in a "Drug Waste Destruction Record Form". The QA Head or pharmacist will then review and approve the form, whilst QA staff or pharmacists will submit relevant documents, including our "Disposal of Pharmaceutical Waste Form", to the EPD for waste disposal arrangement. The waste is collected in a suitable container and stored at the designated drug disposal area, ready for collection and further processing by waste contractors. Special arrangements are made for chemical waste, which is handled under strict conditions and must be declared to the EPD and disposed of by licensed chemical waste collectors. If the chemical waste is classified as dangerous drugs, it will be processed under the supervision of DH personnel and treated by licensed chemical waste collectors.

Non-contaminated labware and wastepaper form our non-hazardous waste generated at production facilities and offices. To reduce paper usage, Jacobson has adopted a mobile ordering system and a SAP system, which streamlines electronic payments. Digital communication methods are used where possible to promote paperless operations further. Printers are set to duplex printing, and employees are encouraged to reuse and recycle paper. At offices, the Group embraces the principles of the '4Rs' – reduce, reuse, recycle, and replace to manifest responsible waste management. Moving forward, we aim to improve our paper recycling efforts to facilitate proper waste disposal.

During the Reporting Period, we continued to adhere to our recycling policy and waste management policy. These internal policies have been effectively implemented and have played a crucial role in ensuring efficient waste disposal procedures within our Group. We have also conducted a waste baseline study to gain insights into our non-hazardous waste and are currently in discussions regarding the development of a monitoring system to track its progress.

Waste	Unit	FY2025	FY2024	% Change
Hazardous Waste Disposal	kg	51,022.77	53,043.68	-3.81%
Hazardous Waste – Liquid Chemical Waste	kg	13,591.31	10,641.18	27.72%
Hazardous Waste – Solid Chemical Waste	kg	37,431.46	42,402.50	-11.72%
Hazardous Waste Disposal Intensity by Revenue	kg/HK\$' million	32.36	36.14	-10.46%
Non-hazardous Waste Disposal ¹	kg	248,687.17	591,515.06	-57.96%
Non-hazardous Waste Disposal – Recycled	kg	40,066.14	20,679.86	93.74%
Non-hazardous Waste Disposal – Landfill	kg	208,621.03	570,835.20	-63.45%
Non-hazardous Waste Disposal Intensity by Revenue	kg/HK\$' million	157.71	402.99	-60.87%

Note:

1. The types of non-hazardous waste include general waste (i.e., common office garbage), plastic, paper, food waste, glass, and metals.

A high-angle, top-down photograph of seven business professionals in a modern office setting. They are seated in a circle on light-colored, curved armchairs. The individuals are dressed in business attire, including suits and blouses. One man is holding a tablet, and another is holding a folder. The floor is made of light-colored wood planks. The entire image has a monochromatic pinkish-red tint. The text "COMMITMENT TO EMPLOYEES" is overlaid in white, bold, sans-serif capital letters in the lower right quadrant.

**COMMITMENT
TO EMPLOYEES**

COMMITMENT TO EMPLOYEES



At Jacobson, people are at the core of our business and are integral to our success. Thus, we have an unwavering commitment to enhancing employees' growth, satisfaction, and loyalty to bring out their best. We use our utmost efforts to develop our talented workforce's capabilities by providing training opportunities, upholding their human rights and labour rights, and building strong relationships through engagement initiatives whilst prioritising their health and well-being in the workplace.

RECRUITMENT AND DISMISSAL

At Jacobson, we maintain a robust and ethical approach to recruitment and dismissal. In recruitment, we strictly adhere to our Policy on Equal Opportunities. This policy ensures that the recruitment and promotion processes are fair and open to all. We firmly oppose any form of discrimination based on age, sex, physical or mental health status, marital status, family status, race, skin colour, nationality, religion, political affiliation, or sexual orientation. Therefore, we create a level-playing field where every candidate is evaluated solely on their skills, qualifications, and potential, enabling us to attract a diverse and talented workforce.

Regarding dismissal, we have established a comprehensive Exit Interview mechanism. Whenever an employee decides to resign, our human resources team conducts an in-depth interview which serves a dual purpose. Firstly, it helps us understand the root causes of the employee's departure. Whether it's related to job dissatisfaction, career aspirations, or other factors, the insights gained are invaluable. Secondly, these interviews assist us in identifying and managing staff turnover-related problems. By analysing the common reasons for turnover, we can take proactive measures. Therefore, we can optimise our human resources management, improve employee satisfaction, and ultimately contribute to the long-term stability and development of the Group.

CHILD AND FORCED LABOUR

The Group is devoted to advocating equal employment rights and upholding ethical labour standards to prevent occurrences of child and forced labour in the workplace. During the recruitment process, the identity and documentation of applicants are checked and verified to ensure their age and background adhere to local laws and regulations. In the event that dishonest or fraudulent information has been provided, recruitment or employment with the Group will be immediately terminated without compensation. Any overtime work performed by employees is compensated via time off or pay to ensure fair remuneration. During the Reporting Period, the Group did not record any cases concerning labour disputes and maintained compliance with the Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong).

If child or forced labour is found, we will immediately end the employment, report it to authorities, and cooperate fully with investigations. We review what went wrong internally, discipline responsible parties, and support affected individuals to prevent future issues.

DEVELOPMENT AND TRAINING

Nurturing and training our workforce allows us to unlock their potential whilst helping to strengthen the supply and consistency of products. We have established the Training Guidelines, which detail the Company's training system including procedures of training initiation, execution, follow-up, and record-keeping. We introduce new staff members to the Company's history, background, structure and philosophy, employee benefits, regulations, and practices through orientation training. Practical on-the-job training, which is based on the approved "Training Curriculum", is also organised as part of the onboarding process to instil confidence and encourage progression.

Employees are provided with comprehensive training based on the nature of their work and workplace. Annual training on SOPs and periodic training on the principles of GMP is routinely scheduled to equip staff with the necessary knowledge to perform tasks safely and effectively, in which a test will need to be completed and passed. Moreover, training on numerous aspects is periodically arranged to enhance the skills of frontline employees and protect their safety. Pharmacists are given strong support throughout their career, including training on the production process, mentorships, and career path planning to nurture them in becoming proficient Authorised Persons. They may also be tasked with supervisory duties to further develop their competencies.

We support our employees with professional growth through the Company Sponsorship for External Studies/Training Policy, which is also mentioned in our Employee Handbook. Under this policy, we aim to enrich their career development and provide sponsorship opportunities for employees partaking in external training programmes, which can be either company-nominated training or staff-initiated training. Employees will be granted study leave if the training is conducted during working hours. For staff-initiated training, course fees are reimbursed upon completion of the course and passing any examinations. During the Reporting Period, 32,459 (FY2024: 18,136) hours of employee training were completed on topics including but not limited to GMP document writing, waste disposal procedures, code of practice, packaging process, and user complaint management.

EMPLOYEE BENEFITS AND ENGAGEMENT

To show appreciation to our talented workforce, we strive to offer a range of incentives and carry out engagement activities to ultimately increase their overall welfare. Our employment-related policies and procedures are listed in our Employee Handbook and Employment Contract, which fully comply with the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), Labour Law, and Labour Contract Law of the PRC.

Employees are offered a competitive remuneration package and are entitled to numerous leave benefits, including statutory holidays, annual leave, sick leave, maternity leave, paternity leave, jury/witness duty leave, marriage leave, and compassionate leave. A discretionary Chinese New Year bonus is given to employees subject to the performance of the Group and individual employees. In addition, we provide employees with Group medical insurance, employee compensation insurance, and business travel insurance. The Transportation and Travel Expenses Reimbursement Policy allows staff members who work overtime beyond a certain period of time to be reimbursed for any travel expenses incurred on the trip back home. Free shuttle bus services are operated between several locations, which employees in Tai Po InnoPark are entitled to use. A lunch subsidy scheme is also in place for employees who work at this site.

We have set up an annual performance appraisal system as part of our commitment to engaging with employees. The Department Head will complete an appraisal form by engaging in discussion with the staff member and evaluating his/her performance. An overall performance rating is calculated that correlates to a salary increase. The annual salary review proposal is reviewed by the HR Department and is subject to the Chairman's final approval. To retain our top talents, we may offer alternative career paths, conduct special salary reviews, and provide additional benefits depending on the circumstances.

To inspire staff members to showcase their creative talents that capture the rich cultural heritage of our communities, we have organised annual staff photography contests since 2012. The winners' artworks are featured in the annual corporate calendar, which is distributed to all employees, and they are incentivised with cash prizes. In addition, to improve employee satisfaction and create a united workforce, we will empower individual business units to organise employee engagement activities and host Group-level events.

Cultivating Well-Rounded Work Environment: Opening of "J+ Fellow" Multifunctional Staff Shared Space

In October 2024, the Group introduced an exciting addition to its workplace, a brand new multifunctional shared space named "J+ Fellow". This shared space is more than just a physical area. The name itself has a profound meaning. The "+" symbolises the union of different parts within the corporate family, while "Fellow" emphasises the camaraderie and mutual support among team members, promoting collective growth in all aspects of life.

For employees, this space brings numerous advantages. It serves as a hub for a variety of team-building and leisure activities. Whether it is a friendly table tennis match, a movie-watching session, or participation in workshops and talks, these activities facilitate better communication and stronger connections among colleagues. During the opening celebration, a professional barista crafted personalised coffee, adding a touch of enjoyment. An ESG-themed planting workshop was also organised, where employees not only learned about sustainable planting but also got to take home a plant, making the event educational and memorable. In essence, J+ Fellow functions as a platform that stimulates collaboration, creativity, and innovation, encouraging employees to share ideas and contribute to future activities held in this space.



OCCUPATIONAL HEALTH AND SAFETY

Adopting a safety-driven culture to safeguard our employees' occupational health and safety ("OHS") is indispensable to our operations. By providing a safe and low-risk work environment, we strictly follow all health and safety regulations, including but not limited to the Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong).

The Group implements a robust Occupational Health & Safety Management System ("OHSMS"), which integrates health and safety protocols. The system defines the organisational structure, responsibility of personnel, and management-level procedures to ensure health and safety are rigorously applied throughout our operations. In addition, it is constructed of three key elements, which are the Occupational Health & Safety Policy Manual, OHS management procedures, and SOPs. The Occupational Health & Safety Policy shapes our OHS direction, states our primary objectives, and lays out the responsibilities of personnel. This policy is reviewed and revised every two years to maintain its validity and effectiveness.

An annual safety audit or review and follow-up inspections on the OHSMS are conducted by external auditors and the Labour Department of Hong Kong respectively to strengthen its overall performance. We subsequently review the findings from the inspections and execute improvement initiatives (if any) to maintain high safety standards. In addition, the Safety Committee comprising management personnel has been established, which meets every three months, to oversee the implementation of OHS, discuss important safety matters, and formulate any actions for improvement.

To promote a shared responsibility of protecting health and safety, we share information on all injuries or accidents at production facilities among the Group's business units. Procedures to safeguard employee well-being are detailed in our Employee Handbook. Fire drills are held annually whilst machinery and equipment are inspected for safety hazards. Annual health checks are provided for production frontline employees at production facilities, and noise and manual handling assessments are conducted periodically to prevent avoidable health issues. In the event of a workplace injury, the employee should receive appropriate medical treatment, and the incident must be immediately reported to a supervisor for further action. The Group recorded 0 (FY2024: nil) cases of work-related fatalities in the past three years, which includes the Reporting Period, and 719 (FY2024: 421) lost days due to work-related injuries.

All new staff members are required to participate and pass induction training on OHS, whilst employees are provided with annual refresher safety training. During the Reporting Period, training on topics including fire escape procedures, site clearance inspection, cleaning tools usage, and safe laboratory practices, amongst others, were provided to employees to enhance their safety knowledge.

A comprehensive Risk Assessment Register has been produced, which is updated either on an annual basis or to incorporate new activities associated with production, evaluating the identified hazards that may occur during the manufacturing process of different products. A risk rating is assigned to determine the existing risk level, calculated according to the likelihood and severity. Control measures are formulated to reduce the existing risk level to an acceptable level, including providing PPE, displaying warning notices, and installing covers or guards. Team Leaders are responsible for implementing the defined control measures, whereas the Production Officer shall monitor the effectiveness of these actions.



PRODUCT RESPONSIBILITY



PRODUCT RESPONSIBILITY



As a long-standing pharmaceutical manufacturer, the Group has a profound responsibility and steadfast commitment to consistently provide high-quality products that are safe for consumption. To verify that our products can fulfil the needs and demands of society, we implement high standards of quality and safety throughout operational processes, which must be adhered to by employees and suppliers, whilst engaging in research and development activities to promote product innovation.

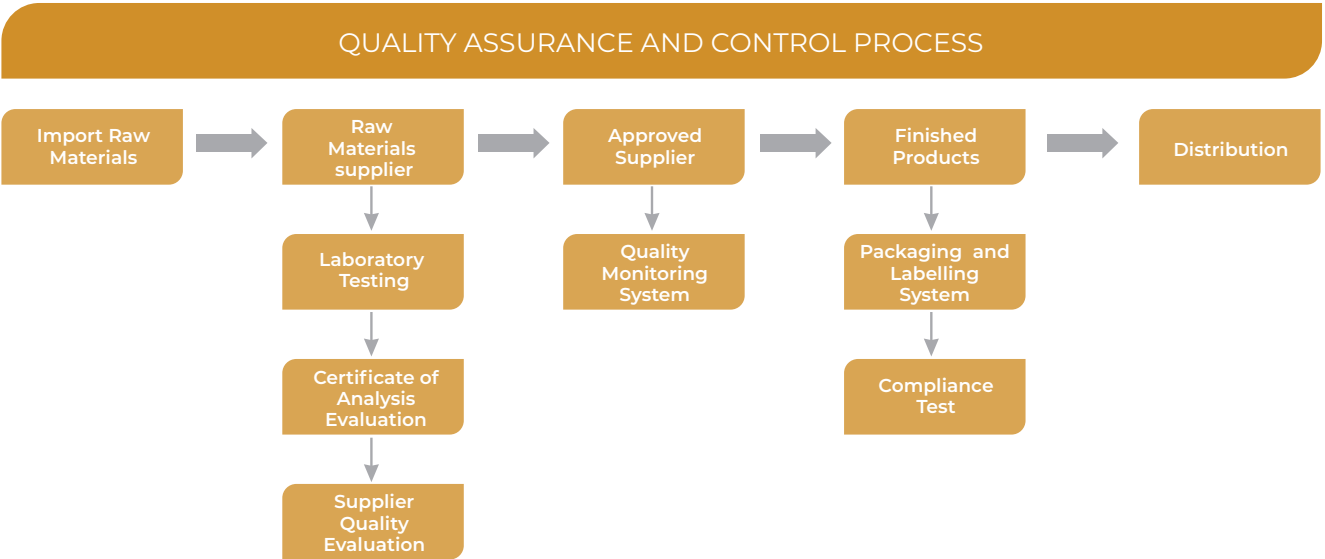
PRODUCT QUALITY

Producing high-quality and effective medicines whilst minimising product quality risks to protect public health and the safety of consumers is of vital importance to Jacobson. In order to develop these stringent processes, we maintain a robust quality assurance system and adopt comprehensive measures for all production facilities. Our approach to upholding product responsibility enables us to go beyond compliance with relevant laws and regulations, including but not limited to the Antibiotics Ordinance (Cap. 137 of the Laws of Hong Kong), Pharmacy and Poisons Ordinance (Cap. 138 of the Laws of Hong Kong) and Undesirable Medical Advertisements Ordinance (Cap. 231 of the Laws of Hong Kong).

Jacobson's products are registered with the DH, which confirms that they are safe for patient consumption, and it takes all reasonable steps to ensure that drug specifications conform to the product registration specifications. Our Quality Manual fully complies with PIC/S GMP and lays out the GMP-compliant elements that devise our comprehensive Pharmaceutical Quality System. This system ensures that our products are always manufactured at the highest standards of quality and safety. An annual audit of the Group's production facilities is conducted by the DH based on PIC/S GMP standards, which further safeguards the quality and efficacy of products.

Jacobson has formulated stringent procedures to control the production process. Chemical dosing is applied to ensure manufactured products match their stated specifications whilst any deviations and non-conforming products will be recorded and evaluated to enable appropriate action. All systems, equipment, and calibration instruments are maintained and calibrated on an annual basis. In addition, Jacobson's centralised warehouse, Pharmason, is accredited with Good Distribution Practice, which protects the integrity and quality of products.

The Groups has also established the Transportation Procedure and Back-up Delivery Plan to strictly control product quality in transportation. Only approved drivers can drive company vehicles. We carry out regular cleaning and pest checks on our vehicles and handle damaged goods in accordance with our procedures. The truck's temperature is closely monitored (set at 18 – 20°C to keep ≤25°C) and recorded daily to avoid the expiry of the drug.



RAW MATERIALS QUALITY INSPECTION

The Group's raw materials used for drug production processes are predominantly Active Pharmaceutical Ingredients ("APIs"), excipients, and packaging materials. The Quality Control ("QC") Department performs our rigorous inspection procedures on new and existing manufacturers for batches of APIs, excipients, and packaging materials. All raw materials must be approved before usage. Each batch subsequently undergoes a comprehensive set of laboratory tests, in which samples are extracted to determine if the raw materials match the specifications of the supplier's provided Certificate of Analysis (COA). If there are inconsistencies with the specifications, the QC Department will re-inspect the raw materials, which will be returned to the manufacturer should they be confirmed to be substandard.

All raw material suppliers are subject to supplier quality evaluation and must pass the assessment process to gain approval. Approved suppliers will continue to be scrutinised under our quality monitoring system. For further details of our supply chain practices, please refer to the "Supply Chain Management" subsection below within this section of this ESG Report.

FINISHED PRODUCTS QUALITY VALIDATION

The Group has formulated the Release of Finished Products to standardise the inspection and release processes of finished products, and ensure that only products meeting strict quality criteria are introduced to the market or used in clinical trials. Our automated packaging and labelling systems verify that finished products are properly packaged according to their specifications, and contain accurate inserts and indication labels. Units with impurities are removed from the production lines whilst the acceptable units are sealed in their respective packaging forms. The QC Department then checks and validates that the packaging and labelling fulfil their respective specifications and standards enforced by the DH.

Prior to distribution, each batch of products is subject to a full compliance test according to the registered product specifications. To this end, we perform an annual product quality review, in which the raw data and testing results of finished products are inputted into our review system. This procedure allows us to identify trends or inconsistencies in our products and improve our processes to optimise quality and safety. Finished products are stored at optimal temperature and humidity levels to preserve the efficacy of our products.

QUALITY ASSURANCE AND MANAGEMENT

As part of our commitment to quality assurance, we have created a series of product recall SOPs that specify the steps to be taken in the event of a product recall. The Quality Assurance ("QA") Department is in charge of coordinating the product recall process, whilst the Authorised Person is responsible for overseeing the execution. These SOPs are required to be reviewed on an annual basis by pharmacists and/or designated QA staff, who are responsible for aligning our procedures with corresponding guidelines issued by the DH.

Where quality defects are found in products, employees must report the situation to the QA Department. In the unlikely event of a product recall, the DH will be promptly notified. The product recall process will then be initiated by informing affected consumers and coordinating methods to return the defective products. Returned products will then be stored in a designated area at our warehouses and either destroyed, reconditioned, or returned to manufacturers. Due to our stringent quality assurance system, during the Reporting Period, no products under Jacobson were recalled due to safety and health reasons.

CONSUMER SAFETY

The Group has formulated a pharmacovigilance (PV) system, which relates to the monitoring of the safety and reducing the risks of medicines. A corresponding SOP has been created to reinforce our provision of high-quality and safe pharmaceutical products, as well as facilitate the proper handling of potential adverse drug events. We also strictly abide by the PPBHK's "Guidance for Pharmaceutical Industry – Adverse Drug Reaction Reporting Requirements", which lists the procedures for reporting drug reactions.

CUSTOMER SATISFACTION AND ENGAGEMENT

The Group aims to achieve high levels of customer satisfaction and develop strong relationships by engaging with its customers. To this end, we have established dedicated teams to communicate information on products and policies, amongst others, to customers as well as promptly address any problems. We have established the Complaint Handling Procedures, where upon receipt of any product-related complaints, the QA Manager will categorise it into a quality or health and safety issue based on the nature of the case. Procedures, including initiating an investigation or recall, will then be executed. Corrective action will also be carried out to refine internal processes and prevent similar future instances. During the Reporting Period, the Group received 11 complaints relating to the products, which were addressed through product replacements.

CUSTOMER SERVICE MANAGEMENT

The Group has established the Handling of Product Enquiry to handle all product enquiries from customers to enable prompt responses and enhance customer service management standards. We have set up dedicated Service Hotlines and Sales Hotlines, requiring phone receptionists/sales representatives to promptly notify pharmacists upon receiving customer enquiries. For enquiries received through alternative channels such as fax, email, postal mail, or medical representatives' response, these shall be immediately directed to pharmacists. Subsequently, the pharmacist shall document the customer details and enquiry information in the Product Enquiry Form after gathering relevant data and conducts a preliminary screening to classify the enquiry type. For handling different categories of enquiries, the QA Head performs a final review to make decision determinations, subsequently providing timely responses and initiating follow-up actions.

SUPPLY CHAIN MANAGEMENT

To minimise product quality risks and consistently fulfil our high standards of quality and safety, we strive to build a robust mechanism to ensure that raw materials suppliers are able to meet our expectations and to prudently manage relationships with suppliers in order to achieve a harmonious supply chain. Our supply chain practices are in strict compliance with the Dangerous Drugs Ordinance (Cap. 134 of the Laws of Hong Kong), Control of Chemicals Ordinance (Cap. 145 of the Laws of Hong Kong), and Dangerous Goods Ordinance (Cap. 295 of the Laws of Hong Kong) amongst others.

SUPPLIER ENGAGEMENT AND EVALUATION

Our extensive supplier evaluation assessment procedures are focused on our all suppliers, which include direct providers of APIs, excipients, and packaging materials. We have established the Vendor Evaluation and Approval Record to engage with our suppliers, they must meet our defined standards of quality, safety, verifiability, reliability, and price. Necessary credentials that include GMP certification awarded by a local regulatory authority (compulsory for API providers) or ISO certification must be presented to demonstrate their eligibility. We also request manufacturers to complete a "Supplier Application Form" and a "Manufacturer Quality Assurance Questionnaire" to evaluate aspects including but not limited to regulatory profile, operational licences and certifications, quality management and quality control procedures, supplier management, training mechanisms, and environmental monitoring system. New and existing manufacturers that pass the assessment and/or re-assessment process detailed in our Material Assessment Report will obtain subsequent approval from the QA Department and will be added to the approved supplier list, which is maintained by QA staff. Furthermore, we also take into account the health and safety performance of suppliers' products and services when selecting, and they should have quality assurance processes and product recall procedures in place.

If suppliers are identified as having quality concerns or receive regulatory warnings, we will conduct further tests on their raw materials. Suppliers would be delisted from the approved supplier list should they fail to meet our standards.

We regularly source raw materials from suppliers who are located within close proximity to our facilities to reduce our carbon footprint from upstream logistics operations. Paper certified by the FSC or PEFC is procured and used for office paper. Moving forward, we aim to formulate further measures to manage ESG supply chain risks and collaborate with sustainable partners. For further details of initiatives to minimise our carbon footprint, please refer to the "Climate Change Vulnerability" subsection under the "Environmental Stewardship" section of this ESG Report. During the Reporting Period, the Group engaged with 466 raw materials suppliers.

PROCUREMENT PRACTICES

The Group has established standardise procurement procedures, including the Raw Material Procurement and the Printing and Packaging Materials Procurement. The Warehouse Department initiates the process by checking inventory levels against production needs and completing the corresponding Material Purchase Requisition Form, which is reviewed and approved by the Warehouse Department Supervisor. Subsequently, relevant departments including the QA Department, Drug Registration Department, and Purchasing Department, collaborate to conduct multi-tiered reviews of material quality specifications and corresponding supplier qualifications, ensuring purchased items meet required standards. Upon delivery, the Warehouse Department records received goods in the Incoming Goods Register based on order details. If discrepancies are identified, the Warehouse Manager and QA Manager are immediately notified, and non-conforming materials are stored in a designated quarantine area until further instructions.

CONTRACTOR APPRAISAL AND SELECTION

Our contractors are mainly contract manufacturers and laboratories. To determine their eligibility, we perform competency assessment and risk assessment procedures. Contractors must be a manufacturer or laboratory that has received appropriate accreditation, such as from the Hong Kong Laboratory Accreditation Scheme (HOKLAS), and/or possess certifications including GMP, ISO 17025: General requirements for the competence of testing and calibration laboratories, or relevant credentials authorised by third-parties. We may also perform an audit at the contractor's facility to assess aspects including qualifications, environmental conditions, health and safety mechanisms, training records, and quality management systems, amongst others. For contractors that are deemed suitable, we will engage with them to ensure that our expectations on ESG-related matters are aligned with them at all times.

RESEARCH AND DEVELOPMENT

We aim to develop premium generics based on our established product development know-how and deep market insight. Focusing on specialised formulations and having acquired specific manufacturing skills and know-how for certain difficult-to-make products, such as controlled-release formulations, sterile products, suppositories, and enemas, we possess a host of drug registrations with unique formulae allowing us to command a competitive position in certain selected segments of the market.

To facilitate the development of new products that cater to society's needs and boost the efficacy of existing products, Jacobson has established an in-house research laboratory. During the product development stage, stability tests are performed to determine the quality of products when they are exposed to environmental factors that include but are not limited to temperature and humidity. Products that meet our benchmarks will be deemed high-quality and safe for consumption, which will then be registered and marketed. For drug patents that are about to expire, we will transform the product into a generic drug by revising the formula and then produce the drug at our production facilities to improve the availability of medicines.

At Jacobson, we value partnership and collaboration. Our current R&D team cooperates closely with a panel of formulation scientists and research institutions both locally and abroad. Our connections with research institutions and university hospitals also enhance our competence in both formulation and clinical pursuits. We also engage with academic institutes globally to support them in commercialising their innovative ideas into products that can enhance the well-being of society.

A photograph of four hands clasped together in a circle, resting on a grassy surface. The image is monochromatic with a teal tint. The hands are positioned in a way that suggests unity and teamwork. The text 'SOCIETAL ENGAGEMENT' is overlaid in the bottom left corner.

SOCIETAL ENGAGEMENT

SOCIETAL ENGAGEMENT



The Group is devoted to fulfilling its civic duty as a responsible pharmaceutical manufacturer by investing in local community initiatives and advancing access to healthcare. We are passionate about instilling confidence and empowering individuals to achieve their potential and/or prioritise their well-being.

In FY2022, we partnered with a professional local social impact organisation to facilitate our efforts in driving positive yet sustainable social change and track progress in our strategic focus areas through the Theory of Change model. To ensure that our actions are continuously aligned with our aspirations, we have reviewed and revised our Theory of Change road map regularly. For further details of the methodology, please refer to “Appendix A: Theory of Change” of this ESG Report.

PILLARS	OUTPUTS (SHORT-TERM)	IMPACT (LONG-TERM)
Generic Drugs	100% of private and public hospitals in Hong Kong are using Jacobson's generic drugs 7 pharmacy students supported through scholarships	- Jacobson produces safe and effective drugs made in Hong Kong - Patients have accessible and affordable drugs in their local districts - More local talents in the pharmaceutical industry - Increase in production stability
Community	- Adopt a policy on equal opportunity - Partner with at least 2 social enterprises - Conduct at least 1 equal opportunity training/initiative for employees	- Increased trust and support from local communities - Long-term growth and innovation in the social enterprise sector - Enhancement of diversity and inclusiveness within the Company and its supply chain partners

With the effective implementation of the activities listed below, Jacobson will strive to enable the general public to access generic drugs, build good relationships with the public through proactive engagement and health promotion, as well as create an inclusive workplace to maintain a stable workforce.

COMMUNITY INVESTMENT AND DEVELOPMENT

Through our commitment to nurturing pharmaceutical professionals and empowering the underprivileged, the Group is dedicated to fostering meaningful connections with local communities and advancing alongside society. In line with this mission, we are proud to announce that during the Reporting Period, we have allocated a significant sum of HK\$226,540 (compared to HK\$278,100 in FY2024) towards various charitable initiatives. These contributions have been strategically directed towards supporting societal development and promoting environmental protection. By actively engaging in philanthropic endeavours, we strive to make a positive impact and create a sustainable future for all.

CULTIVATING PHARMACEUTICAL TALENTS

As part of our dedication to fostering excellence in pharmaceutical research and career development, the Group actively cultivates talented individuals and assists them in realising their ambitions. One of the ways we do this is by offering generous scholarships to support their educational journey.

In the academic year 2024-25, we fulfilled our commitment to support students at the School of Pharmacy of the Chinese University of Hong Kong ("**CUHK Pharmacy**") by providing a total of HK\$70,000 in scholarships. The sponsorship includes the following scholarships.

Jacobson Admission Scholarship	Jacobson offered five scholarships, each valued at HK\$10,000, to deserving CUHK Pharmacy students who have displayed remarkable academic achievements and potential.
Jacobson Undergraduate Fellowship	Jacobson provided two Undergraduate Fellowships, each worth HK\$10,000. This prestigious fellowship aims to recognise an exceptional undergraduate student who has demonstrated exemplary dedication and commitment to the field of pharmacy.

In June 2024, we continued our sponsorship of the LKS Faculty of Medicine Scholarships at the University of Hong Kong (HKU). It was divided into three categories: the Jacobson Outstanding Award in Research Project, the Jacobson Prize in Pharmaceutical Science, and the Jacobson Scholarship. The scholarship programme aimed to support the development of skilled professionals in the pharmaceutical field.

Jacobson Outstanding Award in Research Project	Jacobson supported one student with HK\$10,000 for exceptional research projects, fostering academic innovation.
Jacobson Prize in Pharmaceutical Science	Jacobson awarded HK\$6,000 to an outstanding student for their excellent academic performance.
Jacobson Scholarship	Jacobson funds 4 pharmacy students across different study years with HK\$6,000 each (total HK\$24,000), enhancing their academic development.

The awardees and scholarship recipients expressed sincere gratitude in their thank-you letters. They regarded the scholarships not only as financial support but also as validation of their efforts. The awards motivated them to pursue their academic and career goals, such as engaging in research on traditional Chinese medicine, influencing healthcare policies, and becoming proficient pharmacists.

Furthermore, the Group actively supports both local and international university students by providing internship opportunities that may lead to potential job offers. Through these initiatives, we aim to establish a network of talented future leaders who can contribute to the ever-evolving healthcare landscape. By offering practical application of knowledge and expanding horizons within the pharmaceutical industry, we empower students to gain valuable experience, sharpen their skills, and pave the way for a successful career in the field.

Pharmaceutical Internship Program

In 2024-2025, Europharm Laboratoires Co., Ltd., the Group's GMP-certified pharmaceutical manufacturer in Tai Po InnoPark, hosted two pharmacy interns. Each completed a six-month rotation across Quality Assurance, Regulatory Affairs, Production, and Quality Control, gaining hands-on experience in pharmaceutical operations, including Dangerous Drugs handling. This program provided practical industry exposure, equipping interns with essential skills while reinforcing our commitment to nurturing local talent in the healthcare sector.

Through our commitment to cultivating talents and providing opportunities, we strive to create a vibrant and dynamic healthcare ecosystem that thrives on the contributions of exceptional individuals.

CHAMPIONING FOR THE RIGHTS OF UNDERPRIVILEGED GROUPS

The Group firmly believes in the power of collective action. Employees at all levels actively embrace the Group's philanthropic spirit, with many volunteering their time and energy. The continuous and in-depth commitment is not just a short-term effort but a long-term dedication. The Group and its employees strive to make a real difference in the lives of those less fortunate, building a more inclusive and caring society together.

To assist disadvantaged individuals and promote their well-being, we have been actively involved in various charitable activities during the Reporting Period. The Group's focus on local communities is evident through its support for underprivileged groups.

Caring for the Local Elderly: Jacobson's Goodie Bag Distribution Campaigns

During the Mid-Autumn Festival 2024, the Jacobson Group volunteer team joined the "Mid-Autumn Festival Goodie Bag Distribution 2024" organised by "A Drop of Life" in Tin Shui Wai. Volunteers helped assemble goodie bags filled with items like Flying Eagle Medicated Oil (sponsored by the Group), mooncakes, healthy food, and daily necessities. They visited 100 households of elderly people living alone or elderly couples and distributed about 400 goodie bags on-site, bringing warmth and care to the elderly.



During the Chinese New Year in 2025, the Group once again partnered with “A Drop of Life” for the Chinese New Year Goodie Bag event in Shau Kei Wan. With 6 employees participating, our team delivered goodie bags containing 3,022 bottles of 3ml Flying Eagle Medicated Oil sponsored by the Group to 80 elderly residents, spreading festival joy and a sense of community.



Serving the Vulnerable: Jacobson's Charitable Initiatives and Donations

In support of young people with disabilities, the Group actively participated in the “HKFHY's Cookies – Gift for Love” 2024 Hong Kong-wide charity sale organised by the Hong Kong Federation of Handicapped Youth (HKFHY). This support contributed to the event's success, which aimed to empower disabled youth and raise funds for the HKFHY's programs.



In June 2024, Jacobson actively supported Christian Action. We donated HK\$57,600 to Christian Action's Emergency Food Programme, which will help 30 underprivileged families for a year. We also donated 5,000 bottles of 3ml Flying Eagle Medicated Oil, to underprivileged families at the Mong Kok Service Centre and other needy communities in Hong Kong. These donations assist Christian Action in fulfilling its mission of serving the disadvantaged, including underprivileged families, the unemployed, ethnic minorities, and orphans in Hong Kong and Qinghai.

Leading by Example in Philanthropy: Jacobson's Dedicated Involvement in Public Welfare Activities

In 2024, the Group showed its global concern by backing the “AVEDA Walk For Water 2024” event. We actively organised our employees to participate in the “AVEDA Walk For Water 2024” charity event, where our participants walked while carrying water to raise awareness about the water scarcity issue. The Group also donated HK\$30,000. These contributions brought hope to water-scarce residents in Cambodia and Nepal.



In March 2025, the Group collaborated with “Green Earth” to launch an old clothes recycling campaign, designed to encourage employees' participation in charity and promote environmental protection. Employees were asked to donate clean and tidy old clothes. Through this initiative, the Group not only aimed to give a new life to old clothes, reducing waste and conserving resources in line with environmental protection principles but also intended to distribute these clothes to local people in need, fulfilling its social responsibility and spreading warmth through charity.



In February 2025, our Group organised 29 employees to participate in the Standard Chartered Hong Kong Marathon, jointly hosted by HKAAA and Standard Chartered Hong Kong, with a total contribution of HK\$25,940 to support its Charity Programme. This initiative aimed to assist charitable organisations in enhancing their public visibility and community awareness through the marathon platform, provide a dedicated channel for fundraising, enable the running community to contribute to worthy causes and foster a cohesive, inclusive society by supporting diverse charitable groups and their missions.

Overall, through all these initiatives, the Group is not only making a practical difference in the lives of the disadvantaged but also strengthening its role as a socially responsible corporate citizen, working towards a more inclusive and caring society.

PUBLIC ACCESS TO HEALTHCARE

To address the healthcare needs and demands of society, the Group has implemented numerous measures to expand the accessibility and affordability of healthcare. To this end, we submit tenders for generic medicines whilst converting patented drugs that are about to expire into generic drugs. Through in-licensing and distribution agreements, we eliminate barriers to effective medical treatment for local citizens.

LAWS AND REGULATIONS

During the Reporting Period, we fully complied with all relevant laws and regulations that have a significant impact on the Group and were not aware of any non-compliance. Relevant monitoring measures have been established to reinforce and maintain our compliance. The legislation of applicable jurisdictions that the Group adheres to is listed below.

HONG KONG

SOCIAL:

- Code of Practice of the Hong Kong Association of the Pharmaceutical Industry (HKAPI)
- Pharmaceutical Inspection Co-operation Scheme (PIC/S) Good Manufacturing Practice (GMP)
- Sale of Goods Ordinance (Cap. 26 of the Laws of Hong Kong)
- Boilers and Pressure Vessels Ordinance (Cap. 56 of the Laws of Hong Kong)
- Employment Ordinance (Cap. 57 of the Laws of Hong Kong)
- Employment of Children Regulations (Cap. 57B of the Laws of Hong Kong)
- Factories and Industrial Undertakings Ordinance (Cap. 59 of the Laws of Hong Kong)
- Import and Export Ordinance (Cap. 60 of the Laws of Hong Kong)
- Public Health and Municipal Services Ordinance (Cap. 132 of the Laws of Hong Kong)
- Dangerous Drugs Ordinance (Cap. 134 of the Laws of Hong Kong)
- Antibiotics Ordinance (Cap. 137 of the Laws of Hong Kong)
- Pharmacy and Poisons Ordinance (Cap. 138 of the Laws of Hong Kong)
- Control of Chemicals Ordinance (Cap. 145 of the Laws of Hong Kong)
- Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong)
- Undesirable Medical Advertisements Ordinance (Cap. 231 of the Laws of Hong Kong)
- Employees' Compensation Ordinance (Cap. 282 of the Laws of Hong Kong)
- Dangerous Goods Ordinance (Cap. 295 of the Laws of Hong Kong)
- Radiation Ordinance (Cap. 303 of the Laws of Hong Kong)
- Trade Descriptions Ordinance (Cap. 362 of the Laws of Hong Kong)
- Hong Kong Bill of Rights Ordinance (Cap. 383 of the Laws of Hong Kong)
- Consumer Goods Safety Ordinance (Cap. 456 of the Laws of Hong Kong)
- Supply of Services (Implied Terms) Ordinance (Cap. 457 of the Laws of Hong Kong)
- Sex Discrimination Ordinance (Cap. 480 of the Laws of Hong Kong)
- Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong)
- Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong)
- Disability Discrimination Ordinance (Cap. 487 of the Laws of Hong Kong)
- Occupational Safety and Health Ordinance (Cap. 509 of the Laws of Hong Kong)
- Family Status Discrimination Ordinance (Cap. 527 of the Laws of Hong Kong)
- Copyright Ordinance (Cap. 528 of the Laws of Hong Kong)
- Chinese Medicine Ordinance (Cap. 549 of the Laws of Hong Kong)
- Trade Marks Ordinance (Cap. 559 of the Laws of Hong Kong)
- Fire Safety (Buildings) Ordinance (Cap. 572 of the Laws of Hong Kong)
- Race Discrimination Ordinance (Cap. 602 of the Laws of Hong Kong)
- Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong)
- Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615 of the Laws of Hong Kong)
- Competition Ordinance (Cap. 619 of the Laws of Hong Kong)
- Companies Ordinance (Cap. 622 of the Laws of Hong Kong)

HONG KONG

ENVIRONMENTAL:

- Air Pollution Control Ordinance (Cap. 311 of the Laws of Hong Kong)
- Waste Disposal Ordinance (Cap. 354 of the Laws of Hong Kong)
- Waste Disposal (Chemical Waste) (General) Regulation (Cap. 354C of the Laws of Hong Kong)
- Water Pollution Control Ordinance (Cap. 358 of the Laws of Hong Kong)
- Noise Control Ordinance (Cap. 400 of the Laws of Hong Kong)
- Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586 of the Laws of Hong Kong)
- Hazardous Chemicals Control Ordinance (Cap. 595 of the Laws of Hong Kong)
- Product Eco-responsibility Ordinance (Cap. 603 of the Laws of Hong Kong)
- Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611 of the Laws of Hong Kong)

MAINLAND CHINA

SOCIAL:

- Good Manufacturing Practice for Drugs (2010 Revision) (Ministry of Health Decree No. 79) regulated by the National Medical Products Administration
- Labour Law of the People's Republic of China
- Labour Contract Law of the People's Republic of China
- Criminal Law of the People's Republic of China
- Drug Administration Law of the People's Republic of China
- Anti-Unfair Competition Law of the People's Republic of China
- Patent Law of the People's Republic of China
- Trademark Law of the People's Republic of China
- General Principles of the Civil Law of the People's Republic of China
- Product Quality Law of the People's Republic of China
- Law of the People's Republic of China on Protection of Consumer Rights and Interests
- Tort Law of the People's Republic of China
- Production Safety Law of the People's Republic of China

ENVIRONMENTAL:

- Environmental Protection Law of the People's Republic of China
- Law of the People's Republic of China on The Prevention and Control of Atmospheric Pollution
- Water Pollution Prevention and Control Law of the People's Republic of China
- Law on the Prevention and Control of Environmental Pollution by Solid Waste of the People's Republic of China

KEY PERFORMANCE INDICATORS TABLE

KPIs	UNIT	FY2025	FY2024
ENVIRONMENTAL			
AIR EMISSIONS			
Nitrogen Oxide Emissions	kg	1,415.49	1,193.23
Sulphur Oxide Emissions	kg	2.10	2.03
Particulate Matter Emissions	kg	133.11	81.35
GHG EMISSIONS			
GHG Emissions (Scope 1)	tCO ₂ -e	1,196.01	1,190.98
GHG Emissions (Scope 2 – Location-based)	tCO ₂ -e	13,864.32	11,136.26
GHG Emissions (Scope 2 – Market-based)	tCO ₂ -e	19,645.69	15,500.73
GHG Emissions (Scope 3)	tCO ₂ -e	259.93	249.02
Total GHG Emissions (Scope 1, Scope 2 – Location-based, Scope 3)	tCO ₂ -e	15,320.26	12,576.26
Total GHG Emissions (Scope 1, Scope 2 – Market-based, Scope 3)	tCO ₂ -e	21,101.63	16,940.73
GHG Emissions Intensity by Revenue – Location-based	tCO ₂ -e/HK\$' million	9.72	8.57
GHG Emissions Intensity by Revenue – Market-based	tCO ₂ -e/HK\$' million	13.38	11.54
ENERGY CONSUMPTION			
Direct Energy Consumption	MWh	5,905.15	5,855.15
Direct Energy Consumption – Combustion of fuels in stationary sources	MWh	4,733.49	4,729.42
Direct Energy Consumption – Combustion of fuels in mobile sources	MWh	1,171.66	1,125.73
Indirect Energy Consumption	MWh	35,678.28	27,838.95
Indirect Energy Consumption – Purchased Electricity	MWh	34,310.27	27,838.95
Indirect Energy Consumption – Purchased Steam ¹	MWh	1,368.01	NA
Total Energy Consumption	MWh	41,583.43	33,694.11
Energy Consumption Intensity by Revenue	MWh/HK\$' million	26.37	22.96
WATER			
Water Usage	m ³	175,372.00	168,763.58
Water Usage Intensity by Revenue	m ³ /HK\$' million	111.21	114.98
WASTE			
Hazardous Waste Disposal	kg	51,022.77	53,043.68
Hazardous Waste – Liquid Chemical Waste	kg	13,591.31	10,641.18
Hazardous Waste – Solid Chemical Waste	kg	37,431.46	42,402.50
Hazardous Waste Disposal Intensity by Revenue	kg/HK\$' million	32.36	36.14
Non-hazardous Waste Disposal	kg	248,687.17	591,515.06
Non-hazardous Waste Disposal – Recycled	kg	40,066.14	20,679.86
Non-hazardous Waste Disposal – Landfill	kg	208,621.03	570,835.20
Non-hazardous Waste Disposal Intensity by Revenue	kg/HK\$' million	157.71	402.99
PACKAGING MATERIALS			
Paper Usage	Pieces	65,259,976.77	64,260,194.74
Plastic Usage	kg or Pieces	461,580.59 ²	48,421,506.00 ³
Plastic Usage ⁴	kg	411,039.77	402,741.45
Metal Usage	kg	310,578.82	160,344.93
Glass Usage	kg	441,443.43	410,015.04
Total Packaging Materials Usage ⁵	Pieces	65,259,976.77	112,681,700.74
Total Packaging Materials Usage ⁶	kg	1,624,642.60	973,101.43
Packaging Materials Usage Intensity by Revenue ⁵	Pieces/HK\$' million	41,385.06	76,769.22
Packaging Materials Usage Intensity by Revenue ⁶	kg/HK\$' million	1,030.28	662.97

¹ The indirect energy consumption from purchased steam is a new disclosure category during the Reporting Period.

² In FY2025, the plastic packaging materials of type bottle and tubes were measured in kg and also were measured in pieces at 49,869,748.00.

³ In FY2024, the plastic packaging materials of type bottle and tubes were measured in pieces.

⁴ The plastic packaging materials (kg) include blister PVC/PVDC.

⁵ In FY2025, the total packaging materials (Pieces) include only paper packaging materials. In FY2024, the total packaging materials (Pieces) include paper packaging materials and the plastic packaging materials of type bottle and tubes.

⁶ In FY2025, the total packaging materials (kg) include all types of plastic packaging materials consist of blister PVC/PVDC, bottle and tubes, metal packaging materials and glass packaging materials. In FY2024, the total packaging materials (kg) include only plastic packaging materials of type blister PVC/PVDC type, metal packaging materials and glass packaging materials.

KPIs	UNIT	FY2025	FY2024
SOCIAL			
Total Workforce	Person(s) (%)	1,749 (100%)	1,723 (100%)
WORKFORCE BY EMPLOYMENT TYPE			
Full-time	Person(s) (%)	1,578 (90.22%)	1,475 (85.61%)
Part-time	Person(s) (%)	171 (9.78%)	248 (14.39%)
WORKFORCE BY GENDER			
Male	Person(s) (%)	737 (42.14%)	705 (40.92%)
Female	Person(s) (%)	1,012 (57.86%)	1,018 (59.08%)
WORKFORCE BY EMPLOYMENT CATEGORY			
Executive Management	Person(s) (%)	21 (1.20%)	19 (1.10%)
Senior Management	Person(s) (%)	38 (2.17%)	36 (2.09%)
Middle Management	Person(s) (%)	126 (7.21%)	106 (6.15%)
General Staff	Person(s) (%)	1,564 (89.42%)	1,562 (90.66%)
WORKFORCE BY AGE GROUP			
<30 Years Old	Person(s) (%)	226 (12.92%)	221 (12.83%)
30-40 Years Old	Person(s) (%)	285 (16.30%)	302 (17.53%)
41-50 Years Old	Person(s) (%)	402 (22.98%)	420 (24.38%)
>50 Years Old	Person(s) (%)	836 (47.80%)	780 (45.27%)
WORKFORCE BY GEOGRAPHICAL REGION			
Hong Kong	Person(s) (%)	1,612 (92.17%)	1,585 (91.99%)
Mainland China	Person(s) (%)	133 (7.60%)	133 (7.72%)
Macau	Person(s) (%)	4 (0.23%)	5 (0.29%)
TURNOVER RATE			
Total Turnover Rate	%	30.99%	33.34%
TURNOVER RATE BY GENDER			
Male	%	26.07%	26.05%
Female	%	34.48%	38.58%
TURNOVER RATE BY AGE GROUP			
<30 Years Old	%	41.61%	51.07%
30-40 Years Old	%	27.60%	29.26%
41-50 Years Old	%	28.71%	26.87%
>50 Years Old	%	30.45%	33.23%
TURNOVER RATE BY GEOGRAPHICAL REGION			
Hong Kong	%	32.97%	35.69%
Mainland China	%	6.77%	6.34%
Macau	%	44.44%	40.00%
Taiwan	%	0.00%	100.00%

KPIs	UNIT	FY2025	FY2024
EMPLOYEES TRAINED			
Total Employees Trained	%	71.98%	54.27%
EMPLOYEES TRAINED BY GENDER			
Male	%	71.51%	60.00%
Female	%	72.33%	50.29%
EMPLOYEES TRAINED BY EMPLOYMENT CATEGORY			
Executive Management	%	19.05%	52.63%
Senior Management	%	36.84%	55.56%
Middle Management	%	42.06%	75.47%
General Staff	%	75.96%	52.82%
AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE			
Average Training Hours	Hours/employee	18.56	10.53
AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER			
Male	Hours/employee	18.73	12.27
Female	Hours/employee	18.44	9.32
AVERAGE TRAINING HOURS PER EMPLOYEE BY EMPLOYMENT CATEGORY			
Executive Management	Hours/employee	1.39	20.68
Senior Management	Hours/employee	27.88	42.50
Middle Management	Hours/employee	17.44	58.87
General Staff	Hours/employee	18.65	6.38
NUMBER OF WORK-RELATED FATALITIES AND INJURIES			
Work-related Fatalities	Person(s)	0	0
Work-related Injury Rate	Per 1,000 Employees	17.15	14.29
Lost Days due to Work-related Injury	No. of Days	719	421
NUMBER OF SUPPLIERS			
Total Number of Suppliers	No.	548	537
NUMBER OF SUPPLIERS BY GEOGRAPHICAL REGION			
East Asia	No.	312	283
South Asia	No.	102	107
Southeast Asia	No.	17	16
Oceania	No.	3	3
Europe	No.	90	99
North America	No.	24	28
Africa	No.	0	1
COMMUNITY INVESTMENT			
Monetary Contributions	HK\$	226,540	278,100

HKEX ESG REPORTING GUIDE CONTENT INDEX

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
MANDATORY DISCLOSURE REQUIREMENTS		
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, explaining how they relate to the issuer's businesses.	Long-term ESG Strategic Vision – ESG Governance (p.09), Sustainability Strategy (p.12), Stakeholder Engagement (p.15), Material ESG Topics (p.16)
REPORTING PRINCIPLES		
	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for selecting 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. 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) should be discussed. 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.	About This ESG Report – ESG Reporting Framework and Standards (p.05) Long-term ESG Strategic Vision – Stakeholder Engagement (p.15), Material ESG Topics (p.16) Key Performance Indicators Table (p.52)
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. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About This ESG Report – ESG Reporting Scope and Period (p.05)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
"COMPLY OR EXPLAIN" PROVISIONS		
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.	Environmental Stewardship – Environmental Compliance (p.23), Climate Change Vulnerability (p.25), Water and Wastewater Management (p.32), Emission and Waste Management (p.33) Laws and Regulations (p.51)
KPI A1.1	The types of emissions and respective emissions data.	Environmental Stewardship – Climate Change Vulnerability (p.25), Water and Wastewater Management (p.32), Emission and Waste Management (p.33) Key Performance Indicators Table (p.52)
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).	Environmental Stewardship – Climate Change Vulnerability (p.25) Key Performance Indicators Table (p.52)
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Stewardship – Emission and Waste Management (p.33) Key Performance Indicators Table (p.52)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Stewardship – Emission and Waste Management (p.33) Key Performance Indicators Table (p.52)
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Stewardship (p.22)
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.	Environmental Stewardship (p.22)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
"COMPLY OR EXPLAIN" PROVISIONS		
A. ENVIRONMENTAL		
ASPECT A2: USE OF RESOURCES		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Stewardship – Energy Consumption (p.30), Packaging Materials Consumption (p.31), Water and Wastewater Management (p.32)
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).	Environmental Stewardship – Energy Consumption (p.30) Key Performance Indicators Table (p.52)
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental Stewardship – Water and Wastewater Management (p.32) Key Performance Indicators Table (p.52)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Stewardship (p.22)
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.	Environmental Stewardship (p.22)
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Environmental Stewardship – Packaging Materials Consumption (p.31) Key Performance Indicators Table (p.52)
ASPECT A3: THE ENVIRONMENT AND NATURAL RESOURCES		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Stewardship – Environmental Compliance (p.23), Climate Change Vulnerability (p.25), Energy Consumption (p.30), Packaging Materials Consumption (p.31), Water and Wastewater Management (p.32), Emission and Waste Management (p.33)
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Stewardship – Environmental Compliance (p.23), Climate Change Vulnerability (p.25), Energy Consumption (p.30), Packaging Materials Consumption (p.31), Water and Wastewater Management (p.32), Emission and Waste Management (p.33)
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.	Environmental Stewardship – Climate Change Vulnerability (p.25)
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.	Environmental Stewardship – Climate Change Vulnerability (p.25)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
B. SOCIAL		
EMPLOYMENT AND LABOUR PRACTICES		
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.	Corporate Governance Duty – Business Ethics and Anti-Corruption (p.20) Commitment to Employees – Employee Benefits and Engagement (p.37) Laws and Regulations (p.51)
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Key Performance Indicators Table (p.52)
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Indicators Table (p.52)
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.	Commitment to Employees – Occupational Health and Safety (p.38) Laws and Regulations (p.51)
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Commitment to Employees – Occupational Health and Safety (p.38) Key Performance Indicators Table (p.52)
KPI B2.2	Lost days due to work injury.	Commitment to Employees – Occupational Health and Safety (p.38) Key Performance Indicators Table (p.52)
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Commitment to Employees – Occupational Health and Safety (p.38)
ASPECT B3: DEVELOPMENT AND TRAINING		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Commitment to Employees – Development and Training (p.36)
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Indicators Table (p.52)
KPI B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicators Table (p.52)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
B. SOCIAL		
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.	Commitment to Employees – Child and Forced Labour (p.36) Laws and Regulations (p.51)
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Commitment to Employees – Child and Forced Labour (p.36)
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Commitment to Employees – Child and Forced Labour (p.36)
OPERATING PRACTICES		
ASPECT B5: SUPPLY CHAIN MANAGEMENT		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Product Responsibility – Product Quality (p.40), Supply Chain Management (p.42)
KPI B5.1	Number of suppliers by geographical region.	Key Performance Indicators Table (p.52)
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Product Responsibility – Product Quality (p.40), Supply Chain Management (p.42)
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Product Responsibility – Product Quality (p.40), Supply Chain Management (p.42)
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Product Responsibility – Supply Chain Management (p.42)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
B. SOCIAL		
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.	Corporate Governance Duty – Business Ethics and Anti-corruption (p.20), Regulatory Compliance (p.21), Protection of Intellectual Property (p.21) Product Responsibility – Product Quality (p.40), Research and Development (p.42) Laws and Regulations (p.51)
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility – Product Quality (p.40)
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility – Product Quality (p.40)
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Corporate Governance Duty – Protection of Intellectual Property (p.21)
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Product Quality (p.40)
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Corporate Governance Duty – Business Ethics and Anti-corruption (p.20)
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.	Corporate Governance Duty – Business Ethics and Anti-corruption (p.20) Laws and Regulations (p.51)
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.	Corporate Governance Duty – Business Ethics and Anti-corruption (p.20)
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Corporate Governance Duty – Business Ethics and Anti-corruption (p.20)
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Corporate Governance Duty – Business Ethics and Anti-corruption (p.20)
COMMUNITY		
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.	Societal Engagement – Community Investment and Development (p.46), Public Access to Healthcare (p.50)
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Societal Engagement – Community Investment and Development (p.46), Public Access to Healthcare (p.50)
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Societal Engagement – Community Investment and Development (p.46), Public Access to Healthcare (p.50) Key Performance Indicators Table (p.52)

APPENDIX A: THEORY OF CHANGE

PILLARS	WHO	INPUTS	ACTIVITIES	OUTPUTS Short term (FY2024/25)	OUTCOMES Medium term	IMPACT Long term	GOALS
Generic Drugs	Public hospitals Public district clinics Private hospitals Private clinics Community pharmacies Chain stores General public Pharmacy students	Sales team, materials, R&D, IT system, logistics, raw materials, ESG consultation	- Research, development, production, sales and distribution of essential medicines - Scholarship at HKU and CUHK School of Medicine - Support staff to operate the facilities throughout COVID-19	100% of private and public hospitals in Hong Kong are using Jacobson's generic drugs 7 pharmacy students supported through scholarships	- Improved quality of life of patients by supporting communities with low-cost generic & specialty drugs - Increased community pharmacies' portfolio of specialty and generic drugs - Increased access to generic drugs from underprivileged groups, like the elderly and ethnic minority groups - Increased access to pharmaceutical education - Lowered health risks of the staff team	- Jacobson produces safe and effective drugs made in Hong Kong - Patients have accessible and affordable drugs in their local districts - More local talents in the pharmaceutical industry - Increase in production stability	- Improve the public's affordability of healthcare through the provision of quality generic drugs to different sectors of the healthcare industry, especially for the public sector - Beneficiaries' increased awareness in managing their health issues through proper prescriptions and holistic healthcare - Supplying Hong Kong with quality young talents - Maintain stable operations and supplies of quality generic drugs locally in Hong Kong and Asia

PILLARS	WHO	INPUTS	ACTIVITIES	OUTPUTS Short term (FY2024/25)	OUTCOMES Medium term	IMPACT Long term	GOALS
Community	Internal staff General public Social enterprises	Office administration, mass communication, and factory management teams	1. Community investment 2. Recruitment of social enterprises for company functions	1. Adopt a policy on equal opportunity 2. Partner with at least 2 social enterprises 3. Conduct at least 1 equal opportunity training/initiative for employees	1a. Enhanced employee satisfaction and retention 1b. Maintain good morale and a caring working culture 1c. Improved diversity and inclusion within the Company's supply chain 2. Improved financial sustainability and social impact for social enterprises 3. Front-line staff and management staff have a higher sense of diversity and inclusion	1. Increased trust and support from local communities 2. Long-term growth and innovation in the social enterprise sector 3. Enhancement of diversity and inclusiveness within the Company and its supply chain partners	1. More engaged and motivated workforce due to the Company's support for community initiatives and social enterprises 2. Enhanced reputation as a company that supports social enterprise and fosters innovation in the health sector, eventually increasing customer loyalty and positive brand perception 3. Adopt a diversity and inclusion culture into the Company from management to frontline staff, to sustain the workforce and create an inclusive workplace

APPENDIX B: GLOSSARY

In this ESG Report, unless otherwise specified, the following glossary applies:

"5 to Thrive"	the sustainability or ESG strategy of the Company
"Audit Committee"	the audit committee of the Company
"Board"	the board of directors of the Company
"CAPEX"	capital expenditure
"Chairman" or "CEO"	Mr. Sum Kwong Yip, Derek
"China", "Mainland China" or "the PRC"	the People's Republic of China excluding, for the purpose of this ESG Report, Hong Kong, Macau, and Taiwan
"Climate Central"	an independent group of scientists and communicators who research and report the facts about the changing climate and how it affects people's lives
"CLP Power"	China Light and Power Company, Limited
"COVID-19"	Coronavirus disease 2019
"ESG"	environmental, social, and governance
"ESG Committee"	the environmental, social, and governance committee of the Company
"ESG Working Group"	the environmental, social, and governance working group reporting to the ESG Committee
"FSC"	Forest Stewardship Council
"FY2022"	the year ended 31 March 2022
"FY2023"	the year ended 31 March 2023
"FY2024"	the year ended 31 March 2024
"FY2025" or "Reporting Period"	the year ended 31 March 2025
"FY2026"	the year ending 31 March 2026
"FY2027"	the year ending 31 March 2027
"GHG"	greenhouse gas
"GMP"	Good Manufacturing Practice
"HEPA"	high-efficiency particulate air
"HKAAA"	The Hong Kong, China Association of Athletics Affiliates Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Observatory"	a government department of Hong Kong responsible for monitoring and forecasting weather
"HVAC"	heating, ventilation, and air conditioning
"IP"	Intellectual Property
"ISO"	the International Organization for Standardization
"Jacobson", "our Group", "the Group", "we", "us" or "our"	the Company and its subsidiaries and, in respect of the period before we became the holding company of our present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be)

"KPIs"	key performance indicator(s)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
"Macau"	the Macau Special Administrative Region of the PRC
"Main Board"	Main Board of the Stock Exchange
"MPF"	Mandatory Provident Fund
"OPEX"	operational expenditure
"PEFC"	Programme for the Endorsement of Forest Certification
"Pharmason"	Pharmason Company Limited
"PIC/S"	Pharmaceutical Inspection Convention and Pharmaceutical Inspection Co-operation Scheme
"PIC/S GMP"	Good Manufacturing Practice in accordance with the PIC/S GMP Guide issued by PIC/S
"PPE"	personal protective equipment
"R&D"	research and development
"Risk Management Committee"	a working committee reporting to the Audit Committee on the Group's risk-related matters
"SAP"	System Analysis Program Development
"SOP(s)"	standard operating procedure(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Standard Chartered Hong Kong"	Standard Chartered Bank (Hong Kong) Limited

VERIFICATION STATEMENT



SCOPE AND OBJECTIVE

Hong Kong Quality Assurance Agency ("HKQAA") was commissioned by Jacobson Pharma Corporation Limited (Stock Code: 2633) ("Jacobson Pharma") to conduct an independent verification for its GHG Emissions, Water and Energy Data (the "selected disclosures") stated in its 2024/2025 ESG Report (herein referred to as "the Report"). The selected disclosures covered the period from 1 April 2024 to 31 March 2025 and represented the sustainability performance of Jacobson Pharma for its operations in Hong Kong and China.

The objective of this verification is to provide an independent opinion regarding the selected disclosures, which has been prepared in accordance with the World Resources Institute's Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition) ("GHG Protocol").

Selected disclosures:

GHG EMISSIONS	Unit	FY2025
GHG Emissions (Scope 1)	tCO ₂ -e	1,196.01
GHG Emissions (Scope 2 – Location-based)	tCO ₂ -e	13,864.32
GHG Emissions (Scope 2 – Market-based)	tCO ₂ -e	19,645.69
GHG Emissions (Scope 3)	tCO ₂ -e	259.93
Total GHG Emissions (Scope 1, Scope 2 – Location-based, Scope 3)	tCO ₂ -e	15,320.26
Total GHG Emissions (Scope 1, Scope 2 – Market-based, Scope 3)	tCO ₂ -e	21,101.63
GHG Emissions Intensity by Revenue – Location-based	tCO ₂ -e/HK\$' million	9.72
GHG Emissions Intensity by Revenue – Market-based	tCO ₂ -e/HK\$' million	13.38

Water	Unit	FY2025
Water Usage	m ³	175,372.00
Water Usage Intensity by Revenue	m ³ /HK\$' million	111.21

Energy Consumption	Unit	FY2025
Total Energy Consumption	MWh	41,583.43
Energy Consumption Intensity by Revenue	MWh/HK\$' million	26.37

LEVEL OF ASSURANCE AND METHODOLOGY

The verification process was conducted in accordance with the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board. Our evidence-gathering procedures were designed to obtain a limited level of assurance, as defined by the standard, to support the verification conclusion. Also, the scope of this verification covered the criteria set forth in the GHG Protocol.

The verification included reviewing information related to the processes for collecting, collating, and reporting data on GHG emissions, Water and Energy consumption. Raw data and supporting evidence for the selected representative samples were also thoroughly examined during the verification.



ROLES AND RESPONSIBILITIES

Jacobson Pharma is responsible for the organisation's information system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of sustainability information and performance. HKQAA verification team is responsible for providing an independent verification opinion on the selected disclosures provided by Jacobson Pharma for the reporting period. The verification was based on the verification scope, objectives and criteria as agreed between Jacobson Pharma and HKQAA.

INDEPENDENCE

HKQAA was not involved in collecting and calculating data or compiling the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and Jacobson Pharma that would affect the impartiality of the verification.

LIMITATION AND EXCLUSION

The following limitations and exclusions were applied to this verification due to the service scope, nature of verification criteria, and characteristics of the verification methodology.

- I. Our verification scope is limited to examining the raw data or information for the selected disclosures, e.g., Claims and Performance Data stated in the Report. The identified sustainability information may be subject to inherent uncertainty because of incomplete scientific and technical knowledge.
- II. Evaluating the quality of execution and implementation effectiveness of the sustainability practices, the appropriateness of the assumptions made, and the estimation techniques applied are outside the scope of our verification.
- III. The verification of raw data or information is based on the use of a sampling approach and reliance on the client's representation. As a result, errors or irregularities may occur and remain undetected.
- IV. Any information outside the established verification period has been excluded.

CONCLUSION

Based on the evidence obtained and the results of the verification process, it is the opinion of the verification team that, with a limited level of assurance, nothing has come to the team's attention that the selected disclosures in the Report are not reliable.

Signed on behalf of Hong Kong Quality Assurance Agency

K T Ting

Chief Operation Officer

July 2025

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