



**2025/
2026** | Environmental, Social and
Governance Report
Advancing Health and Sustainability Together

Stock Code: 2633

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This report is prepared in both English and Chinese. In the event of inconsistency, the English text of this report will prevail.



"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, creating lasting value for both society and the environment."

CHAIRMAN'S SUSTAINABILITY STATEMENT

Throughout FY2026, Jacobson continued to deepen the integration of sustainable development principles into our core business strategy through our p "5 to Thrive" framework. Built on our fundamental responsibility to society, this strategy encompasses five interconnected pillars: Corporate Governance Duty, Environmental Stewardship, Commitment to Employees, Product Responsibility, and Societal Engagement. Each pillar defines clear strategic priorities that drive sustainable value creation and guide implementation across all levels of our organisation. By embedding ESG considerations into daily operations, our dedicated team delivered measurable progress this year, positioning Jacobson as a purpose-driven pharmaceutical leader contributing meaningfully to Hong Kong's sustainable development.

This year marked a significant milestone in our climate action journey. We completed our first comprehensive climate scenario analysis, systematically assessing both physical and transition risks across our operations and entire value chain. Building on this analysis, we comprehensively reviewed and updated our environmental and climate target matrix, phasing out expired legacy targets and establishing new climate-related goals aligned with Hong Kong's 2050 carbon neutrality target. We also achieved full standardisation of weight-based measurement for all packaging materials and expanded our Scope 3 greenhouse gas emissions disclosure scope, enhancing the transparency and comparability of our environmental performance.

Under the stewardship of our ESG Committee, we continued to strengthen our governance and risk management capabilities. We maintained a strict zero-tolerance stance towards corruption, achieving 100% completion of anti-corruption training across all employee levels and recording no legal cases relating to corruption, bribery, extortion, fraud or money laundering during the reporting period. We also recorded zero data breaches, demonstrating our robust commitment to protecting sensitive information and upholding the highest standards of business integrity.

Our people continue to be the foundation of our long-term success, and we are proud to have maintained a record of zero work-related fatalities for three consecutive years. To further enhance workplace

safety, we deployed 17 Automated External Defibrillators across our facilities and completed comprehensive on-site emergency response training for our staff. We also invested over 30,000 hours in employee training and development, covering technical skills, safety protocols, and sustainability awareness, to support our teams' professional growth and well-being.

As a trusted provider of essential and specialty medicines, product quality and patient safety remain our top priorities. Our PIC/S GMP-accredited production facilities maintained stable operations throughout the year, and we recorded zero product recalls due to safety or health reasons. All product-related complaints were resolved satisfactorily, reflecting our unwavering commitment to delivering high-quality, reliable healthcare products to the public.

At the community level, we continued to support various charitable initiatives focused on improving healthcare access, nurturing talent, and assisting underprivileged groups. We renewed our scholarship sponsorship at the University of Hong Kong ("HKU") LKS Faculty of Medicine, continuing to nurture the next generation of pharmaceutical professionals, and supported multiple community welfare and health promotion activities across Hong Kong.

As we look ahead, we remain committed to advancing sustainable practices across our operations and within the pharmaceutical industry. Building on the progress achieved during FY2026, we will continue to strengthen our climate resilience, enhance our ESG governance, and create shared value for our stakeholders. On behalf of the Board, I extend my sincere gratitude to our dedicated employees, whose hard work and commitment have been instrumental in driving our sustainability journey. Together, we will continue to uphold our mission of enhancing people's lives by delivering health as a trusted partner, while making a meaningful and lasting contribution to environmental and social well-being.

Sum Kwong Yip, Derek

Chairman and CEO

JACOBSON PHARMA CORPORATION LIMITED

FY2026 ESG PERFORMANCE HIGHLIGHTS

LET'S **SAVE**
THE WORLD
TOGETHER



Jacobson
Pharma Corporation

5
to Thrive

ABOUT THIS REPORT

Jacobson Pharma Corporation Limited (stock code: 2633) (hereinafter referred to as the “**Company**” or together with its subsidiaries, the “**Group**”, or “**we**”), is delighted to present its fifth independent Environmental, Social and Governance Report (the “**ESG Report**”). The 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. The ESG Report has been endorsed and approved by the Board.

ESG REPORTING SCOPE AND PERIOD

The scope of the 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\$1,569 million 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, the ESG Report covers the period from 1 April 2025 to 31 March 2026.

ESG REPORTING FRAMEWORK AND STANDARDS

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

MATERIALITY

The 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.

BALANCE

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

QUANTITATIVE

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

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 the ESG Report.

FEEDBACK ON OUR SUSTAINABILITY COMMITMENTS

The Group highly appreciates and welcomes any feedback on the 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 2024-25 (「積金好僱主」) - e-Contribution Award (「電子供款獎」) - MPF Support Award (「積金推廣獎」)	Jacobson Group Management Limited	Mandatory Provident Fund Schemes Authority
Partner Employer Award 2025 (「友商有良」嘉許計劃) 10-Years Excellence Award (「10年或以上卓越企業」) - Existing Employee Retention Award (「保留現有僱員就業」) - Staff Expansion Award (「增聘全職或兼職僱員」)	Europarm Laboratoires Company Limited	The Hong Kong General Chamber of Small and Medium Business



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 and climate-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	ESG Committee Chairman: - Mr. Luk Ting Lung, Alan (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 OF DIRECTORS

- Set up ESG overall visions, approaches, strategies or initiatives, incorporating climate-related considerations
- Establish, monitor, and regularly review short-, medium-, and long-term ESG targets (including climate-related 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 (including climate-related 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, covering climate-related metrics where applicable
- Monitor the risk evaluation process on ESG and climate-related issues
- Monitor and review the compliance status of ESG-related laws and regulations by external governing/regulatory parties, including climate-related disclosure requirements (e.g. discuss environmental non-compliance incidents and climate-related regulatory updates in meetings, etc.)
- Oversee the execution and effectiveness of anticipation and mitigation plans regarding the ESG risks, which shall cover climate-related risks
- Review and validate the results of materiality assessment, and review regularly the ESG issues that are material to stakeholders, ensuring that climate-related issues are adequately addressed

RESPONSIBILITIES OF ESG COMMITTEE

- Monitor the formulation of the annual ESG report, ensuring alignment with climate-related disclosure requirements
- Review and discuss the content and quality of ESG reports to ensure that they meet the requirements of the Board, including newly introduced climate-related provisions
- Monitor the quality and quantity of ESG-related training for staff (e.g. using feedback surveys, knowledge assessment, etc.) and ensure coverage of climate-related awareness and capability building
- Keep track of emerging market trends regarding ESG-related issues, especially climate-related trends and regulatory developments, 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 (including climate-related goals and progress), stakeholder expectations management, compliance status, and ESG-related market/international trends including climate-related trends, 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.) to facilitate dialogue on material ESG and climate-related matters
- Establish systematic criteria for identifying ESG and climate-related risks, develop a materiality assessment framework to prioritise risks (including climate-related 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, with specific attention to climate-related disclosures
- 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, including climate 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, encompassing climate-related targets and measures
- Monitor the effectiveness of procedures and suggest improvements
- Record and analyse ESG data (including climate-related data), as well as report on the Group's ESG and climate-related performance
- Conduct at least two meetings per year

ESG RISK MANAGEMENT

Understanding the Group's ESG risks is fundamental to its long-term success and resilience. We have strengthened our risk management framework with enhanced focus on climate-related risks to better support sustainable operations. We maintain a robust three-lines-of-defence risk governance structure to effectively identify, assess, monitor, and mitigate ESG risks, including those related to climate change. This system enables us to regularly review our risk management framework, internal controls, and policies.

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)	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)	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.

MATERIAL ESG RISKS

During the Reporting Period, we identified key ESG risks that may have significant impact on the Group's operations. These include both general ESG risks and climate-related risks (physical and transition risks). Details of our climate-related risk assessment is elaborated in the Responding to Climate Change section.

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.
Climate-related Risks	Extreme weather events (physical risks) and policy, technology, market or reputational changes (transition risks) may result in operational disruptions, increased costs and supply chain impacts.	Implementation of preventive measures, extreme weather protocols, energy efficiency initiatives, vehicle electrification plans, insurance coverage, and supplier risk assessments. Further details are provided in the Responding to Climate Change section.

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 Forest Stewardship Council ("FSC") or Programme for the Endorsement of Forest Certification ("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 remains an increasingly pressing issue requiring a multi-faceted approach to adapt to and mitigate associated risks. We strengthen our climate governance and disclosure and adopt targeted strategies to build operational resilience. • Conduct climate scenario analysis and consolidate our environmental and climate target matrix • Phase out fossil fuel-based company vehicles with hybrid or electric vehicles • Enhance energy efficiency and expand greenhouse gas emissions disclosure across our value chain
 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

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

STAKEHOLDERS	EXPECTATIONS AND REQUIREMENTS	RESPONDING CHANNELS
 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 and feedback • Knowledge and Competency building • Audit and 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 FY2026, the Group commissioned an independent sustainability consultancy to conduct a comprehensive materiality assessment. For this process, a 3-step approach was adopted:

STEP 1

IDENTIFICATION

30 material ESG topics were identified by referencing the following sources: the Sustainability Accounting Standards Board ("**SASB**") Standards, the Global Reporting Initiative ("**GRI**") Standards, the SDGs, previous ESG reports from Jacobson, and industry benchmarking. The criteria for the selection of material ESG topics were based on the extent of the topic's influence on the assessments and decisions of stakeholders, and the extent of the topic's significance on the Group's business.

STEP 2

PRIORITISATION

A survey was distributed to internal and external stakeholders, in which they were asked to rate the relative importance of the identified ESG topics. The stakeholders engaged were the investor, management, general staff, suppliers, business partners, consumers, and clients.

STEP 3

VALIDATION

The Group's management confirmed and validated the list of material topics for disclosure. The results were then plotted in a materiality matrix. The Board has reviewed the identified material topics and results to ensure relevance and materiality to Jacobson.



Aspects	Material ESG Issues	
ENVIRONMENT	1. Environmental Compliance 2. Air Pollutant Management 3. Wastewater Management 4. Greenhouse Gas Emission 5. Waste Management 6. Energy Consumption	7. Water Resources Management 8. Green Office 9. Use of Raw Materials and Packaging Materials 10. Responding to Climate Change
LABOUR PRACTICES	11. Employment Compliance 12. Remuneration and Benefits 13. Working Hours and Rest Periods 14. Diversity and Equal Opportunity	15. Occupational Health and Safety 16. Training and Development 17. Prevention of Child Labour and Forced Labour
OPERATION PRACTICES	18. Operational Compliance 19. Environmental and social Risk Management in the Supply Chain 20. Product Quality Management 21. Customer Accessibility and Affordability to Medicine 22. Customer Health and Safety	23. Responsible Sales and Marketing 24. Customer Service Management 25. Intellectual Property Protection 26. Research and Development 27. Information Security 28. Customer Privacy Protection 29. Business Ethics
COMMUNITY INVESTMENT	30. Charity	

The materiality matrix and supporting table present the outcomes of the Group's FY2026 materiality assessment. The matrix prioritises key material issues according to their strategic significance to the Group's business operations and concerns raised by external and internal stakeholders. A total of 30 ESG-related issues were identified and categorised. Within the full issue list, the top 6 highest-priority material issues are highlighted in bold to distinguish those carrying the greatest strategic and stakeholder relevance.

The Board has formally reviewed the assessment outcomes, including the identified significant impacts and prioritisation rankings, to confirm that all concluded material issues remain relevant and aligned with Jacobson's business and sustainability objectives.



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. The Group cultivates an ethical corporate culture based on sound moral principles. Our commitment to upholding business integrity and eradicating corruption reinforces regulatory compliance and strengthens intellectual property ("IP") protection. For further details on compliance with relevant laws and regulations, please refer to the corresponding sections of the ESG Report.

REGULATORY COMPLIANCE

The Group strictly follows the provisions of the Pharmacy and Poisons Ordinance (Cap. 138 of the Laws of Hong Kong) and holds all necessary licences, permits and approvals. These include the Licence for Manufacturer issued by the Pharmacy and Poisons Board of Hong Kong ("PPBHK"), and the Drug Manufacturing Certificate granted by the National Medical Products Administration ("NMPA") of Chinese Mainland. Key personnel including Authorised Persons ("APs"), Production Managers and Quality Control Managers hold valid professional licences issued by Hong Kong's Department of Health ("DH").

All production facilities have obtained GMP certification, verifying that products are consistently manufactured and controlled in line with established quality standards. Our Hong Kong production sites comply with international PIC/S GMP requirements, which are reviewed and updated annually and fully implemented across operations.

Standard Operating Procedures ("SOPs") are formulated and regularly updated at production facilities to sustain full alignment with industry standards. At least one Authorised Person is present at each site to implement the latest PIC/S GMP rules and licensing conditions set by DH. In addition, product distribution is managed and categorised under relevant control measures to safeguard patient health and safety.

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.



ANTI-CORRUPTION

The Group upholds a strict zero-tolerance stance towards bribery, fraud and all forms of corruption, adhering to the highest standards of business integrity to sustain the provision of genuine and reliable healthcare products and services to the public. The Group strictly complies with the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) and the Code of Practice issued by the Hong Kong Association of the Pharmaceutical Industry ("HKAPI"), ensuring all business activities are conducted in a legal, transparent and ethical manner. During the Reporting Period, no legal cases against the Group or its employees in relation to corruption, bribery, extortion, fraud or money laundering were recorded.

To institutionalise ethical governance and standardise internal compliance practices, the Group has established comprehensive anti-corruption frameworks clearly stipulated in the Prevention on Bribery Policy and the Code of Conduct contained in the Employee Handbook. These internal regulations mandate universal compliance for all employees, prohibiting staff from soliciting, accepting or offering any unauthorised bribes or improper advantages in all business scenarios involving private, public and government entities during the performance of their duties or when acting on behalf of the Group.

The Group has formulated standardised operational procedures to mitigate integrity risks in daily operations. In circumstances where employees receive gifts or souvenirs that may trigger impropriety concerns, or encounter potential conflict of interest situations, they are required to complete the "Report on Gifts/Advantages Received Form" and "Declaration of Conflict of Interest Form" respectively, and report the relevant matters to the Group's Chief Financial Officer for follow-up guidance and review.

A robust whistleblowing mechanism is also embedded in the Group's Code of Conduct to facilitate timely risk supervision. The mechanism encourages employees to proactively report any suspected corrupt or fraudulent conduct to the Human Resources ("HR") Department. The Group strictly protects the confidentiality and identity of whistle-blowers to prevent retaliatory behaviour, and conducts formal internal investigations into all reported cases. Any employees confirmed to have engaged in fraudulent or corrupt activities will face corresponding disciplinary actions, including but not limited to termination of employment, and serious cases will be referred to relevant regulatory authorities for further handling.

To continuously strengthen employees' anti-corruption awareness and ethical risk identification capability, the Group arranges regular anti-corruption training based on professional resources provided by the Independent Commission Against Corruption ("ICAC") of Hong Kong. In the Reporting Period, the Group organised ICAC-supported self-study and targeted integrity training covering management personnel and frontline general staff at all levels. All invited employees completed the training programme with a 100% completion rate. The training effectively enriched employees' understanding of workplace integrity norms, further consolidated the Group's anti-corruption defence line and elevated the overall level of internal ethical compliance management.

During the Reporting Period, no concluded corruption litigation cases were brought against the Group or its employees.

DATA PRIVACY

The Group applies integrity principles throughout the management and protection of personal data of all stakeholders. We fully comply with the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong). Guidelines governing information protection are set out in the IT Acceptable Use Policy and the Code of Conduct within the Employee Handbook, to safeguard confidential information belonging to the Group, its staff and customers.

Personal information collection statements are included in Job Application Forms and Employment Contracts, clearly defining the rules for the collection, use and storage of relevant personal data. Enhanced IT security measures are implemented, with authorised personnel tasked with monitoring and identifying suspicious activities. Employees are strictly prohibited from disclosing sensitive data without prior approval. Any breach of data protection rules will result in disciplinary action, including termination of employment. During the Reporting Period, no data breach incidents were identified within the Group.

EQUALITY, DIVERSITY AND INCLUSION

The Group recognises the value of a diverse talent pool and an inclusive workplace culture, and is committed to fostering equality across all operations. All decisions on recruitment, promotion, transfer and job rotation are based purely on objective criteria including work experience, professional competence and job performance. The Policy on Equal Opportunities underpins our commitment to maintaining a fair working environment. The Group adopts a zero-tolerance approach to sexual harassment and all forms of discrimination based on gender, marital status, pregnancy, family status, disability, race and other attributes. Training on equality, diversity and inclusion is provided to the Board and all employees. The Group has also formulated a Retirement Policy. Employees reaching retirement age may apply for contract extension and are entitled to long service payment in accordance with the policy. Our practices fully 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), among other applicable legislations, to protect the fundamental rights of all employees.

PROTECTION OF INTELLECTUAL PROPERTY

To drive product development and innovation, the Group attaches great importance to protecting and respecting the IP rights of all parties. To safeguard the interests of business partners, we require them to sign Non-Disclosure Agreements, which prohibit the disclosure of the Group's confidential information to external parties. Prior to any new product launch, the Group consults patent attorneys to avoid potential IP infringement. For all tenders submitted to public hospitals, relevant patent information is duly declared as required.



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, 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

The Group places strong emphasis on environmental protection and sustainable operational development, and maintains full compliance with relevant environmental laws, ordinances and regulatory requirements throughout all production facilities, warehouses and office premises. We have formulated a formal Environmental Policy to consolidate our environmental protection commitments, embed sustainable principles into daily governance, and standardise operational norms for energy, water, packaging, emissions and waste management. Under this policy, the Group has put in place systematic daily monitoring and routine management arrangements to minimise operational environmental impact, control resource consumption and curb pollutant emissions. During the Reporting Period, the Group's business activities did not have any material adverse impact on the environment and natural resources. In line with HKEX ESG disclosure requirements and the Group's climate governance framework, all formal environmental strategic targets, qualitative and quantitative goals, together with annual implementation progress, are centrally disclosed in the Metrics and Targets section of this chapter. The Group will conduct regular reviews on environmental target performance, adjust relevant initiatives in a timely manner, and continuously advance resource optimisation, emission reduction and waste management improvements.

RESPONDING TO CLIMATE CHANGE

The Group recognises that climate-related issues can materially impact our business operations and long-term value creation. As a healthcare product manufacturer and distributor, we integrate climate change considerations into our core strategy and strengthen climate-related risk assessments to fully evaluate material impacts on our business operations, patient care services and supply chain. The Group discloses climate-related information in compliance with the four-pillar framework (Governance, Strategy, Risk Management, and Metrics and Targets) under Appendix C2 of the Listing Rules.



GOVERNANCE

The Group has established a three-tier governance structure to oversee climate-related risks and opportunities, aligned with our broader sustainability governance framework:



As the highest governing body, the Board integrates climate considerations into corporate development vision and strategies. It sets, monitors and revises short, medium and long-term climate targets matching business demands and stakeholder priorities, and oversees accountability for climate performance delivery. Climate issues are permanent agenda items of regular board meetings, with at least one dedicated review conducted each year. The Board assesses potential influences of climate risks and opportunities on overall business development when making major decisions. The Board also considers climate-related risks and opportunities when overseeing strategy, major transactions, and risk management processes and related policies, and evaluates their potential impacts on the Group's business operations.

ESG and Executive Committees conduct performance evaluation and strategic follow-up work. They benchmark climate performance against preset goals and industry standards, inspect the effectiveness of climate risk mitigation measures, and confirm materiality assessment results to ensure key climate matters are properly addressed. The committees also review progress of climate target fulfilment and put forward strategic adjustments adapting to changing external circumstances.

The Group continuously builds Directors' professional capacity in climate governance by providing specialised learning resources, internal training and external seminars. These supports help the leadership stay updated on industry trends and respond timely to emerging climate challenges.

Day-to-day climate governance is undertaken by the ESG Working Group, whose members consist of management personnel from various functional departments. The ESG Working Group advances unified climate management policies across all business units, optimises daily operational practices to achieve climate targets, and improves internal working procedures. Members collate and analyse climate-related data, compile performance reports and submit regular updates to senior management and committees. The working group holds no fewer than two meetings per year to coordinate cross-departmental work and review implementation progress.

STRATEGY

The Group aims to enhance business resilience against climate change and evolve into an environmentally responsible healthcare enterprise. We have refined internal risk assessment procedures to identify potential climate impacts across our business and full value chain, so as to evaluate and formulate appropriate mitigation and adaptation measures.

Scenario analysis

To fully capture long-term climate implications that conventional risk assessment procedures may overlook, the Group conducted a comprehensive climate scenario analysis in the Reporting Period, covering physical risks, transition risks and emerging climate-related opportunities.

Scope, Time Horizons and Scenario Selection

The boundary and assessment parameters adopted for climate scenario analysis are set out clearly in the table below:

ASSESSMENT PARAMETER	DETAILS
Analysis Scope	Consistent with the reporting scope covered in the ESG Report
Assessment Time Horizons	• Short-term: 2030 • Medium-term: 2040 • Long-term: 2050
Scenario Reference Basis	The Intergovernmental Panel on Climate Change ("IPCC") Sixth Assessment Report and the Network for Greening the Financial System ("NGFS") Phase 5 public release framework
Alignment Basis	Aligned with the healthcare industry characteristics, the Group's strategic goals and Hong Kong's 2050 carbon neutrality target
Core Assumption	No material changes to existing climate policies and reporting boundary during the assessed period

The Group does not currently apply quantitative measurement in assessing climate-related risks and opportunities. For financial position, financial performance and cash flows, the Group is unable to provide quantitative disclosure as these effects cannot be separately identified from routine business operations, as all climate response arrangements are embedded within daily activities. Regarding the resilience of its strategy and business model to climate-related changes and uncertainties, the Group cannot reliably compile various metrics for these climate issues in a reasonable and cost-effective manner, as relevant operational data is fragmented across business units and industry-accepted measurement methodologies for such metrics remain highly uncertain. Quantitative information on these matters is therefore not provided.

Despite the above limitations, the Group has performed qualitative assessments for each identified climate-related risk and opportunity based on the following analytical dimensions: risk category, key affected area, impact on the business model and value chain, and financial impact. The same framework is applied consistently across all risk and opportunity tables. The materiality level for each risk is defined using the colour coding below:

	Light Colour: Handled through standard existing processes
	Regular Colour: Needs to be monitored consistently
	Dark Colour: Require management strategy planning and implementation tracking

The following sections present the Group's detailed analysis of physical risks, transitional risks, and climate-related opportunities, respectively.

PHYSICAL RISK ANALYSIS

Two IPCC scenarios are deployed to assess acute and chronic physical climate risks:

SSP 1-2.6

Global warming limited to around 2.0°C with moderate policy and energy transition progress; physical risks remain prominent alongside rising transition pressure.

SSP 5-8.5

Global warming exceeds 4°C under delayed climate policy action, leading to more frequent and severe extreme weather events and heightened physical impacts on business operations.

Acute Risk - Extreme Weather Events

As a healthcare product manufacturer and distributor, the Group's production facilities, warehouses and logistics networks are exposed to extreme weather including typhoons, heavy rainfall and flooding. Such events may disrupt facility operations, damage stored healthcare products, interrupt raw material supply and delay product distribution, posing direct challenges to operational stability and continuous service delivery.

RISK		ACUTE - EXTREME WEATHER EVENTS	
Key Affected Area The Group's production and operation sites		Impact on Business Model Potential suspension of production and warehouse operations, workflow disruption and delayed order fulfilment. Unplanned operational interruptions may affect supply stability and the Group's market reputation as a reliable healthcare product supplier.	
Materiality Level Short Term  Medium Term  Long Term 		Impact on Value Chain Upstream suppliers located in climate-vulnerable regions face potential production and logistics disruptions; blocked transportation routes may create bottlenecks in raw material inflow and finished goods distribution.	
		Financial Impact Financial position Inventory and fixed asset impairment, provision for customer compensation liabilities. Financial performance Temporary revenue disruption; incremental emergency logistics and restoration expenses alongside occasional asset write-downs. Cash flow Additional cash outflows for site reinforcement and recovery works; possible delays to operating cash inflows.	

Chronic Risk - Rising Temperatures

Sustained temperature rise brings long-term operational challenges, particularly for temperature-sensitive healthcare products requiring stable storage and cold-chain logistics. Higher ambient temperatures also increase energy consumption for cooling and environmental control across manufacturing and warehousing sites.

RISK		CHRONIC - RISING TEMPERATURES	
Key Affected Area Product storage facilities, transportation and manufacturing environmental control systems		Impact on Business Model Higher requirements for full-process temperature control and monitoring; inadequate temperature management may affect product stability, shelf life and regulatory compliance.	
Materiality Level Short Term  Medium Term  Long Term 		Impact on Value Chain Growing cold-chain capability requirements for third-party logistics providers; temperature fluctuations may also indirectly affect raw material quality and stability from upstream suppliers.	
		Financial Impact • Financial position Fixed asset additions from temperature control upgrades. • Financial performance Rise in operational costs and insurance premiums • Cash flow Continuous extra cash spent on cooling operations; regular one-off payments for cooling system renovations	

TRANSITION RISKS AND CLIMATE-RELATED OPPORTUNITIES ANALYSIS

Two NGFS scenarios are jointly applied to evaluate transition risks and climate-related opportunities:

Net Zero 2050

Early implementation of stringent global climate policies to curb energy demand and scale low-carbon technologies, limiting global warming well below 1.5°C and achieving global net-zero carbon dioxide emissions by mid-century.

**Current Policies**

Only existing climate policies remain in force, driving continued growth in greenhouse gas emissions and projected warming above 3°C, with broader business implications for corporates.



Transition Risk - Policy and Regulatory Tightening

Evolving climate regulations, mandatory carbon disclosure requirements and potential carbon pricing mechanisms continue to raise compliance burdens for listed enterprises. The Group faces growing regulatory and stakeholder expectations on climate transparency and governance.

RISK		POLICY AND REGULATORY TIGHTENING	
Key Affected Area Corporate compliance management, climate disclosure and operational standard optimisation		Impact on Business Model The Group may need to allocate more internal resources to climate disclosure and compliance. Also, the Group may need to adjust product specifications, sourcing processes, and quality controls to meet green procurement criteria. These changes could add operational complexity and become embedded in daily operations.	
Materiality Level Short Term  Medium Term  Long Term 		Impact on Value Chain Stricter climate regulatory expectations cascade to suppliers and business partners, influencing supplier qualification and ongoing evaluation arrangement. Growing climate regulatory expectations are imposed on upstream suppliers and business partners, bringing additional compliance burdens along the supply chain.	
		Financial Impact • Financial position Accrued environmental liabilities and new digital asset investments • Financial performance Increase in various compliance-related expenditures • Cash flow Regular cash outflows on ongoing compliance work and periodic payments for facility green upgrades.	

Transition Risk - Investor and Capital Market Preference Shift

Investors and capital market participants increasingly focus on climate governance performance and transparent disclosures. Insufficient climate risk management may lead to higher institutional scrutiny and impact corporate valuation and financing flexibility.

RISK		INVESTOR AND CAPITAL MARKET PREFERENCE SHIFT	
Key Affected Area Corporate compliance management, climate disclosure and operational standard optimisation		Impact on Business Model Growing investor demand for robust climate governance; weak climate performance may limit access to ESG-focused investment portfolios.	
Materiality Level Short Term  Medium Term  Long Term 		Impact on Value Chain Investor ESG scrutiny extends to supply chain climate performance, requiring enhanced climate engagement with key business partners.	
		Financial Impact Potential higher cost of capital and restricted green financing access; market valuation volatility; additional financial resources for climate governance improvement and stakeholder communication. • Financial position Restricted preferential green financing access and fluctuated market equity valuation • Financial performance Higher interest expenses and stakeholder communication costs • Cash flow Increased recurring interest outflows; potential slower receivables collection narrowing operating cash surplus	

Opportunity - Operational Energy Efficiency Optimisation

Continuous energy saving, equipment optimisation and refined operational management help reduce the Group's overall energy consumption and carbon footprint, while bringing long-term cost optimisation benefits.

OPPORTUNITY		OPERATIONAL ENERGY EFFICIENCY OPTIMISATION	
Key Affected Area Production workshops, office premises, warehouse facilities and daily operations		Impact on Business Model Energy-saving renovation and efficient equipment deployment support the development of a low-carbon operational model and strengthen sustainable brand positioning.	
Materiality Level Short Term  Medium Term  Long Term 		Impact on Value Chain Internal energy efficiency progress sets a benchmark for suppliers, promoting resource conservation and low-carbon operation across the value chain.	
		Financial Impact • Financial position Lower carbon liabilities; receivables from green subsidies alongside energy-saving equipment additions. • Financial performance Consistent utility cost cuts; potential green subsidy income • Cash flow Ongoing cash savings on power offset one-time equipment upgrade spending	

Opportunity - Climate-Responsive Healthcare Product Development

Climate change drives evolving public health needs and market demand for environmentally friendly and health-oriented products. The Group leverages its brand and product operation strengths to capture long-term market development potential.

OPPORTUNITY		CLIMATE-RESPONSIVE HEALTHCARE PRODUCT DEVELOPMENT	
Key Affected Area Product planning and brand marketing		Impact on Business Model Optimising product portfolio and production processes to align with green consumption trends, enhancing market competitiveness and differentiated advantages.	
Materiality Level Short Term  Medium Term  Long Term 		Impact on Value Chain Green product and low-carbon operation requirements guide upstream suppliers to adopt more environmentally friendly production practices.	
		Financial Impact • Financial position Intangible asset growth from new formulation patents; reduced inventory impairment provisions for differentiated lines. • Financial performance Additional high-margin revenue streams; efficiency gains lower relative customer acquisition expenses. • Cash flow Initial R&D spending is recouped through stable long-term cash inflows from product sales.	

Mitigation, Adaptation and Opportunity Response Measures

Although the Group has not yet formulated a standalone formal climate-related transition plan, a comprehensive set of response measures has been implemented across all operating sites. All climate-related initiatives are funded and delivered through existing internal capital arrangements and human resources. No dedicated capital expenditure, financing or exclusive investment was allocated solely for climate-related risks and opportunities during the Reporting Period. The Group has also explicitly identified the material Scope 3 categories relevant to the Group, as well as established climate-related targets during the Reporting Period to fully advance its decarbonisation and climate resilience efforts.

The table below sets out the Group's structured response arrangements, covering mitigation, adaptation and general opportunity response at a strategic level:

CLIMATE-RELATED RISKS	MITIGATION MEASURES
Extreme Weather Events Rising Temperatures Policy and Regulatory Tightening Investor and Capital Market Preference Shift	- Optimise energy consumption and operational carbon output; promote low-carbon daily operations - Drive energy-saving retrofits for cooling systems and production equipment; improve energy efficiency - Retrofit existing facilities with energy-efficient systems (lighting, HVAC, production equipment) - Optimise internal data and energy management systems to proactively lower carbon footprint - Adopt cleaner technologies and comprehensively verify GHG emissions data - Explore renewable energy sources (e.g., feasibility of solar energy installation) - Conduct regular ESG-related training for directors and staff on emission reduction practices - Enhance climate governance and transparency; strengthen board oversight of climate-related risks - Continue to reduce carbon footprint through energy efficiency programmes and digital tools (e.g., mobile ordering to reduce paper consumption)

CLIMATE-RELATED RISKS	ADAPTATION MEASURES
Extreme Weather Events	- Strengthen business continuity planning and facility resilience - Diversify logistics and supply chain layout - Establish emergency operation and inventory contingency arrangements - Enhance storage facilities for temperature-sensitive goods - Conduct regular inspections of equipment and physical assets to ensure resilience - Maintain comprehensive insurance coverage for properties/assets prone to extreme weather damage
Rising Temperatures	- Optimise full-process temperature control and product storage standards - Strengthen ongoing quality risk monitoring under high-temperature operating environments - Activate high-temperature response protocols to ensure workforce safety and product quality - Upgrade cooling systems and implement heat stress management for employees - Maintain insurance coverage for heat-related asset damage or productivity loss
Policy and Regulatory Tightening	- Closely track climate regulatory updates - Collaborate with sustainability professionals to maintain compliance with emissions reporting requirements. - Conduct regular ESG-related training for directors and staff to stay abreast of regulatory updates - Actively participating in environmental protection activities to reduce carbon footprint.
Investor and Capital Market Preference Shift	- Incorporate climate performance into long-term brand and corporate reputation management - Enhance regular communication with investors and key stakeholders on climate performance and initiatives - Strengthen board-level oversight of climate risks and opportunities - Evaluating potential participation in the Hong Kong Green Organisation Certification. - Comprehensively verify the data of GHG emissions and adopting cleaner technologies to promote sustainable practices.

CLIMATE-RELATED OPPORTUNITIES	OPPORTUNITY RESPONSE MEASURES
Energy Efficiency Optimisation	• Capture cost savings and operational efficiency gains through systematic energy management • Leverage lower energy costs as a competitive advantage in pricing and margins • Enhance brand image by publicly committing to recognised energy efficiency targets or certifications • Participate in utility incentive programmes (e.g., demand response, energy rebates) to generate additional revenue or savings • Use digital energy monitoring to identify real-time optimisation opportunities and reduce waste • Attract environmentally conscious customers and business partners who prioritise low-carbon operations • Future-proof operations against rising energy prices and carbon pricing mechanisms
Climate-Responsive Product Development	• Develop new or enhanced products that address climate-driven customer needs • Expand into emerging green product segments or markets where climate awareness is growing • Strengthen customer loyalty by offering products with verified lower environmental impact • Collaborate with suppliers to co-create innovative low-carbon inputs, securing early-mover advantages • Use climate-responsive product design as a differentiator in tenders or retail listings • Align product roadmaps with global sustainability trends to attract ESG-focused investors and partners • Pilot climate-adaptive products (e.g., for extreme weather or temperature-sensitive supply chains) to build resilience and new revenue streams

Uncertainties and Future Arrangements

The implementation of the Group's long-term climate resilience plan is subject to inherent uncertainties, including the evolving pace of global and local climate policy updates, changing public health demands amid climate change, the evolving intensity of physical climate impacts, and the timing and stringency of future industry-specific climate regulatory requirements.

Nevertheless, the Group maintains solid adaptive capacity embedded in strategic planning and daily operational management, enabling timely adjustments to healthcare service arrangements, internal workflows and supply chain collaboration models in response to climate risks, regulatory updates and market dynamics.

Moving forward, the Group will continuously monitor the evolution of climate-related risks and opportunities, conduct regular reviews on the effectiveness of existing response measures, and dynamically adjust strategies and implementation plans based on operational performance and external climate trends. Climate target progress will be tracked routinely, with targets revised timely to maintain feasibility and ambition, further consolidating the Group's long-term climate resilience and sustainable development capability.

RISK AND OPPORTUNITY MANAGEMENT

The Group integrates the identification, assessment, prioritisation and ongoing monitoring of climate-related risks and opportunities into its enterprise-wide risk management framework, embedding climate governance into daily operations and corporate strategic planning. No material amendments were made to the Group's risk and opportunity management procedures during the Reporting Period.

In the climate assessment process, the Group takes into account the location and operational attributes of facilities, historical extreme weather exposure, energy consumption characteristics, publicly available climate scenario data, as well as internal inventory and operational records.

The Group adopts a standardised four-stage climate risk and opportunity management mechanism, as listed below.

 IDENTIFICATION	We analyse global climate trends, industry development and peer practices, collect stakeholder expectations, and conduct scenario analysis to identify material climate risks and opportunities across the entire business value chain.
 EVALUATION	We assess the likelihood and impact of identified climate risks and opportunities, and evaluate their potential implications on business operations and financial performance. Assessment results are submitted to the ESG Committee for review.
 PRIORITISATION	The ESG Committee prioritises climate risks and opportunities based on occurrence probability and material impact level, in alignment with the Group's risk appetite and long-term sustainability objectives.
 MONITORING	The ESG Working Group continuously monitors the effectiveness of response measures, tracks updates in climate policies and market dynamics, and reports regularly to the ESG Committee and the Board for ongoing oversight and strategic adjustment.

METRICS AND TARGETS

We have embedded climate resilience and environmental optimisation into the Group's long-term sustainability strategy, aligning our commitments with Hong Kong's 2050 carbon neutrality target and global climate-related sustainability frameworks. During the Reporting Period, the Group has comprehensively reviewed and re consolidated its environmental and climate-related target matrix, phasing out all expired legacy targets, retaining and updating ongoing initiatives, and formulating new medium- to long-term goals based on operational feasibility, regulatory requirements and industry best practices. All targets are subject to annual review by the Board and ESG Committee, with timely adjustments made in response to business operation changes, technical constraints and evolving regulatory expectations.

At this stage, the Group has no plan to adopt carbon credit offset arrangements, and will keep monitoring market policies and industry practices for future reference. The Group has not yet implemented internal carbon pricing mechanisms, nor has it integrated climate-related factors into its executive compensation policies. This is primarily because these factors have not yet demonstrated a direct and material connection to the Group's current operational priorities, industry characteristics or financial decision-making requirements. The Board and senior management will continue to closely track global climate governance developments, industry benchmark practices and regulatory updates, and proactively assess the feasibility of introducing internal carbon pricing and climate-related compensation incentives when conditions are mature.

The reconsolidated target matrix covers four core areas: greenhouse gas emissions, energy consumption, water usage and waste management. All targets and their FY2026 implementation progress are set out below:

CATEGORY	ENVIRONMENTAL AND CLIMATE TARGETS	FY2026 IMPLEMENTATION PROGRESS AND REMARKS
Greenhouse Gas Emissions	By FY2026, identify and join an industry association to promote sector-wide carbon reduction.	Achieved - Registered with BEAM Society for TP8 facility Platinum certification (incorporating low-carbon design), enabling access to industry best practices and cross-sector decarbonisation initiatives.
	By FY2026, replace at least 20% of company vehicles with hybrid/electric models.	In Progress - Reactivated fleet electrification amid improved market and infrastructure maturity. Completed trials of three mainstream EV brands. Feasibility study for Shek Mun Logistics Centre charging stations underway. Replacement aligned with fleet write-off schedule.
	By FY2030, achieve a 3% reduction in GHG emission intensity (covering Scope 1 and Scope 2 emissions) for 20% of our facilities, with FY2026 as the base year.	In Progress - FY2026 baseline data established; data collection and methodology development ongoing.
Energy Consumption	Continue regular energy and resource-saving training for all employees.	Achieved - Training delivered to all staff, covering production efficiency, office power management and green workplace practices.
	By FY2030, implement at least one energy-saving retrofit project across core production facilities.	In Progress - Feasibility study for Tai Po site LED lighting retrofit ongoing. Preliminary 12-15% lighting energy saving potential identified.
	By FY2030, achieve a 3% reduction in energy consumption intensity for 20% of our facilities, with FY2026 as the base year.	In Progress - FY2026 baseline data established; data collection and methodology development ongoing.
Water Usage	Continue organising regular resource saving training for all employees.	Achieved - Training integrated into regular environmental programmes, focusing on process water reuse and daily savings.
	Optimise existing water utilisation efficiency through operational management measures	Achieved - Efficiency measures ongoing: equipment maintenance, leak detection and process water recycling.
	By FY2030, achieve a 3% reduction in water consumption intensity for 20% of our facilities, with FY2026 as the base year.	In Progress - FY2026 baseline data established.
Waste Management	By FY2027, 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.	In Progress - Non-hazardous waste baseline study completed. Group-wide recycling policy fully rolled out. System optimisation and quantitative target review ongoing.
	By FY2030, launch at least one new waste reduction initiative across all business units.	In Progress - Paperless operations promoted across administrative departments; office waste sorting practices standardised.

The Group conducted GHG identification, assessment, and inventory activities during the Reporting Period to effectively manage our GHG emissions. These activities covered the Group's operations in Hong Kong. Scope 2 emissions are consistently disclosed on both location-based and market-based bases year-on-year to ensure data consistency and comparability across reporting periods.

During the Reporting Period, the summary of GHG emissions (Scope 1 and Scope 2) of the Group is illustrated below:

GHG Emissions ¹	Unit	FY2026	FY2025
Scope 1: Direct GHG Emissions ²	tCO ₂ -e	1,252.94	1,196.01
Scope 2: Energy Indirect Emissions - Location-based ³	tCO ₂ -e	14,847.31	13,864.32
Scope 2: Energy Indirect Emissions - Market-based ³	tCO ₂ -e	21,830.65	19,645.69
Total GHG Emissions (Scope 1, Scope 2 - Location-based)	tCO ₂ -e	16,100.25	15,060.33
Total GHG Emissions (Scope 1, Scope 2 - Market-based)	tCO ₂ -e	23,083.59	20,841.70
Total GHG Emissions Intensity by Revenue - Location-based	tCO ₂ -e/HK\$' million	10.26	9.55
Total GHG Emissions Intensity by Revenue - Market Based	tCO ₂ -e/HK\$' million	14.71	13.22

Notes:

1. The Group applies the operational control approach for GHG emissions accounting, defining the scope based on its authority to enforce operational policies across all business activities. All GHG emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e), and include carbon dioxide, methane and nitrous oxide.
2. Scope 1 emissions comprise direct GHG emissions generated from fuel combustion in stationary and mobile sources, with emission factors based on the "Reporting Guidance on Environmental KPIs (Appendix II)" issued by the Stock Exchange of Hong Kong.
3. Scope 2 emissions are disclosed on both location-based and market-based bases, covering indirect emissions from purchased electricity and purchased steam, with calculations based on the regional location where the energy is consumed. For location-based Scope 2 emissions, emission factors for purchased electricity in Hong Kong are based on the latest sustainability reports published by the Hong Kong Electric Company Limited and the China Light & Power Company Limited, while emission factors for purchased electricity and steam in Chinese Mainland are based on the "Announcement on the Release of Carbon Dioxide Emission Factors for Electricity in 2023" published by the Ministry of Ecology and Environment 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 respectively. For market-based Scope 2 emissions, the same regional emission factor sources are applied to ensure consistency and comparability across reporting periods.

Also, in line with the "Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)," the Group has structured its Scope 3 emissions disclosure using the standard category framework for consistency and transparency. Based on an evaluation of our core operations, emission sources, data accessibility, and peer benchmarking, we have identified and disclosed the following categories as material Scope 3 categories for the Reporting Period:



GHG Emissions	Unit	FY2026
Scope 3: Other Indirect Emissions ¹	tCO ₂ -e	32,094.50
Category 1: Purchased Goods and Services	tCO ₂ -e	31,375.82
Category 4: Upstream Transportation and Distribution	tCO ₂ -e	446.58
Category 5: Waste Generated in Operations	tCO ₂ -e	255.33
Category 6: Business Travel	tCO ₂ -e	16.77

Note:

1. Scope 3 emissions are reported in accordance with the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), covering Category 1 (Purchased Goods and Services), Category 4 (Upstream Transportation and Distribution), Category 5 (Waste Generated in Operations) and Category 6 (Business Travel). Emissions for Category 1 are calculated using factors from the China Products Carbon Footprint Factors Database and the U.S. Environmental Protection Agency Environmentally Extended Input-Output model, while emissions for Category 4 and Category 6 are calculated using factors from the USEEIO model. Category 5 emissions from paper waste disposal are based on the "Reporting Guidance on Environmental KPIs (Appendix II)" published by the Stock Exchange of Hong Kong.

ENERGY CONSUMPTION

We concentrate on rationalising energy utilisation to reduce fossil fuel combustion and associated emissions. Electricity, towngas and fuel for manufacturing, cleanroom maintenance and company vehicles constitute the Group's major energy consumption sources.

Energy-saving features are incorporated into the design of new facilities, while energy-efficient technologies are retrofitted to existing premises where practicable. The temperature and humidity of cleanrooms are strictly regulated in compliance with GMP and DH standards, marking the most energy-intensive operational area at our production sites. Leveraging the building automation system, the Group has adopted a dedicated energy control programme to monitor on-site conditions in real time and adjust temperature, humidity and airflow configuration for optimal energy efficiency. Our Engineering Department has installed energy consumption monitoring devices at multiple production facilities to track the performance of energy-saving measures. To embrace industry best practices and enhance energy management capability, Jacobson maintains ongoing collaboration with external organisations and academic institutions on sustainable initiatives.

To optimise towngas usage, the Engineering Department conducts daily patrols and routine equipment maintenance, and keeps detailed consumption records. Employees are encouraged to adopt fuel-efficient driving behaviour when using company vehicles, and the Group is gradually replacing conventional vehicles with hybrid and electric models. The Group also promotes energy-saving awareness among employees via emails, posters and internal platforms to foster environmentally responsible working habits, aligning with our overall climate management ambitions.

The Group has formulated clear energy efficiency targets and implemented corresponding action plans in support of continuous energy conservation. Details of the Group's energy-related key performance indicators and efficiency targets are set out in the Metrics and Targets section of Climate Change chapter. The Group regularly analyses energy consumption patterns to identify optimisation opportunities and drive sustained improvement in energy utilisation performance.

Energy Consumption	Unit	FY2026	FY2025
Direct Energy Consumption	MWh	6,208.74	5,905.15
Direct Energy Consumption - Combustion of fuels in stationary sources	MWh	5,057.41	4,733.49
Direct Energy Consumption - Combustion of fuels in mobile sources	MWh	1,151.33	1,171.66
Indirect Energy Consumption	MWh	36,141.32	35,678.28
Indirect Energy Consumption - Purchased Electricity	MWh	35,199.84	34,310.27
Indirect Energy Consumption - Purchased Steam	MWh	941.48	1,368.01
Total Energy Consumption	MWh	42,350.07	41,583.43
Energy Consumption Intensity by Revenue	MWh/HK\$' million	26.98	26.37

PACKAGING MATERIALS CONSUMPTION

The Group attaches close attention to the consumption and prudent management of packaging materials, which mainly include inserts, labels, product boxes and outer cartons. Due to relevant regulatory restrictions, certain packaging materials are generally not recyclable. To minimise packaging waste generated during production, the Group adopts demand-based procurement by referencing sales forecasts and implementing bulk purchasing arrangements.

The Group has formally established the Printing and Packaging Materials Receiving, Dispatching and Control mechanism to standardise procurement and daily inventory management. Dedicated personnel are arranged at each production facility to monitor the category, consumption quantity, expiry dates and batch information printed on packaging materials, so as to optimise overall utilisation efficiency and reduce unnecessary waste.

To strengthen data traceability and standardise consumption recording, the Group previously formulated a roadmap to implement weight-based statistics for all packaging materials. In prior periods, glass, metal and plastic packaging materials were already recorded in kilograms. In the current Reporting Period, the Group has completed the full standardisation of weight-based counting for all remaining packaging types including paper materials, enabling the entire range of packaging materials to be fully quantified and recorded by weight on a consistent basis.

Packaging Materials	Unit	FY2026	FY2025
Total Packaging Materials Usage ¹	kg	2,365,025.43	1,624,642.60
Packaging Materials Usage Intensity by Revenue	kg/HK\$' million	1,506.90	1,030.28

Note:

- The Group has completed the standardisation of weight-based measurement for all packaging materials in the Reporting Period. Year-on-year data fluctuation is primarily attributable to the exclusion of paper-based packaging materials from the FY2025 statistical scope.

WATER AND WASTEWATER MANAGEMENT

Practising responsible water and wastewater management is a core environmental priority for Jacobson. Water serves as an essential resource throughout our operations, being widely utilised for pharmaceutical production, general cleansing and specialised sanitisation procedures. The Group maintains strict oversight and full control over all wastewater discharge activities in compliance with relevant regulatory requirements.

WATER MANAGEMENT

The Group actively promotes water conservation awareness across all premises, with dedicated reminder posters displayed in washrooms and facility common areas. A professional water purification system has been deployed to sustain stable water quality for pharmaceutical manufacturing, supplemented by the Operation of Purified Water System guidelines to standardise daily system workflows and operational protocols.

To further optimise water utilisation, one of the Group's production facilities is fitted with a water recycling system, enabling recovered water to be reused for general cleaning and flushing purposes. The water recycling facility operated by our subsidiary, Europharm Laboratoires Company Limited, also supports efficient water reuse, effectively reducing overall water wastage and lowering the potential impact on the surrounding environment. Water consumption for cooling tower operations is closely monitored on an ongoing basis to enhance overall water use efficiency.

The Group has long been committed to environmental recognition and benchmarking, and has participated 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 its ongoing environmental achievements.

The Group previously conducted a feasibility assessment and on-site inspection at production premises to evaluate the installation of additional water quantity monitoring systems for both production and non-production water usage. Following internal review of the feasibility findings, the Group confirmed that the installation of additional water flow meters is not practically viable for the time being, and this initiative is therefore temporarily suspended. Throughout the Reporting Period, the Group encountered no challenges in sourcing sufficient water that meets operational quality requirements.

Water	Unit	FY2026	FY2025
Water Usage	m ³	183,421.00	175,372.00
Water Usage Intensity by Revenue	m ³ /HK\$' million	116.87	111.21

WASTEWATER MANAGEMENT

The Group implements rigorous monitoring and daily management of its wastewater discharge systems to ensure all effluent is treated properly and safely before disposal. The temperature of discharged wastewater is strictly regulated, and regular sampling inspections are conducted by regulatory authorities to maintain pollutant concentration within compliant levels.

All wastewater generated at Hong Kong production facilities is treated in accordance with regulatory standards and discharged into the public sewage network managed by the Drainage Services Department. For operational sites located in Chinese Mainland, the Group operates in-house wastewater treatment facilities to treat effluent locally, minimise pollutant emissions and fulfil corporate environmental responsibilities.

EMISSIONS AND WASTE MANAGEMENT

As a responsible corporate steward of the environment, the Group is committed to minimising air pollutant emissions and waste generation arising from daily operations, and adopts structured management measures to mitigate overall environmental footprint.

AIR EMISSIONS MANAGEMENT

The Group's key air pollutants include nitrogen oxides ("**NOx**"), sulphur oxides ("**SOx**") and particulate matter ("**PM**"), mainly generated from production machinery and in-house distribution vehicles. HVAC systems installed at production and laboratory facilities are fitted with pre-filters, medium filters and HEPA filters, which maintain controlled temperature, humidity and indoor cleanliness standards, and effectively reduce particulate emissions. To further lower exhaust emissions, the Group continues to progress with the phased replacement of fossil fuel-powered vehicles with hybrid and electric models in due course.

Air Emissions	Unit	FY2026	FY2025
NOx Emissions	kg	1,403.69	1,415.49
SOx Emissions	kg	2.10	2.10
PM Emissions	kg	131.46	133.11

HAZARDOUS AND NON-HAZARDOUS WASTE MANAGEMENT

Waste generated across the Group mainly derives from manufacturing workflows, including non-conforming finished goods, expired raw materials, damaged inventory, laboratory microbiological waste, chemical waste from quality control testing and redundant packaging materials.

For hazardous waste management, the Group has formally implemented the Goods Destruction Policy, which sets out clear handling, labelling and record-keeping procedures, and is regularly reviewed by the QA team. Under this policy, relevant staff are required to affix standard labels and complete the Drug Waste Destruction Record Form for all types of hazardous waste. The record form is reviewed and approved by the QA Head or authorised pharmacist, before the submission of the Disposal of Pharmaceutical Waste Form and relevant supporting documents to the EPD for official disposal arrangements. All hazardous waste is properly sealed in designated containers and stored in segregated dedicated zones, pending collection and treatment by licensed waste contractors.

Chemical waste is managed under stringent control protocols and requires mandatory declaration to the EPD for disposal by licensed chemical waste collectors. Any chemical waste classified as dangerous drugs is handled under the on-site supervision of DH authorised personnel and disposed of by qualified licensed contractors in compliance with regulatory requirements.

Non-hazardous waste mainly comprises uncontaminated laboratory utensils and office wastepaper. The Group actively promotes paperless operations through the adoption of mobile ordering platforms and the SAP system, as well as wider use of electronic workflows and digital communication. All office printers are defaulted to duplex mode, and employees are encouraged to practise paper reuse and recycling. The Group embraces the '4Rs' principles - reduce, reuse, recycle and replace - to guide daily waste reduction initiatives, and will continue to strengthen paper recycling and proper waste disposal arrangements going forward.

The Group consistently implements internal recycling and waste management policies to ensure standardised and efficient waste disposal procedures. A waste baseline assessment has been completed for non-hazardous waste, and internal discussions are ongoing to explore the introduction of a dedicated monitoring system to track waste generation and reduction performance on an ongoing basis.

Waste	Unit	FY2026	FY2025
Hazardous Waste Disposal	kg	52,201.37	51,022.77
Hazardous Waste - Liquid Chemical Waste	kg	7,825.04	13,591.31
Hazardous Waste - Solid Chemical Waste	kg	44,376.33	37,431.46
Hazardous Waste Disposal Intensity by Revenue	kg/HK\$' million	33.26	32.36
Non-hazardous Waste Disposal	kg	199,530.30	248,687.17
Non-hazardous Waste Disposal - Recycled	kg	28,575.10	40,066.14
Non-hazardous Waste Disposal - Landfill	kg	170,955.20	208,621.03
Non-hazardous Waste Disposal Intensity by Revenue	kg/HK\$' million	127.13	157.71



COMMITMENT TO EMPLOYEES

At Jacobson, our employees constitute the indispensable cornerstone of business resilience and achievement, their collective contribution fundamentally shaping organisational outcomes. This principle drives our resolute focus on nurturing professional advancement, job satisfaction, and enduring loyalty—elements intrinsically linked to unlocking individual and collective potential. Through strategically designed training pathways, unwavering adherence to internationally recognised human and labour rights frameworks, and proactive well-being integration across all operational tiers, we foster a culture where meaningful engagement strengthens workplace cohesion. Health and safety protocols, rigorously embedded within daily practices, ensure environments conducive to both productivity and personal welfare.

RECRUITMENT AND DISMISSAL

At Jacobson, we uphold a rigorous and ethical framework governing the entire employment lifecycle, ensuring strict adherence to our Policy on Equal Opportunities. This commitment guarantees that all recruitment and promotion processes are conducted with impartiality and transparency, extending equitable opportunities to every individual. We maintain a firm stance against discrimination of any form, explicitly prohibiting bias based on age, sex, health status, marital or family status, race, colour, nationality, religion, political views, or sexual orientation. By establishing this level playing field, candidates are assessed purely on their professional competencies, qualifications, and potential, thereby fostering an environment conducive to attracting a diverse and high-calibre workforce.

Complementing our recruitment standards, we have instituted a comprehensive Exit Interview mechanism to manage the cessation of employment. Whenever an employee tenders their resignation, our HR team conducts a detailed interview serving a dual function. Primarily, it allows us to discern the root causes behind the departure, whether stemming from job dissatisfaction or specific career aspirations, yielding invaluable qualitative insights. Secondly, this process aids in the identification and mitigation of systemic turnover issues. Through the analysis of recurring themes, we are empowered to implement proactive solutions, optimising our human resource management strategies to enhance overall job satisfaction.

CHILD AND FORCED LABOUR

The Group is steadfast in its commitment to advocating equal employment opportunities and upholding rigorous ethical labour standards to eradicate instances of child and forced labour within the workplace. During the recruitment phase, the identity and documentation of all applicants are meticulously scrutinised and verified to ensure that their age and background strictly adhere to local laws and regulations. In the event that an applicant has provided dishonest or fraudulent information, the Group will immediately terminate the recruitment process or employment without compensation.

The Group is also committed to ensuring fair remuneration, therefore all overtime work performed by employees is duly compensated through either time off in lieu or monetary payment. During the Reporting Period, the Group recorded zero cases concerning labour disputes and maintained full compliance with the Minimum Wage Ordinance (Cap. 608 of the Laws of Hong Kong).

In the highly unlikely event that child or forced labour is identified, the Group will immediately terminate the employment, report the matter to the relevant authorities, and cooperate fully with all investigations. We will conduct a thorough review to determine the root cause of the internal failure, discipline the responsible parties accordingly, and provide support to the affected individuals to prevent the recurrence of such issues.



DEVELOPMENT AND TRAINING

We regard the nurturing and training of our workforce as a strategic imperative, essential for unlocking human potential while simultaneously strengthening the consistency and quality of our supply chain. To institutionalise this commitment, we have established comprehensive Training Guidelines that govern the entire training lifecycle, including procedures for initiation, execution, follow-up, and rigorous record-keeping. Our onboarding process is designed to integrate new staff members seamlessly. Through orientation training, we introduce them to the Company's history, organisational structure, corporate philosophy, and employee benefits. Furthermore, practical on-the-job training, aligned with the approved "Training Curriculum", is conducted to instil confidence and encourage immediate progression.

Employees are provided with comprehensive training tailored to the specific nature of their work and their respective workplace environments. To ensure tasks are performed safely and effectively, we schedule annual training on SOPs and periodic training on the principles of Good Manufacturing Practice ("GMP"). These sessions are mandatory and require the successful completion of an assessment to verify competency. Additionally, periodic training is arranged to enhance the skills of frontline employees and safeguard their well-being. Our pharmacists receive robust support throughout their career trajectory, including specialised training on production processes, mentorship programmes, and career path planning designed to nurture them into proficient APs. To further develop their managerial competencies, they may also be entrusted with supervisory duties.

To support professional growth, we uphold the Company Sponsorship for External Studies / Training Policy, as detailed in our Employee Handbook. This policy aims to enrich career development by providing sponsorship opportunities for employees participating in external training programmes, whether they are company-nominated or staff-initiated. Employees are granted study leave if the training is conducted during working hours. For staff-initiated training, course fees are reimbursed upon the successful completion of the course and any requisite examinations. During the Reporting Period, a total of 30,301 (FY2025: 32,459) hours of employee training were completed, covering topics including but not limited to GMP document writing, waste disposal procedures, codes of practice, packaging processes, and user complaint management.

EMPLOYEE BENEFITS AND ENGAGEMENT

To demonstrate our appreciation for our talented workforce, we strive to offer a comprehensive range of incentives and engagement activities designed to enhance overall employee welfare. Our employment-related policies and procedures are clearly outlined in our Employee Handbook and Employment Contracts, ensuring full compliance with the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), as well as the Labour Law and Labour Contract Law of the PRC.

We provide employees with a competitive remuneration package and a wide array of leave benefits, including statutory holidays, annual leave, sick leave, maternity and paternity leave, jury/witness duty leave, marriage leave, and compassionate leave. A discretionary Chinese New Year bonus is awarded based on the performance of both the Group and the individual. Furthermore, we safeguard our staff with Group medical insurance, employee compensation insurance, and business travel insurance. Under the Transportation and Travel Expenses Reimbursement Policy, staff members working overtime beyond a specified duration are reimbursed for travel expenses incurred when returning home. For employees based at Tai Po InnoPark, we operate free shuttle bus services from various locations and provide a lunch subsidy scheme.

To foster continuous engagement, we have implemented an annual performance appraisal system. Department Heads conduct appraisal interviews with staff members to evaluate their performance, resulting in an overall rating that correlates with salary adjustments. The annual salary review proposal is vetted by the HR Department and is subject to the final approval of the Chairman. To retain our top talent, we may offer alternative career paths, conduct special salary reviews, and provide additional benefits where circumstances warrant.

To inspire creativity and celebrate the rich cultural heritage of our communities, we have organised annual staff photography contests since 2012. Winning entries are featured in the annual corporate calendar distributed to all employees, and winners are incentivised with cash prizes. Additionally, to enhance employee satisfaction and foster a united workforce, we empower individual business units to organise engagement activities and host Group-level events.

Annual Gala Celebrations: Cultivating Unity and Purpose

At the close of 2025, each business division of the Group successfully hosted its annual gala. These events transcended mere social gatherings, serving as a vibrant embodiment of our corporate culture and team spirit. Symbolising our collective commitment to "progressing unitedly and building shared aspirations," the galas provided an opportunity to reflect on the year's achievements while expressing optimism for the journey ahead.

For all employees, the galas fostered profound joy and camaraderie. Featuring captivating cultural performances, interactive games, and lucky draw sessions, the lively yet relaxed atmosphere bridged divisions across departments, enabling colleagues to unwind and deepen professional bonds amidst shared laughter. The evening banquet showcased culinary delights and refined delicacies, enhancing the occasion with a distinct sense of ceremony.

During the event, management reviewed the Group's annual milestones, extended heartfelt gratitude for employees' dedication, and presented honours recognising outstanding individual and team contributions. These awards not only celebrated excellence but also reinforced morale and set benchmarks for future performance. As both a commemoration of past efforts and a catalyst for new beginnings, the galas underscored our collective resolve to advance with passion and unity toward a brighter future.



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 and 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 and Safety Policy Manual, OHS management procedures, and SOPs. The Occupational Health and 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.

The Group conducts annual safety audits and reviews of the OHSMS, performed by external auditors, alongside follow-up inspections by the Hong Kong Labour Department to enhance overall system performance. Findings from these assessments are systematically reviewed, with improvement initiatives implemented as necessary to uphold rigorous safety standards. To oversee OHS implementation, discuss critical safety matters, and formulate improvement actions, the Group has established a Safety Committee comprising management personnel, which convenes quarterly.

To foster a culture of shared responsibility for health and safety, information regarding all injuries or accidents at production facilities is disseminated across the Group's business units. Procedures safeguarding employee well-being are comprehensively detailed in the Employee Handbook. Preventive measures include annual fire drills, regular safety inspections of machinery and equipment, and periodic noise and manual handling assessments to mitigate avoidable health risks. Additionally, annual health checks are provided for frontline production employees.

In the event of a workplace injury, employees receive appropriate medical treatment, and incidents are immediately reported to a supervisor for further action. Over the past three years, including the Reporting Period, the Group recorded 0 (FY2025: 0) work-related fatalities and 720 (FY2025: 719) lost days due to work-related injuries.

To ensure all personnel are equipped with the necessary safety knowledge, all new staff members are required to participate in and successfully pass OHS induction training. Furthermore, employees undergo annual refresher safety training. During the Reporting Period, targeted training sessions were provided on topics including fire escape procedures, site clearance inspections, the proper usage of cleaning tools, and safe laboratory practices.

The Group maintains a comprehensive Risk Assessment Register, which is updated annually or whenever new production-related activities are introduced. This register evaluates potential hazards identified during the manufacturing processes of various products. A risk rating is assigned to determine the existing risk level, calculated based on the likelihood and severity of potential incidents. Control measures are subsequently formulated to reduce the existing risk to an acceptable level. These measures include the provision of PPE, the display of warning notices, and the installation of protective covers or guards. Team Leaders are responsible for implementing the defined control measures, while the Production Officer monitors the effectiveness of these actions.

Occupational Health and Safety Management System

1. Occupational Health and Safety Policy Manual
2. OHS Management Procedures
3. Standard Operating Procedure for Safety and Checklist

Strengthens Workplace Safety with AED Deployment and Emergency Response Training

On 25 November 2025, Jacobson Group successfully deployed 17 Automated External Defibrillators ("AED") and completed on-site emergency response training across its business units, reinforcing employee health and safety as a core pillar of our ESG strategy.

AED units were installed at key operational locations, accompanied by hands-on training tailored to each business unit. Colleagues received practical instruction on recognising sudden cardiac arrest, performing CPR, and using AED devices, equipping them to respond effectively in emergencies. As a healthcare-focused organisation, Jacobson recognises that early intervention is critical to improving survival rates.

This initiative advances the Group's social responsibility by strengthening workplace safety and fostering a culture of preparedness. The sessions received strong engagement, enhancing participants' confidence and reinforcing Jacobson's commitment as a responsible employer. The Group will continue to enhance its emergency preparedness to uphold the highest safety standards.



PRODUCT RESPONSIBILITY



As a long-standing pharmaceutical manufacturer, the Group upholds a legally binding obligation under Hong Kong's Pharmacy and Poisons Ordinance (Cap. 138) and PIC/S GMP guidelines to consistently deliver products that are safe, efficacious, and of uncompromised quality for intended therapeutic use. This commitment transcends regulatory compliance, embodying our core responsibility to public health.

PRODUCT QUALITY

At Jacobson, the delivery of high-efficacy, superior-quality medicines is our paramount operational imperative, driven by an unwavering dedication to safeguarding public health and minimising product quality risks. To realise this commitment, we have established a robust Quality Assurance system and implemented comprehensive risk mitigation protocols across all production facilities, ensuring that safety is embedded in every stage of our manufacturing process. Our approach to product responsibility transcends mere statutory compliance. We actively uphold the highest standards of integrity by strictly adhering to key legislative frameworks, including the Antibiotics Ordinance (Cap. 137), the Pharmacy and Poisons Ordinance (Cap. 138), and the Undesirable Medical Advertisements Ordinance (Cap. 231).

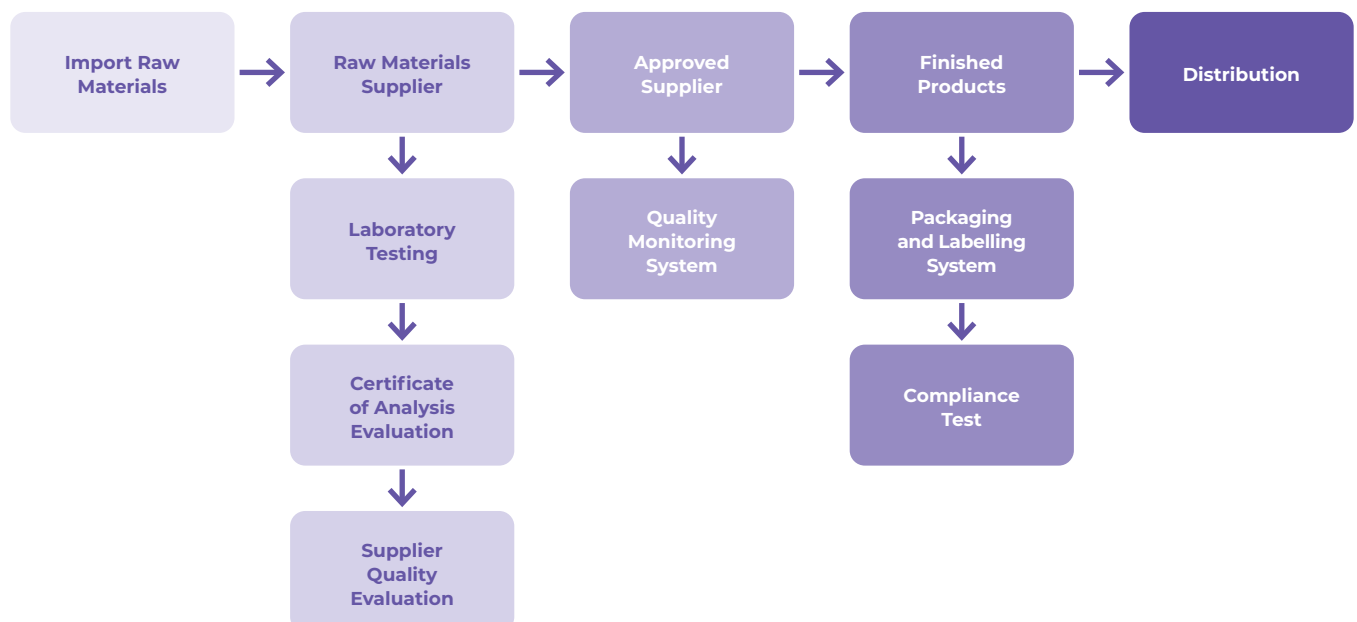
Jacobson maintains an unwavering commitment to product safety and efficacy, evidenced by the full registration of our portfolio with the DH and strict adherence to product registration specifications. Our operations are governed by a comprehensive Pharmaceutical Quality System detailed in our Quality Manual, which is fully aligned with PIC/S "GMP" standards. This rigorous framework is subject to validation through annual DH audits of our production facilities, ensuring that our manufacturing processes consistently meet the highest benchmarks for quality and safety. To further guarantee precision, we have implemented stringent production controls, including exact chemical dosing protocols to match stated



specifications, alongside a systematic approach to recording and evaluating any deviations or non-conforming products. Furthermore, the integrity of our infrastructure is maintained through the annual calibration of all systems and equipment.

Beyond the manufacturing floor, Jacobson extends its quality governance across the entire supply chain. Our centralised warehouse, Pharmason, is accredited with Good Distribution Practice (GDP), ensuring that product integrity is preserved during storage. We enforce strict logistical controls through our Transportation Procedure and Back-up Delivery Plan, which mandate that only approved drivers operate company vehicles subject to regular cleaning and pest control inspections. Crucially, we maintain a controlled thermal environment during transit, with truck temperatures closely monitored and recorded daily at 18°C-20°C—safely within the ≤25°C limit—to prevent thermal degradation and ensure that every product reaches the patient in optimal condition.

QUALITY ASSURANCE AND CONTROL PROCESS





RAW MATERIALS QUALITY INSPECTION

Jacobson exercises rigorous oversight over the procurement of raw materials, including Active Pharmaceutical Ingredients, excipients, and packaging materials, to ensure the foundational integrity of our drug production. Our Quality Control Department enforces strict inspection protocols for all incoming batches, mandating that materials undergo comprehensive laboratory testing to verify alignment with the supplier's Certificate of Analysis. Any materials exhibiting inconsistencies are subjected to re-inspection and, if confirmed as substandard, are promptly returned to the manufacturer, ensuring that only fully approved inputs enter our production stream. This commitment to quality extends upstream to our vendor management, where all suppliers must pass a stringent quality evaluation to gain approval and remain subject to continuous scrutiny under our ongoing monitoring system. For a deeper analysis of these upstream governance measures, please refer to the "Supply Chain Management" subsection within this ESG Report.

FINISHED PRODUCTS QUALITY VALIDATION

To guarantee that only products adhering to the strictest quality criteria reach the market or clinical trials, the Group has established the "Release of Finished Products" protocol, which standardises our final inspection and release procedures. We utilise automated packaging and labelling systems to verify that every unit is correctly packaged according to specifications, complete with accurate inserts and indication labels. During this process, any units containing impurities are automatically rejected, while acceptable units are sealed and subsequently validated by the Quality Control Department to ensure full compliance with DH's standards.

Before distribution, every batch undergoes comprehensive compliance testing against registered product specifications. We further reinforce this quality assurance through an annual product quality review, where raw data and testing results are analysed to identify trends or inconsistencies, enabling us to continuously optimise our processes for safety and efficacy. Finally, to preserve the potency of our medicines, all finished products are stored in environments with strictly controlled temperature and humidity levels.

QUALITY ASSURANCE AND MANAGEMENT

To uphold our unwavering commitment to patient safety and quality assurance, we have established comprehensive SOPs governing the product recall process. The Quality Assurance Department is tasked with coordinating these efforts, while the Authorised Person oversees their execution. These SOPs undergo a mandatory annual review by pharmacists and designated QA personnel to ensure our protocols remain strictly aligned with the latest guidelines issued by the DH.

In the event that quality defects are detected, employees are required to immediately report the issue to the QA Department. Should a recall become necessary, we ensure prompt notification to the DH and immediately initiate the recall process by informing affected consumers and arranging for the return of defective items. These returned products are segregated in a designated warehouse area for subsequent destruction, reconditioning, or return to the manufacturer. Reflecting the strength of our stringent quality assurance systems, we are proud to report that no Jacobson products were recalled for safety or health reasons during the Reporting Period.

CONSUMER SAFETY

To uphold our commitment to patient safety, the Group has established a comprehensive pharmacovigilance system designed to rigorously monitor medicine safety and mitigate associated risks. We have implemented a corresponding SOP to reinforce the delivery of high-quality pharmaceutical products and ensure the precise management of potential adverse drug events. Furthermore, we strictly adhere to the PPBHK's "Guidance for Pharmaceutical Industry - Adverse Drug Reaction Reporting Requirements," ensuring full compliance with established protocols for reporting drug reactions.

CUSTOMER SATISFACTION AND ENGAGEMENT

The Group is dedicated to achieving high levels of customer satisfaction and cultivating strong relationships through active engagement. To this end, we have established dedicated teams to communicate product and policy information, as well as to promptly address any customer concerns. We have implemented formal Complaint Handling Procedures, under which the QA Manager categorises product-related complaints as either quality or health and safety issues based on their nature. Appropriate actions, such as initiating investigations or recalls, are then executed. Furthermore, corrective actions are taken to refine internal processes and prevent recurrence. During the Reporting Period, the Group received 4 product-related complaints, all of which were resolved through product replacements.

CUSTOMER SERVICE MANAGEMENT

The Group has established the Handling of Product Enquiry protocol to manage all customer inquiries, ensuring prompt responses and elevated customer service standards. We have dedicated Service and Sales Hotlines, requiring receptionists and sales representatives to immediately notify pharmacists of any customer inquiries. Inquiries received via alternative channels—such as fax, email, postal mail, or medical representatives—are similarly directed to pharmacists without delay. The pharmacist then documents the customer details and inquiry specifics in the Product Enquiry Form, conducting a preliminary screening to classify the inquiry type. For all categories, the Head of QA performs a final review to determine the appropriate course of action, ensuring timely responses and effective follow-up.

SUPPLY CHAIN MANAGEMENT

To minimise product quality risks and consistently uphold our high standards of quality and safety, we have built a robust mechanism to ensure raw material suppliers meet our expectations. We prudently manage supplier relationships to maintain a harmonious and reliable supply chain. Our supply chain practices are in strict compliance with relevant regulations, including the Dangerous Drugs Ordinance (Cap. 134), the Control of Chemicals Ordinance (Cap. 145), and the Dangerous Goods Ordinance (Cap. 295) of the Laws of Hong Kong.

SUPPLIER ENGAGEMENT AND EVALUATION

Our comprehensive supplier evaluation procedures apply to all suppliers, including direct providers of APIs, excipients, and packaging materials. We have established the Vendor Evaluation and Approval Record to ensure that all suppliers meet our defined standards regarding quality, safety, verifiability, reliability, and price. To demonstrate eligibility, suppliers must present necessary credentials, such as ISO certification or, compulsorily for API providers, GMP certification awarded by a local regulatory authority.

We also require manufacturers to complete a “Supplier Application Form” and a “Manufacturer Quality Assurance Questionnaire.” These documents allow us to evaluate critical aspects including, but not limited to, regulatory profiles, operational licenses, quality management and control procedures, supplier management, training mechanisms, and environmental monitoring systems. New and existing manufacturers that pass the assessment (or re-assessment) detailed in our Material Assessment Report receive final approval from the QA Department and are added to the approved supplier list maintained by QA staff. Furthermore, we consider the health and safety performance of suppliers’ products and services during selection, requiring them to have robust quality assurance processes and product recall procedures in place.

Should a supplier be identified as having quality concerns or receive regulatory warnings, we conduct further testing on their raw materials. Suppliers that fail to meet our standards are delisted from the approved supplier list.

To reduce our carbon footprint from upstream logistics, we prioritise sourcing raw materials from suppliers located in close proximity to our facilities. Additionally, we procure and use FSC- or PEFC-certified paper for office use. Moving forward, we aim to formulate further measures to manage ESG supply chain risks and collaborate with sustainable partners. For further details on initiatives to minimise our carbon footprint, please refer to the “Responding to Climate Change” subsection under the “Environmental Stewardship” section of this ESG Report. During the Reporting Period, the Group engaged with 466 raw material suppliers.



PROCUREMENT PRACTICES

The Group has established standardised procurement procedures, specifically governing Raw Material Procurement and Printing and Packaging Materials Procurement. The process is initiated by the Warehouse Department, which assesses inventory levels against production requirements and completes the corresponding Material Purchase Requisition Form for approval by the Warehouse Supervisor. Subsequently, the QA Department, Drug Registration Department, and Purchasing Department collaborate to conduct multi-tiered reviews of material specifications and supplier qualifications, ensuring all purchases meet our rigorous standards.

Upon delivery, the Warehouse Department logs received goods in the Incoming Goods Register based on order details. Should any discrepancies arise, the Warehouse and QA Managers are notified immediately, and non-conforming materials are segregated in a designated quarantine area pending further instruction.

CONTRACTOR APPRAISAL AND SELECTION

Our contractors consist primarily of contract manufacturers and laboratories. To determine their eligibility, we conduct rigorous competency and risk assessments. Contractors must be accredited entities—such as those recognised by the Hong Kong Laboratory Accreditation Scheme—and possess relevant certifications, including GMP, ISO 17025 (General requirements for the competence of testing and calibration laboratories), or equivalent third-party credentials.

We may also perform on-site audits to evaluate critical factors such as qualifications, environmental conditions, health and safety mechanisms, training records, and quality management systems. For contractors deemed suitable, we actively engage with them to ensure our expectations regarding ESG-related matters remain aligned at all times.

RESEARCH AND DEVELOPMENT

Leveraging our established product development expertise and deep market insight, we aim to develop premium generic medicines. By mastering specialised formulations for complex products, such as controlled-release systems, sterile products, suppositories, and enemas, we hold a portfolio of drug registrations with unique formulations, allowing us to command a competitive position in selected market segments. To drive innovation and enhance product efficacy, Jacobson has established an in-house research laboratory where we perform rigorous stability tests to determine product quality under various environmental factors, including temperature and humidity. Only products that meet our stringent benchmarks for safety and quality are registered and marketed. Furthermore, for drug patents nearing expiration, we optimise formulations to transform them into generic drugs, which are subsequently produced at our facilities to improve medicine accessibility.

At Jacobson, we prioritise partnership and collaboration. Our R&D team works closely with a panel of formulation scientists and research institutions, both locally and abroad, while our connections with university hospitals enhance our competence in both formulation and clinical pursuits. We also actively engage with global academic institutes to support the commercialisation of innovative ideas into products that enhance societal well-being.



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.

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 C: 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 6 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

Driven by a steadfast commitment to nurturing pharmaceutical professionals and empowering underprivileged groups, the Group is dedicated to fostering meaningful connections with local communities and advancing alongside society. In alignment with this mission, we are proud to report that during the Reporting Period, we contributed HK\$119,600 to charitable initiatives and donated 8,000 units of our products. These strategic contributions were directed towards supporting societal development and promoting environmental protection. Through our active engagement in these philanthropic endeavours, we strive to create a lasting positive impact and build 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 July 2025, we renewed our sponsorship of the LKS Faculty of Medicine Scholarships at the HKU. This initiative comprises three distinct categories: the Jacobson Outstanding Award in Research Project, the Jacobson Prize in Pharmaceutical Science, and the Jacobson Scholarship. Through this programme, we aim to foster the growth of skilled professionals and support academic excellence within the pharmaceutical field.

PROGRAMMES	DETAILS
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 the excellent academic performance.
Jacobson Scholarship	Jacobson funded 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.

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, where employees at all levels actively embrace our philanthropic spirit by volunteering their time and energy. This continuous and in-depth commitment extends beyond short-term efforts, representing a long-term dedication to making a tangible difference in the lives of the less fortunate and building a more inclusive, caring society. During the Reporting Period, we actively participated in various charitable activities aimed at assisting disadvantaged individuals and promoting their well-being, further demonstrating our unwavering focus on supporting local communities and underprivileged groups.

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

During the Mid-Autumn Festival in 2025, we were honoured to be invited by A Drop of Life to participate in their annual "Mid-Autumn Blessings Bag Initiative." Through an in-kind sponsorship, we provided medicated oils and other suitable products to be included in festive bags distributed to elderly individuals living alone, low-income families, and underprivileged groups across Hong Kong. This contribution allowed us to share our warmth and care with vulnerable members of the community during this meaningful time of celebration.



'Cookies + Gift for Love' Charity Sale 2025 to Support People with Disabilities



We were proud to support the "Cookies + Gift for Love" Territory-Wide Charity Sale 2025, organised by the Hong Kong Federation of Handicapped Youth. Throughout 2025, this campaign transformed everyday purchases into acts of care, promoting social inclusion through the sale of products created by HKFHY's social enterprises.

Established in 1970 and uniquely led by persons with disabilities, HKFHY has spent over 55 years advancing rights and employment opportunities for the disabled community. Proceeds from the campaign support vital vocational training and community integration programmes, helping to sustain these services beyond government funding. We are honored to partner with HKFHY to promote dignity and opportunity, contributing to a more inclusive and caring Hong Kong.

Runs for Inclusion at the Lockton Fearless Dragon Trail Run 2025

We proudly participated in the Lockton Fearless Dragon Trail Run 2025 in Dec, organised by the Hong Kong Network for the Promotion of Inclusive Society. Set against the Aberdeen Reservoir, the event attracted diverse runners, emphasising inclusion with dedicated categories for visually impaired, hearing impaired, and disabled participants.

Guided by teammates, runners navigated the trails together under the theme "Together Run. Together Fun." The event included a moment of silence for the victims of the Tai Po fire, highlighting the compassion and solidarity of the community. Jacobson's participation reaffirmed the Group's commitment to fostering an inclusive society where people of all abilities unite through sport and mutual respect.



Jacobson Pharma Sponsors HONG KONG STREETATHON 2025 to Promote Inclusivity, Health and Community Well-being

We are proud to have sponsored the HONG KONG STREETATHON 2025, a flagship charity run organised by RunOurCity Foundation. Celebrating its 10th anniversary on 23 November 2025, the event united over 20,000 participants to champion inclusivity, resilience, and healthy living. The event featured a unique route through the Central Kowloon Bypass ahead of its public opening, raising vital funds for RunOurCity Foundation and 16 partner NGOs to support underprivileged communities. The Group is honoured to support this decade-long initiative, which uses the power of running to foster social inclusion and youth development.



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)

Chinese Mainland**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

APPENDIX A: KEY PERFORMANCE INDICATORS TABLE

KPIs	UNIT	FY2026	FY2025
ENVIRONMENTAL			
AIR EMISSIONS			
Nitrogen Oxide Emissions	kg	1,403.69	1,415.49
Sulphur Oxide Emissions	kg	2.10	2.10
Particulate Matter Emissions	kg	131.46	133.11
GHG EMISSIONS			
GHG Emissions (Scope 1)	tCO ₂ -e	1,252.94	1,196.01
GHG Emissions (Scope 2 - Location-based)	tCO ₂ -e	14,847.31	13,864.32
GHG Emissions (Scope 2 - Market-based)	tCO ₂ -e	21,830.65	19,645.69
Total GHG Emissions (Scope 1, Scope 2 - Location-based)	tCO ₂ -e	16,100.25	15,060.33
Total GHG Emissions (Scope 1, Scope 2 - Market-based)	tCO ₂ -e	23,083.59	20,841.70
GHG Emissions Intensity by Revenue - Location-based	tCO ₂ -e/HK\$' million	10.26	9.55
GHG Emissions Intensity by Revenue - Market-based	tCO ₂ -e/HK\$' million	14.71	13.22
ENERGY CONSUMPTION			
Direct Energy Consumption	MWh	6,208.74	5,905.15
Direct Energy Consumption - Combustion of fuels in stationary sources	MWh	5,057.41	4,733.49
Direct Energy Consumption - Combustion of fuels in mobile sources	MWh	1,151.33	1,171.66
Indirect Energy Consumption	MWh	36,141.32	35,678.28
Indirect Energy Consumption - Purchased Electricity	MWh	35,199.84	34,310.27
Indirect Energy Consumption - Purchased Steam	MWh	941.48	1,368.01
Total Energy Consumption	MWh	42,350.07	41,583.43
Energy Consumption Intensity by Revenue	MWh/HK\$' million	26.98	26.37
WATER			
Water Usage	m ³	183,421.00	175,372.00
Water Usage Intensity by Revenue	m ³ /HK\$'million	116.87	111.21

KPIs	UNIT	FY2026	FY2025
WASTE			
Hazardous Waste Disposal	kg	52,201.37	51,022.77
Hazardous Waste - Liquid Chemical Waste	kg	7,825.04	13,591.31
Hazardous Waste - Solid Chemical Waste	kg	44,376.33	37,431.46
Hazardous Waste Disposal Intensity by Revenue	kg/HK\$'million	33.26	32.36
Non-hazardous Waste Disposal	kg	199,530.30	248,687.17
Non-hazardous Waste Disposal - Recycled	kg	28,575.10	40,066.14
Non-hazardous Waste Disposal - Landfill	kg	170,955.20	208,621.03
Non-hazardous Waste Disposal Intensity by Revenue	kg/HK\$'million	127.13	157.71
PACKAGING MATERIALS			
Total Packaging Materials Usage	kg	2,365,025.43	1,624,642.60
Paper Usage ¹	kg	1,020,081.93	-
Plastic Usage	kg	793,092.73	411,039.77
Metal Usage	kg	112,247.06	310,578.82
Glass Usage	kg	439,603.71	441,443.43
Packaging Materials Usage Intensity by Revenue	kg/HK\$'million	1,506.90	1,030.28

Note:

1. Paper usage in packaging is included in the weight-based measurement scope from FY2026, completing the full rollout of weight-based measurement for all packaging materials. The FY2025 figure is presented as not applicable due to the difference in statistical scope.

KPIs	UNIT	FY2026	FY2025
SOCIAL			
Total Workforce	Person(s) (%)	1,761(100%)	1,749 (100%)
WORKFORCE BY EMPLOYMENT TYPE			
Full-time	Person(s) (%)	1,659(94.21%)	1,578 (90.22%)
Part-time	Person(s) (%)	102(5.79%)	171 (9.78%)
WORKFORCE BY GENDER			
Male	Person(s) (%)	780(44.29%)	737 (42.14%)
Female	Person(s) (%)	981(55.71%)	1,012 (57.86%)
WORKFORCE BY EMPLOYMENT CATEGORY			
Executive Management	Person(s) (%)	11(0.62%)	21 (1.20%)
Senior Management	Person(s) (%)	28(1.59%)	38 (2.17%)
Middle Management	Person(s) (%)	127(7.21%)	126 (7.21%)
General Staff	Person(s) (%)	1,595(90.57%)	1,564 (89.42%)
WORKFORCE BY AGE GROUP			
<30 Years Old	Person(s) (%)	234(13.29%)	226 (12.92%)
30-40 Years Old	Person(s) (%)	288(16.35%)	285 (16.30%)
41-50 Years Old	Person(s) (%)	391(22.20%)	402 (22.98%)
>50 Years Old	Person(s) (%)	848(48.15%)	836 (47.80%)
WORKFORCE BY GEOGRAPHICAL REGION			
Hong Kong	Person(s) (%)	1,644(93.36%)	1,612 (92.17%)
Chinese Mainland	Person(s) (%)	112(6.36%)	133 (7.60%)
Macau	Person(s) (%)	5(0.28%)	4 (0.23%)
TURNOVER RATE			
Total Turnover Rate	%	26.55%	30.99%

KPIs	UNIT	FY2026	FY2025
TURNOVER RATE BY GENDER			
Male	%	26.24%	26.07%
Female	%	26.79%	34.48%
TURNOVER RATE BY AGE GROUP			
<30 Years Old	%	36.09%	41.61%
30-40 Years Old	%	26.18%	27.60%
41-50 Years Old	%	26.73%	28.71%
>50 Years Old	%	23.99%	30.45%
TURNOVER RATE BY GEOGRAPHICAL REGION			
Hong Kong	%	27.03%	32.97%
Chinese Mainland	%	19.59%	6.77%
Macau	%	44.44%	44.44%
Taiwan	%	0.00%	0.00%
KPIs	UNIT	FY2026	FY2025
EMPLOYEES TRAINED			
Total Employees Trained	%	65.36%	71.98%
EMPLOYEES TRAINED BY GENDER			
Male	%	69.74%	71.51%
Female	%	61.88%	72.33%
EMPLOYEES TRAINED BY EMPLOYMENT CATEGORY			
Executive Management	%	0.00%	19.05%
Senior Management	%	57.14%	36.84%
Middle Management	%	51.18%	42.06%
General Staff	%	67.08%	75.96%

KPIs	UNIT	FY2026	FY2025
AVERAGE TRAINING HOURS PER EMPLOYEE			
Average Training Hours	Hours/employee	17.21	18.56
AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER			
Male	Hours/employee	16.68	18.73
Female	Hours/employee	17.62	18.44
AVERAGE TRAINING HOURS PER EMPLOYEE BY EMPLOYMENT CATEGORY			
Executive Management	Hours/employee	0.00	1.39
Senior Management	Hours/employee	38.96	27.88
Middle Management	Hours/employee	17.16	17.44
General Staff	Hours/employee	16.95	18.65
NUMBER OF WORK-RELATED FATALITIES AND INJURIES			
Work-related Fatalities	Person(s)	0	0
Work-related Injury Rate	Per 1,000 Employees	18.17	17.15
Lost Days due to Work-related Injury	No. of Days	720	719
NUMBER OF SUPPLIERS			
Total Number of Suppliers	No.	579	548
NUMBER OF SUPPLIERS BY GEOGRAPHICAL REGION			
East Asia	No.	322	312
South Asia	No.	110	102
Southeast Asia	No.	18	17
Oceania	No.	5	3
Europe	No.	94	90
North America	No.	28	24
Middle east	No.	2	0
COMMUNITY INVESTMENT			
Monetary Contributions	HK\$	119,600	226,540

APPENDIX B: HKEX ESG REPORTING CODE 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.9-10), Sustainability Strategy (p.13), Stakeholder Engagement (p.15-16), Material ESG Topics (p.17-18)
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 Report - ESG Reporting Framework and Standards (p.6) Long-term ESG Strategic Vision - Stakeholder Engagement (p.15-16), Material ESG Topics (p.17-18) Key Performance Indicators Table (p.50-54)
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 Report - ESG Reporting Scope and Period (p.6)

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.21), Responding to Climate Change (p.21), Water and Wastewater Management (p.35-36), Emissions and Waste Management (p.36-37) Laws and Regulations (p.48-49)
KPI A1.1	The types of emissions and respective emissions data.	Environmental Stewardship - Responding to Climate Change (p.32-33), Water and Wastewater Management (p.36), Emissions and Waste Management (p.36) Key Performance Indicators Table (p.50)
KPI A1.2	Repealed 1 January 2025	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Stewardship - Emissions and Waste Management (p.37) Key Performance Indicators Table (p.51)
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 - Emissions and Waste Management (p.37) Key Performance Indicators Table (p.51)
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Stewardship (p.31)
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.51)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
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.34), Packaging Materials Consumption (p.35), Water and Wastewater Management (p.35-36)
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.34) Key Performance Indicators Table (p.50)
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.35) Key Performance Indicators Table (p.50)
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Stewardship (p.34)
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.35)
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.35) Key Performance Indicators Table (p.51)
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.21), Responding to Climate Change (p.21-33), Energy Consumption (p.34), Packaging Materials Consumption (p.35), Water and Wastewater Management (p.35-36), Emissions and Waste Management (p.36-37)
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.21), Responding to Climate Change (p.21-33), Energy Consumption (p.34), Packaging Materials Consumption (p.35), Water and Wastewater Management (p.35-36), Emissions and Waste Management (p.36-37)
ASPECT A4: CLIMATE CHANGE		
Repealed 1 January 2025		

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.39) Laws and Regulations (p.48-49)
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.53)
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.40) Laws and Regulations (p.48-49)
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.40) Key Performance Indicators Table (p.54)
KPI B2.2	Lost days due to work injury.	Commitment to Employees - Occupational Health and Safety (p.40) Key Performance Indicators Table (p.54)
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.40)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
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.38)
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Indicators Table (p.53)
KPI B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicators Table (p.54)
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.38) Laws and Regulations (p.48-49)
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Commitment to Employees - Child and Forced Labour (p.38)
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Commitment to Employees - Child and Forced Labour (p.38)
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.41-42), Supply Chain Management (p.42-43)
KPI B5.1	Number of suppliers by geographical region.	Key Performance Indicators Table (p.54)
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.41-42), Supply Chain Management (p.42-43)
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.41-42), Supply Chain Management (p.42-43)
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.42-43)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
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.19), Regulatory Compliance (p.19), Protection of Intellectual Property (p.20) Product Responsibility - Product Quality (p.41-42), Research and Development (p.43) Laws and Regulations (p.48-49)
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility - Product Quality (p.42)
KPI B6.2	Number of products and service-related complaints received and how they are dealt with.	Product Responsibility - Product Quality (p.42)
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Corporate Governance Duty - Protection of Intellectual Property (p.20)
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility - Product Quality (p.42)
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.19) Laws and Regulations (p.48-49)
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.19)
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.19)
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Corporate Governance Duty - Business Ethics and Anti-corruption (p.19)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
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.44-47), Public Access to Healthcare (p.47)
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Societal Engagement - Community Investment and Development (p.44-47), Public Access to Healthcare (p.47)
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Societal Engagement - Community Investment and Development (p.44-47), Public Access to Healthcare (p.47) Key Performance Indicators Table (p.54)
Part D: Climate-related Disclosures		
(I) Governance		
Para. 19	An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities; (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	Environmental Stewardship - Responding to Climate Change - Governance(p.22)
(II) Strategy		
Para. 20	Climate-related risks and opportunities	Environmental Stewardship - Responding to Climate Change - Strategy(p.23-27)
Para. 21	Business model and value chain	Environmental Stewardship - Responding to Climate Change - Strategy(p.24-27)
Para. 22-23	Strategy and decision-making	Environmental Stewardship - Responding to Climate Change - Strategy(p.23, 28-29)

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
Para. 24-25	Financial position, financial performance and cash flows	Environmental Stewardship - Responding to Climate Change - Strategy(p.24-27) The Group currently adopts a qualitative assessment approach for climate-related risks and opportunities as required under paragraphs 24-25 and relies on the financial effects relief under the applicable standards, as the financial impacts cannot be separately identified from routine business operations. The Group will make such disclosures when internal data integration and industry measurement methodologies become feasible.
Para. 26	Climate resilience	Environmental Stewardship - Responding to Climate Change - Strategy(p.23, 28-29)

(III) Risk Management

Para. 27	Risk management	Environmental Stewardship - Responding to Climate Change - Risk Management(p.30)
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(IV) Metrics and Targets

Para. 28-29	Greenhouse gas emissions	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.32-33) Key Performance Indicators Table (p.50)
Para. 30-32	Climate-related transition risks, physical risks, and opportunities	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.24-27) The Group applies the reasonable information relief for the disclosures under paragraphs 30-32, as reliable quantitative data on assets or business activities vulnerable to climate related risks and opportunities are not yet available without undue cost or effort. The Group will make such disclosures as internal data capabilities and industry methodologies evolve.
Para. 33	Capital deployment	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.28) The Group did not allocate dedicated capital expenditure, financing or investment solely for climate-related risks and opportunities during the Reporting Period. The Group will make such disclosures when internal data capabilities and industry practices become feasible.

ASPECTS, GENERAL DISCLOSURES AND KPIs	DESCRIPTION	RELEVANT SECTION/SUBSECTION OR EXPLANATION
Para. 34	Internal carbon prices	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.30) The Group has not yet implemented internal carbon pricing mechanisms, as such factors have not demonstrated a direct and material connection to its current operational priorities or financial decision-making. The Group will continue to monitor market policies and industry practices, and will assess the feasibility of introducing internal carbon pricing when conditions are mature.
Para. 35	Remuneration	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.30) The Group has not yet integrated climate-related factors into its executive compensation policies, primarily because these factors are not yet directly material to the Group's performance or industry characteristics. The Board and senior management will keep tracking global climate governance developments and regulatory updates, and will proactively consider incorporating climate-related compensation incentives when appropriate.
Para. 36	Industry-based metrics	The Group has noted the encouragement to disclose industry-based metrics under the applicable standards. The Group will continue to monitor the development of industry-specific measurement methodologies and will consider adopting relevant metrics where appropriate and practicable in the future.
Para. 37-40	Climate-related targets	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.31)
Para. 41	Applicability of cross-industry metrics and industry-based metrics	Environmental Stewardship - Responding to Climate Change - Metrics and Targets(p.31-33) The Group applies the reasonable information relief for the disclosures required under paragraph 41, as reliable quantitative information on the relevant climate-related metrics and targets is not yet available without undue cost or effort. The Group will make such disclosures when internal data capabilities and industry measurement methodologies become feasible.

APPENDIX C: THEORY OF CHANGE

PILLARS	Generic Drugs
WHO	- Public hospitals, Public district clinics - Private hospitals, Private clinics, Community pharmacies - Chain stores - General public Pharmacy students
INPUTS	Sales team, materials, R&D, IT system, logistics, raw materials, ESG consultation
ACTIVITIES	- Research, development, production, sales and distribution of essential medicines - Scholarship at HKU and CUHK School of Medicine
OUTPUTS Short term (FY2026)	100% of private and public hospitals in Hong Kong are using Jacobson's generic drugs 6 pharmacy students supported through scholarships
OUTCOMES Medium term	- Improved quality of life of patients by supporting communities with low-cost generic and specialty drugs - Increased community pharmacies' portfolio of specialty and generic drugs - Increased access to generic drugs from underprivileged groups, like elderly and ethnic minority groups - Increased access to pharmaceutical education - Lowered health risks of the staff team
IMPACT Long term	- 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
GOALS	- 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	Community
WHO	• Internal staff • General public • Social enterprises
INPUTS	Office administration, mass communication, and factory management teams
ACTIVITIES	1. Community investment 2. Recruitment of social enterprises for company functions
OUTPUTS Short term (FY2026)	• Adopt a policy on equal opportunity • Partner with at least 2 social enterprises • Conduct at least 1 equal opportunity training/initiative for employees
OUTCOMES Medium term	1. a) Enhanced employee satisfaction and retention b) Maintain good morale and a caring working culture c) 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
IMPACT Long term	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
GOALS	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 D: 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
"Chairman" or "CEO"	Mr. Sum Kwong Yip, Derek
"China", "Chinese Mainland" or "the PRC"	the People's Republic of China excluding, for the purpose of this ESG Report, Hong Kong, Macau, and Taiwan
"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
"FY2025"	the year ended 31 March 2025
"FY2026" or "Reporting Period"	the year ended 31 March 2026
"FY2027"	the year ending 31 March 2027
"GMP"	Good Manufacturing Practice
"HEPA"	high-efficiency particulate air
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HVAC"	heating, ventilation and air conditioning
"ICAC"	Independent Commission Against Corruption
"IP"	Intellectual Property
"IPCC"	The Intergovernmental Panel on Climate Change
"ISO"	the International Organisation for Standardisation
"Jacobson", "Jacobson 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

"NGFS"	Network for Greening the Financial System
"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

APPENDIX E: VERIFICATION STATEMENT



Independent Assurance Report

1. Introduction

Hong Kong Quality Assurance Agency ("HKQAA", "we", "our", "us") was engaged by Jacobson Pharma Corporation Limited (Stock Code: 2633) ("the Company") to conduct an independent assurance of the sustainability disclosures ("Sustainability Disclosures") presented in its 2025/2026 Environmental, Social and Governance Report ("the Report") for the reporting period from 1 April 2025 to 31 March 2026 ("Reporting Period") and issue this Independent Assurance Report ("Assurance Report"). For the avoidance of doubt, the Appendices listed at the end of this Assurance Report form an integral part of it, though certain Appendices are intended for the Company's internal use only. Our sustainability assurance activities and this Assurance Report are undertaken based on the assumptions, dependencies, boundaries, limitations, exclusions, roles and responsibilities and independence as set out under Appendix A. A generic version of Appendix A is available for reference on the HKQAA website (www.hkqaa.org) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.

The objective of this sustainability assurance service is to provide an independent conclusion, with a limited level of assurance, on whether the Sustainability Disclosures have been prepared in accordance with the following reporting criteria:

The Environmental, Social and Governance Reporting Code ("ESG Reporting Code") set out in Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited.

The assurance team also reviewed whether the Sustainability Disclosures have been prepared with reference to the World Resources Institute's Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard (revised edition).

2. Assurance Methodology

HKQAA's assurance procedure was conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board ("IAASB").

The evidence gathering processes were designed to obtain a limited level of assurance, as set out in the ISAE 3000, using a risk-based approach. Our assurance procedures included, but were not limited to:

- reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to sustainability-related information such as governance, risk identification, and performance metrics;
- interviewing key management and responsible personnel of the Company for reporting and sustainability-related governance;
- conducting analytical reviews of disclosures for plausibility and consistency with relevant external frameworks and internal supporting data;
- selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling;
- evaluating the transparency of disclosed assumptions, dependencies, and boundaries; and
- assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.



3. Conclusion

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions, nothing has come to our attention that causes us to believe that the Sustainability Disclosures in the Company's 2025/2026 Environmental, Social and Governance Report for the Reporting Period from 1 April 2025 to 31 March 2026 are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code, and with reference to reporting criteria as stated in the Introduction section of this Assurance Report.

This Assurance Report is made solely for the use of Jacobson Pharma Corporation Limited and the users of its 2025/2026 Environmental, Social and Governance Report, and for use in the context and purpose described in the Introduction section of this Assurance Report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Assurance Report is shown or in whose hands it may come. We confirm our independence from the Company in conducting this engagement.

The engagement leader on the assurance engagement resulting in this Assurance Report is KT Ting.

Hong Kong Quality Assurance Agency

29 June 2026
Ref: 15002986