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Better  
Life



#### Focus Areas

Community  
investment

Consumer  
health &  
well-being

Employee  
welfare &  
development

Employee  
health &  
safety

Diversity  
& inclusion

**A**usnutria is committed to making a meaningful impact that extend beyond financial contribution. As a responsible business, Ausnutria organises a variety of community initiatives aimed at supporting underprivileged populations and giving all levels of the community equal access to nutrient-rich dairy and healthcare products. This aligns with the Group's mission of nourishing lives and growth. Addressing social needs, the Group focuses on areas such as rural revitalisation, child development and empowerment, and healthcare through the collaborative efforts of various enterprises and international subsidiaries. Furthermore, the Group is dedicated to fostering an equitable and harmonious workspace, stimulating and recognising the value of employees' contributions. Diversity and Inclusivity are always Ausnutria's priority in order to ensure that staff feel respected, trusted, and consistently supported, especially during challenging times. The Group also invests in the professional and personal growth of its employees by offering a wide range of training and educational opportunities.

## KEY HIGHLIGHTS IN YEAR 2024

- **Donated over RMB2.6 millions of cash and necessities** for communities in need, including residents effected by natural disaster, kids in rural areas, and infants and mothers in under-developed regions
- **Awarded in the PRC** for outstanding corporate practice demonstrating our commitment to community involvement and ESG performance
- Promoted healthy lifestyle via **sponsorship of sports events in the Netherlands** by sponsoring professional sport teams and supporting events upholding awareness of health and wellness of the public especially people with disabilities
- **Provided assistance to local communities in the PRC and the Netherlands through**
  - Ausnutria Foundation Hyproca Galsang Flower Project in Tibet, the PRC and supported over 6,500 families in 8 years;
  - Donations to **Metakids Foundation** and **The Foundation Kika** to advocating for cures of metabolic diseases and support childhood cancer research respectively; and
  - Supported education programmes in elementary schools throughout the province of Friesland in the Netherlands
- Continue to support employee development and wellness by launching the “**U classroom Micro-Training Camp**” in the PRC and the Employee Assistance Programme in Australia
- Enhanced performance in occupational health and safety with lowered **lost day rate** from 1.50 in 2023 to 0.85 lost day per 200,000 work hours
- **Zero cases** of work-related fatalities over the past three reported years



## COMMUNITY INVESTMENT

### Awards

Ausnutria has received recognition from the business sector for its commitment to community involvement. The Group was recognised for their efforts in 2024 with awards.



- Ausnutria was honoured with the “Exemplary Social Responsibility Award” by the 2024 Excellent New Quality Productive Forces Enterprises and ESG Development Conference. This recognition highlights Ausnutria’s dedication in integrating ESG into the core of our business, and bringing positive impact to local communities.

Ausnutria was nominated as “2024 Outstanding Case of Corporate ESG Practice in Social Responsibility” by China Internet Information Centre.



- Ausnutria is dedicated in young children education by integrating arts and enlightenment. This year, the Group collaborated with La Mar de Marionetas, a Spanish art creation team, to jointly launch the Baby Sensory Stimulation Theatre. The vivid performance, inspiring plots and delicate stage set-up brought sensory feast to young children, stimulating their creativity and imagination. The Drama Project was bestowed the Special Recommendation Award of Oh!Castle Festival in TOPU.



- On 6th September 2024, Ausnutria Foundation was honoured to be included in The 4th Changsha Charity “Unit Donation List” with the continuous commitment to charity and community services.

### The Ausnutria Foundation

Ausnutria Foundation was founded to promote corporate citizenship responsibilities, commit to public welfare and charity, and promote social harmony and progress. The Group also forms partnerships with universities and charity groups to foster positive change in the community by delivering quality professional trainings to locals and providing aids to community members. The Group has set an ambitious target to invest 100 million RMB in cash or equivalent into the foundation within ten years from 2019. In 2024, the foundation made over RMB2.6 million cash or cash equivalent donation to communities in need. Looking ahead, the Group remains committed to proactively fulfilling its social responsibilities as a leader in the industry.





## Fighting Against the Extreme Natural Disasters and Rural Revitalisation

Several natural disasters brought detrimental impacts to the community and the Group recognised that families in the disaster areas lacking necessities. During the past years, The Group actively participated in donations and offered living supplies, such as nutritional and healthcare products to the affected areas. Moreover, the Group also contributed to rural revitalisation by sending resources and organising visits to remoted regions. Ausnutria aims to build social resilience for better recovery and growth.

### Case Study

### In-kind Donation to Support Disaster Area

Since June, multiple regions in the PRC have experienced extreme precipitation, leading to severe flooding that threatened the lives of residents, especially those living in Meizhou in Guangdong Province. Hundreds of local families in the disaster

area are facing an extreme shortage of daily necessities, such as IMF. Having noticed this situation, Ausnutria immediately allocated infant formula milk powder to the affected region to help them through these difficult times. At the same time, the Group also closely monitored the progress of the disaster situation across the country and assisted the affected families. We aim to persist in creating value for society, uphold our social responsibilities, and safeguard the promising prospects of numerous mother-child households. Our aspiration is for each child to thrive in good health and happiness under the warmth of the sun.



□ Milk powder worth RMB300,000 was immediately sent to Meizhou in Guangdong Province, responding the call from local government.

### Case Study

### Educational contributions in Rural Revitalisation Programmes

Although remarkable results in economic is achieved under the national rural revitalisation strategy, education development in some rural areas still encounter many challenges. Ausnutria believes that education is of paramount importance to rural revitalisation and has carried out multiples school visits echo and support the national strategy. In 2024, Ausnutria donated educational information technology hardware to support the “smart classroom” transitions, as well as school uniforms, stationery, and other teaching supplies to the school, further improving the conditions for operation of the school. Moreover, the Group has prepared nutritious packages with formula milk and supplements to support the healthy growth during critical development stage of the children. Through these initiatives, the Group’s commitment to the community shines brightly with the extensive the support to enhance the well-being of the rural nourishment, embodying a profound care and dedication to fostering a thriving environment in rural regions.



## Providing Health Support for Tibetan Family

### Case Study

### The Ausnutria Foundation Hyproca Tundra Rose Public Welfare Project

The “The Ausnutria Foundation Hyproca Tundra Rose Project” has been Ausnutria’s active charity project in Tibet for eight years. Since 2017, Ausnutria Foundation and Hyproca 1897 have collaborated with various external organisations, including the Peking University Health Science Centre, the Red Cross Society of Xizang, the Tibet University, and the Tibet Mother and Child Association, to provide the quality services on infant and maternity care to the PRC’s Tibet Autonomous Region with the support from the government. This year, China Nutrition and Health Food Association, Hunan Charity Federation, Leifeng Charity Association, partners of the Hyproca 1897 Honor-Win Maternal and Infant Alliance, Aunulife & Nutrition Care and other philanthropic organisations also joined the project.

Ausnutria Foundation contributed in sustaining an impactful science learning platform across hospitals, clinics, and other healthcare institutions. The initiative is designed to improve the quality of healthcare for local mother and child, and nurture talents by providing professional training, organising panel discussions and providing financial aids and in-kind donations. Additionally, during charitable clinics and family visits, women and moms-to-be received guidance on nutritious diets, helping them understand the importance of nutrition for healthy infant development. The initiative also aimed to promote better hygiene, healthy eating habits, and effective feeding practices within the community. Other than clinical support, the Foundation facilitated nursery education in the regions through the set-up of “Hyproca Dream Space” and invested in professional trainings on psychiatry and forensic authentication.



From July 9 to 19, the “The Ausnutria Foundation Hyproca Tundra Rose Public Welfare Project” finished their 10 days visit in different cities and towns in Tibet, brought IMF and cash with a value over RMB1.1 million to the targeted regions. They carried out multiple public welfare activities, such as distribution of welfare package, scientific popularisation of nutrition knowledge, professional trainings for rural doctors, charitable clinic services and nursery workshops. This year, they officially set the project in Ali Area, additional professional training on psychiatry and forensic authentication are provided in the area. During the visit, Professors from Peking University Sixth Hospital and XiangYa School of Medicine of Central South University gave talks on psychiatry and provided working guidelines for local hospitals. In the next 5 years, the project will continue to focus on Ali Area and strive to enhance the healthcare services by exploring the potential of the area and combining their needs.

Ausnutria works with practitioners and the maternal community to improve the physical well-being of Tibetan mothers and infants. To this point, the effort has mostly served approximately:



**6**  
prefecture  
level cities  
and 1 district



**50**  
rounds of  
donations



**59**  
charitable  
clinics events  
and academic  
exchanges



Over  
**1,100**  
doctor  
specialists  
trained



Over  
**6,500**  
families



**RMB11**  
million of cash  
and in-kind  
donations

To safeguard the growth needs of children and wellbeing of mothers, and promote basic in mountainous regions, three primary public welfare brands: “Little Red Flower,” “Iris,” and “Tundra Rose” are created to focus on different aspects respectively. They provide ongoing support and care to women and children in the regions.

## Educational Growth of the Young Talents in the Community

Ausnutria supported the cultivation of young talents by sponsoring a range of educational resources and giving financial assistance to related institutions.

### Case Study

### Contributing to the Educational Growth

Stepping into the third year of organising school welfare activities on Children's Day, this year Ausnutria paid a visit to Anshan Township Shatian United Primary School in Xinning County, Hunan Province. In partnership with Hunan Women And Children's Development Foundation, the Group donated software and hardware for smart classroom, school uniforms, stationery and other teaching supplies to the school, aiming to enhance the environment which favour children's growth and learning. The Hyproca 1897 also prepared nutrition packs for children to help improve their nutritional health. Moreover, The Hyproca 1897 public welfare brand "Little Red Flower" brought a wonderful original fairy tale performance to the children, cultivating their imagination and broadening their horizons. The visit marked Ausnutria's will of strengthening rural education and positively influencing children's lives.



## Promoting Healthy Lifestyles in the Communities

Ausnutria has collaborated with organisations from different sectors to encourage healthy lifestyles. The Group believes that living a healthy and prosperous life is the rights of everyone, regardless of background or socio-economic status. Through the year, Ausnutria sponsored and co-organised sport events, aimed to promote sports and raised public awareness on maintaining healthy lifestyle.

### Case Study

### Ausnutria Remains the Sponsor for sc Heerenveen Football Team in the Netherlands



○ Ausnutria has been sponsor of sc Heerenveen for years, focusing on youth's sport development in Friesland.



○ To draw attention and raise fund for the Children's Cancer Free Foundation (KiKa), an organisation supporting children to fight against cancer, players of sc Heerenveen wore the special white jersey during the home game of against FC Utrecht on April 7. This successfully raised over EUR 20,000 for charity and the money was entirely donated to KiKa.

Since 2020, Ausnutria has proudly served as the co-sponsor of sc Heerenveen, aiming at young football fans. This partnership not only enhances brand awareness in the Netherlands but also fosters sports development for all stakeholders in Friesland, particularly in Heerenveen. Ausnutria is dedicated to creating a better world where individuals have the strength to live healthily and prosperously. This vision extends beyond nutrition, embracing opportunities for personal growth and supporting sc Heerenveen aligns perfectly with this mission. Throughout this sponsorship, Ausnutria will focus on promoting children's well-being, ensuring they have the best prospects for the future. In the future, Ausnutria continues to play a vital role in the advancement of sc Heerenveen, providing essential support for youth in Friesland on their journey to a healthy upbringing.



## Case Study

### Empowering the Community Through Sport Events



European Championship 2024 Hansa, a sailing class for people with a physical disability, took place in Sneek. As one of the major sponsors, Ausnutria was invited to experience the exciting water competitions by passionate sailboat racers in the mid-September. Despite physical barrier, racers managed to show their best side during the competition and the Group highly appreciates their perseverance.



With the motto "Nourishing Life & Growth", Ausnutria supported the 5th edition of the Ned Air 2Bruggenloop in Kampen. Aiming to raise fund for Longfonds, charity group which fights for clean air in Netherlands, the programme attracted over 2,400 participants from all ages to run and meanwhile enjoy the spectacular view of the city. Some colleagues of Netherlands office joined the races over different distances. Through involvement, Ausnutria continues to empower the community by encouraging individuals to prioritise their well-being and adopt a healthy lifestyle through sports. Moreover, promote consciousness on maintaining a smoke-free environment for children's growth.

Several of our enthusiastic colleagues in Netherlands also participated in the adult section of the LOOP Leeuwarden 2024.

The 17th edition of the LOOP Leeuwarden took part in Friesland on 16 May. Ausnutria proudly served as the major sponsor for 1 km kid run for children aged 4 to 8 this year. The Group aspired to promote equality and provide equal opportunity for all kids in the event, all children fulfilling the age requirement were welcomed join the run free of charge. Upon finishing the run, participants received a medal and a LOOP Leeuwarden Craft T-shirt prepared by the co-organisers. Through its support of the Kids Run, Ausnutria continues to demonstrate its unwavering commitment to promoting community sports and empowering children to lead healthy, fulfilling lives.





## Partnering with Employees in Community Programmes

Ausnutria has promoted employee-led charitable initiatives to support staff involvement in community programmes that benefit the local communities. Ausnutria strongly emphasises initiative and creativity and provides the execution funding for chosen projects. It is intended that Ausnutria would be able to recognise and assist community initiatives whose objectives align with those of the local communities.

### Case Study

## Empowering Employees Through Community Outreach

In 2024, Ausnutria conducted several visits to Wangcheng District of Changsha, aiming to spread love and care throughout the community. During these visits, we engaged with elderly and children from various ethnic minority group. The Group has donated to improve their living quality and tide them over difficult times.

### Case Study

## Community Service to Encourage Children Reading

Ausnutria's Netherlands Team ran the "Score a Book!" reading programme from February to May, benefiting over 1,500 kids in Friesland. Together with sc Heerenveen, this project used the power of football to stimulate children's motivation on reading and let them experience the pleasure of reading. Libraries across the province also worked with the Group to get children to read. Ausnutria provided a present for every participant. After the programme, all 1,500 children received a ticket to watch a soccer match in the sc Heerenveen stadium together, and a selected group was invited by the Group to attend the match in the business lounge. Through this project, children cultivate interests in reading, meanwhile, employees made a precious contribution to the educational development and well-being of the children in the province of Friesland.



### Case Study

## Sponsorship to Children's Cooking School FIKKS



As a producer of infant and toddlers' nutrition, Ausnutria hopes to educate young children the importance of developing health diet habits. Stepping into the third year, the Group continued to partner with Children's Cooking School FIKKS that offers cooking workshops to elementary school students. Through the classes, children are taught knowledge about healthy food and how to prepare it themselves in a fun and accessible way. This is done in the school's very own kitchen in the sc Heerenveen stadium, which Ausnutria helped realise in 2022.

### Case Study

## Supporting 3FM Serious Request

3FM Serious Request is a yearly charity event organised by a Dutch radio station to raise money for various charity groups. This year, the donations were directed to Metakids Foundation, a foundation which supports research into the treatment of metabolic diseases affecting children in the Netherlands. Ausnutria Netherlands encouraged colleagues to raise money, and Ausnutria Netherlands doubled the donations to almost €10,000.

## CONSUMER HEALTH AND WELL-BEING

Ausnutria commits to build enduring relationships and trust with our clients by showcasing our steadfast commitment to protecting their health and welfare. The Group strongly endorses breastfeeding practices as breast milk is the primary source of nutrition for the growth and development of infants and young children. Formula products for infants in Stage 1 (0–6 months) are not marketed in accordance with World Health Organisation's recommendations. Furthermore, due to legal provisions, stage 2 (6–12 months) infant formula products are not promoted in the PRC. Ausnutria conducts ongoing research and development to enhance the nutritional content of its milk formula by studying the nutrition of breast milk. The Group has set up several breast milk banks as part of its strategic plan to obtain deeper scientific understanding of the nutritional benefits of breast milk for newborns and young children. By performing studies on the composition of breast milk using a variety of samples, we are committed to creating milk formula that may meet the unique nutritional requirements of infants in the region's rural villages. Through intensive study into infant formula, breast milk, goat milk, and dairy products, Ausnutria is steadfastly dedicated and motivated to continuously improve our knowledge and product range. In the Netherlands, our R&D department dedicates to improve the comprehension of infant nutrition and to guarantee the creation of baby products that boast optimal nutritional merit, and we are eager to share our knowledge with healthcare professionals internationally and gain valuable insights on the production process that would help Ausnutria building better quality control to safeguard customer's health. In 2024, R&D and Marketing colleagues organised several 'Holland Tours', for health care professionals. In October, health care professionals from the Middle East visited the Netherlands and were introduced to our scientific programme. In this programme, we present our latest research and scientific findings on goat milk and the product formula. The health care professionals witnessed our production process, from animal care and milk production to quality control, in one of our specialised goat farm, and provided valuable insights on quality management in order to safeguard customer's health.



All Ausnutria products and promotional materials will go through a thorough assessment procedure that complies with the Group's branding requirements to guarantee that all product labels and statements provide impartial, accurate, and fair information. Before being distributed in the market, all items must obtain final approval in accordance with the requirements established by our distributors or the local brands in order to fully comply with local legislation and regulatory standards. In order to create transparent and well-organised processes for evaluating and approving marketing materials, Kabrita products have implemented a Compliance Management System that delineates the obligations placed on the many departments during the manufacturing process. The Voluntary Incidental Trace Allergen Labelling Program has continued to be actively participated in by Ausnutria Australia. Prior to making any declarations of our nutritional products being "allergen-free" on the product label, it is incumbent upon us to subject every ingredient to an exhaustive and rigorous allergen detection process.

## EMPLOYEE WELFARE AND DEVELOPMENT

As a responsible and conscientious employer, Ausnutria complies with all applicable laws and regulations pertaining to employment practices in each of our operating locations. Child labour and forced labour are strictly prohibited within Ausnutria's operational control. In addition, our human resources department is in charge of closely monitoring the recruitment procedures to make sure that all potential hires are eligible for legal employment and to stop any infractions of employment laws. If any dispute arises, the management will be promptly notified, allowing the Group to make decisions that treat all parties fairly.



Starting from 2023, Ausnutria utilises “Strategy-Organisation-Talent” review model for its organisational and talent inventory system, further promoting the construction of leadership tiers. The Group has developed a full-chain approach that combines business, organisational, and talent strategies and considerations. This strategy not only deepens the talent pool, but also facilitates the optimisation and improvement of structures at all levels. Additionally, it lays out clear strategies for attracting, developing, and retaining key talent. The necessity of developing leadership skills and organisational capacity is widely acknowledged by managers, which helps improving their talent management strategies and elevating their level of proficiency in this crucial field. By continuously improving the internal training curriculum system, strengthening the construction and investment in learning resources, effectively utilising our “U Classroom Micro-Training Camp” digital learning platform, we aim to meet personalised learning needs of employees and enhance their general skills. In 2024, we organised Ausnutria business philosophy learning for all employees in Chinese, along with knowledge checkpoints and challenge activities. The Group continuously improved the application of headquarters’ qualification standards to improve professional skills. Results were confirmed by rank evaluations and certifications, which ensured compensation in line with skill, role, and value. Career pathways guided the process, which was based on those standards and capability assessments. Furthermore, a system for assessing cultural values was implemented, strengthening the group-ethos-based behavioural norms. The Group promotes a positive cultural environment with online comic promotions and role model employees, while driving the development of a high-performance culture through executive cultural workshops. By guiding daily employee behaviour and business practices to support strategic execution, these initiatives prepared the groundwork for Ausnutria’s upcoming strategic phase.

In order to keep our employees informed about the latest corporate developments and intelligence, Ausnutria engages with our employees by a variety of communication channels, such as email, newsletters, mobile applications, social media, and intranet systems. Ausnutria started using a monthly newsletter to inform its employees across all regions starting in 2022. In PRC, we continuously updates our employees through social media sites like WeChat and the customised mobile application (U享家). Forums are also frequently held for the induction of new employees, which helps us better understand their needs and expectations. In Netherlands, we launched new podcasts focusing on specific work-related subjects. Moreover, our bi-annual newsletter has been upgraded to a monthly newsletter for communications on a more frequent basis and boost engagement.

The Group values maintaining transparency and honesty in interactions between management and employees, and we encourage input on workplace experiences from staff members at all levels. To ensure effective communication between staff and management, our Workplace Communication and Consultation Policy, the Communication Protocol, and other documents accurately define the principles, rights, and obligations related to effective communication. To increase the efficacy of work collaborations, we arrange a combination of formal and informal meetings to encourage employees to share their job expectations, reservations, and ambitions for professional development. The Group is committed to cultivating a productive and dynamic working environment.

Surveys and feedback forms are established as communication mechanisms in Australia to receive employees’ responses. Internal email distribution is also used to inform staff members of company news. In the meantime, the Group has made an advanced intranet system available in the Netherlands, which enables staff members to stay up to date on the most recent developments within the Group, including updates on our governance structure and external collaborations. The intranet system was upgraded across the entire organisation. The intranet system had been upgraded throughout the organisation so that messages can be uploaded by not only the Communication Department in the headquarter, but also by designated employees at the various plants in 2023.





In the PRC, the Group regularly hosts orientation meetings to better understand the needs of new hires. In 2024, we also set up a direct mailbox for the CEO in public areas, encouraging all employees to voice their concerns and give their recommendations freely. To ensure that the information channel is secure and confidential, all received letters are directly forwarded to the CEO by designated personnel. Moreover, the Group conducted a comprehensive employee satisfaction survey in 2024 globally with the goal of objectively and transparently assessing areas for improvement based on suggestions from staff members. In the PRC, the satisfaction rating has achieved 3.38 out of 5. Our employees' active participation in these initiatives help us better understand what they expect from the Group and offer insightful suggestions on how to improve current employment practices. Ausnutria is eager to interact with our staff on a deeper level and plans to expand the survey's scope to include more subsidiaries.

In the Netherlands, we have set up official Works Councils in each of our operating locations to promote meaningful dialogue between management and staff. The Works Council represents employee interests and consultative and approval rights when important management decisions are being made in the formulation of Ausnutria's employment policies. The Works Council, which composes of seven people – including elected members and employee representatives – meets with senior management every two months to discuss issues and suggestions related to day-to-day workplace operations. Frequent meetings ensure that all subsidiary entities stay in sync with management decisions, corporate strategies, and day-to-day operations.

For handling situations in which workers might experience unfair treatment or conflicts while performing their daily duties, the Group has set up standard operating procedures. Employees have a duty and a right to notify their supervisor of any mistreatment, as stated clearly in the Employee Handbook and the Code of Conduct. The Group is committed to protecting whistleblowers by keeping their anonymity and responding to concerns within a predetermined time frame. Higher levels of management, including the HR department and the senior leadership team, will be consulted if their involvement is necessary for reaching a consensus. A specialised performance appeal and feedback mechanism has been established by Ausnutria in the PRC to expedite the management and resolution of conflicts or cases of mistreatment. A more efficient feedback process is made possible by this system's integration of online and in-person techniques.

Ausnutria is committed to supporting individual growth and enabling staff members to acquire new professional skills. A wide range of educational resources and materials are made available to employees. To ensure workers receive thorough, methodical training and supervision at work, annual training plans are implemented across multiple subsidiaries in order to maximise training resources and enhance human capital management. Additionally, all new hires will go through a comprehensive orientation training programme, which aims to equip them with the skills necessary for a smooth transition and a successful start in their roles.

To improve the competency and productivity of our employees at the workplace, a wide variety of training programmes are provided to employees at all levels, including:

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

In Ausnutria Australia, employees receive specialised training according to their seniority and role. Ausnutria Australia offers Certificate III courses in business management and leadership to help managers develop their managerial and leadership abilities. The Therapeutic Goods Administration mandates that operators receive periodic training as required. Additionally, Ausnutria provides 5S training to all production staff members to improve their workplace management skills. We firmly believe that providing a wide variety of learning opportunities speeds up our employees' professional development.

To achieve better learning effectiveness, Ausnutria Netherlands took advantage of the e-learning platform named “Dairy Academy”. From raw materials to technology application and production processes to quality monitoring of Ausnutria’s products, the platform offers online courses that teach practical knowledge. By using the platform’s learning resources and materials, staff members can gain operational expertise and apply them at work. Moreover, Ausnutria Netherlands has continued its commitment to invest in both leadership development programmes and comprehensive training programmes for employees at all levels. This year, Ausnutria Netherlands is intensifying this commitment by working towards a centrally organised training offering that focuses on both educative and personal development, with various trainings available at all levels, and the option of individual coaching.



For employees who are new to management level positions, we provide trainings on communication, strategy implementation, and talent assessment skills they need to reach their full potential, enhance their leadership, and support the organisation’s long-term growth. Divided into AB-PROJECT (澳藍計劃), MBA Class (澳橙計劃) and Pre-MBA Class (澳青計劃) projects for different levels of management, our trainings aim to cultivate a group of team leaders capable of improving operational efficiency and leading business innovation.

Ausnutria has set up a systematic staff appraisal system to evaluate each employee’s performance and promote their ongoing professional development. This system is intended to increase productivity at the individual, departmental, and organisational levels while also encouraging a sense of accountability among employees. Australia, the Netherlands, and the PRC have all employed the system. In the PRC, we have adopted an innovatively designed performance appraisal management model named “a+b+c+N”, with “a” focusing on ensuring employees’ basic salary security, “b” emphasising individual performance improvement, “c” targeting company performance enhancement, and “N” incorporating a series of incentives such as challenging tasks, cultural and business philosophy incentives, marketing, management, product and technological innovation incentives, recognition incentives, year-end bonuses, and excess profit awards, significantly enhancing the flexibility of departmental performance evaluations and compensation. For Bioflag specifically, a performance incentive system titled “Bioflag Business Performance Salary Management Measures” has been established to align with the factory’s probiotic manufacturing business.

This system aims to motivate employees to create value for the company, providing higher reward for better performance.

These various programmes together contribute to performance achievements by integrating experience across managerial, intermediate, and operational levels.



MBA Class (澳橙計劃)



Pre-MBA Class (澳青計劃)



## EMPLOYEE HEALTH AND SAFETY

Ausnutria is dedicated to creating a safe and healthful workplace for each and every employee. To protect the health and safety of its workforce, the Group strictly complies with all applicable local occupational health and safety (“OH&S”) laws and regulations. The company periodically reviews and updates internal standards and procedures across all subsidiaries to ensure compliance with the most up-to-date regional and national regulations. Additionally, the Group has established pertinent health and safety instructions to help staff members fully understand their roles and responsibilities, and to remind employee of the importance of complying with our internal guidance.

To ensure that health and safety standards and procedures are carried out efficiently and conscientiously, Ausnutria has set up a health and safety committee or officer to supervise compliance at each manufacturing location. All employees working in upstream factories in the PRC are required to sign the “Work Safety Responsibility Acknowledgment.” This measure ensures that employees are aware of their roles and responsibilities. The acknowledgment also informs employees of internal policies and possible repercussions of any irresponsible behaviour.

Ausnutria has implemented emergency response and risk identification procedures for OH&S issues. To identify and reduce possible risks and hazards in our workplace, frequent internal and external risk assessments are carried out at the subsidiary level. The committee will review the inspection reports and, if required, take further action. The monthly risk assessment reports in the Netherlands are accessible to and reviewed by general staff in addition to OH&S-related personnel. This transparency helps to raise awareness of current blind spots and reduce recurrence of similar incidents. Additionally, since 2023, Ausnutria Netherlands put into effect the Additional Risk Inventory and Evaluation (“ARIE”) regulation, which outlines the protocols for handling the aftermath from serious incidents involving hazardous materials on-site. In addition to conducting frequent site inspections and risk assessments to examine new machinery and manufacturing processes, the Group continuously reviews and updates its SOPs in Australia. To prevent any irregularities during major holidays like Chinese New Year and the Mid-Autumn Festival, the PRC’s management conducts comprehensive inspections before holiday breaks. Coverage of these inspections include waste treatment, hazardous chemical use, fire safety, and site safety. Additionally, production sites undergo yearly external inspections. Ausnutria will continue to pay close attention to its operational compliance to OH&S procedures in order to reduce occupational hazards and risks, protecting safety of our employees.

The Group firmly believes that preventing miscommunication between departments and employees can help prevent accidents. Ausnutria has established OH&S Meetings among its subsidiaries to promote effective and proactive communication on OH&S matters. In Australia, safety representatives from different departments gather at the OH&S Meetings every two months. These gatherings promote collaboration between various departments with the goal of enhancing OH&S management and progress.

The Group provides guidance and necessary information to staff members to appropriately handle OH&S incidents in a professional manner. Safety drills and OH&S training sessions are organised to accomplish this. In 2024, all employees at Ausnutria Netherlands, especially employees working in the factories, receive trainings regarding safety on the workforce on a regular basis. Standard operating procedure trainings are held annually in Australia. Related staff members can also take advantage of specialised OH&S training sessions that cover a variety of subjects, such as fire warden, first aid, injury, hazard and incident reporting, etc. In the PRC, fire safety, food safety, and production safety trainings all followed the Group’s standard procedures.

Emergency drills are conducted periodically to prepare employees for emergency situations. Monthly training sessions on on-site safety regulations are also delivered for logistics service providers, while part-time safety officers receive safety management training every four months. In 2024, we held several occupational safety-related activities, including fire safety fun sports day, health and safety knowledge competition, and safety home visits. The Group also provides free yearly health examinations for employees, along with medical interpretation of the findings. Through a variety of OH&S initiatives, the Group seeks to ensure the safety and health of our workforce by enhancing employees’ preparedness to handle possible risks and emergencies.





Ausnutria believes that mental well-being is just as important as physical well-being and safety. As a result, the Group is committed to supporting workers' mental health through various initiatives. In Australia, the Group launched the Employee Assistance Programme, where employees can call for professional assistance during private counseling sessions. In Ausnutria Netherlands, employees are strongly encouraged to speak with their counselors about any concerns regarding bullying, harassment, violence, aggression, discrimination, and conflicts with superiors. Counselors are equipped to provide advice and, in more severe situations, to take escalating actions, ensuring that every worker has easy access to a trusted confidant in case of need. In the PRC, the Group hosts yearly counseling sessions to educate employees on subjects such as stress management and mental wellness.

### Case Study

## Organising Employee Indoor Football Night

Ausnutria Netherlands started the new year with sports activities. Our colleagues participated in an organised indoor football night. Sports activities after work presents a nice opportunity for colleagues to get to know each other better outside of the formal work environment. With laughter, competition and teamwork, our colleagues worked together to get off to a healthy start for 2024.



### Case Study

## Healthcare Needs of Our Employees



Employee health is the cornerstone of corporate development. In 2024, Ausnutria's labour union, in collaboration with Xiangjiang Aier Eye Hospital, organised a employee health care event focused on eye health. The event aimed to raise awareness about the importance of eye health, promote eye care knowledge, and provide professional eye examinations for employees. The event attracted over 150 employees to participate. Ausnutria will continue to prioritise the physical and mental well-being of its employees, offering more diverse and thoughtful health services in the future.



Through a number of programmes, Ausnutria has maintained a safe and sanitary workplace. In addition to regularly sanitising all office and production areas, the Group puts forward particular measures in place that are suited to the local conditions and laws of each operational region. We have a remote working policy in Australia and the Netherlands, as well as options for working from home and rotate staff schedules, in order to prioritise the well-being of our employees. We also offer educational posters and trainings to raise staff awareness of the value of proper personal hygiene practices.

## DIVERSITY AND INCLUSION

Ausnutria actively promotes diversity and inclusion in the workplace, recognising that these principles are crucial for achieving sustainable and dynamic business growth. We are committed to creating a just, harmonious and fulfilling workplace where all employees are treated with the utmost respect, confidence, and encouragement.

Our regional Code of Conduct and Employee Handbooks provide clear guidelines for our values and standards, as well as the conduct expected of our employees. These documents contain policies and procedures that provide guidance to our subsidiaries on how to handle employment-related issues, including compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunities, diversity, anti-discrimination, training and development, OH&S, as well as other welfare and benefits. To ensure all information is readily available and widely shared among our employees, we utilise a variety of communication channels during the onboarding process or whenever updates are available.

The Group treats each employee equally and transparently, upholding the values of meritocracy and non-discrimination. All regional teams are required to adhere to a set of standard operating procedures that govern our hiring process. To keep up with changing industry standards and regional mandates, these processes are reviewed and updated on a regular basis. To maintain a varied candidate pool, we use a range of recruitment platforms on top of traditional channels. In the Netherlands, Ausnutria participated in the WUR 2024 Career Day of the Wageningen University, holding enthusiastic conversations with talents from Wageningen University & Research, in order to match talents in the field of Life Sciences. In the PRC, the Group held an annual Management Trainee Programme to bolster our talent reservoir in 2024. We recruited graduates with significant potential, providing them with a range of resources to develop specialised skills in food manufacturing industry. Participants in our Management Trainee Programme are mentored by the senior management to make sure they are well-prepared to take on pivotal roles and drive Ausnutria forward in the future.

By providing competitive compensation packages and attractive benefits, Ausnutria recognises and honours the efforts and contributions of its staff. Depending on their rank, position, and years of service, employees are eligible for different types of leave, bonuses, allowances, and subsidies. In the PRC, the Group provides regular meal subsidies, along with celebratory gifts or subsidies for birthdays, holidays, and during customary celebrations like the Mid-Autumn Festival and the Lunar New Year. Special anniversary gifts are given to employees who have been with Ausnutria for five, ten, fifteen, or twenty years. The Group also has gym open to all employees and has hired personal trainers to help our employees stay healthy. In Ausnutria Netherlands, employees are given opportunities to participate in various sports events with Ausnutria paying for their registration fees and sports shirts. This year, employees have benefited from our ongoing sponsorship of sc Heerenveen, attending multiple matches in the football stadium in Heerenveen.

Ausnutria is committed to fostering an inclusive workplace that accommodates workers' various needs while preserving a seamless and effective operation. We are actively working to create a family-friendly culture throughout the Group as we understand the importance of family bonds. The Company has implemented flexible arrangements at the subsidiary level to better support our employees' work-life balance and give them more time with their families. In the PRC, the Company is aware of the difficulties faced by workers who are geographically separated from their spouses. For employees who are unable to reunite with their family during public holidays due to long distance, we provide six days of family visit leave that can be spent separately or altogether.



## Case Study

## Bonding Time in Ausnutria's Family Carnival



The Ausnutria Family Carnival is not only an annual highlight for Ausnutria but also a joyful platform created for every family. Through this event, we aim to bring parents and children together to share in the happiness of growth and the warmth of family moments. In 2024, we held the event on Father's Day, and organised T-shirts painting activity for kids to show their love to their fathers. The event features various games and activities, which attracted active participation of over 100 Ausnutria families

In 2024, Ausnutria's unyielding commitment to creating a supportive and inspiring working environment for employees was recognised by The Economic Observer with 2024 Happy Enterprises – Best Employer Top 30 award.



Additionally, Ausnutria is committed to making the workplace female-friendly and mother-friendly. The organisation provides flexible work schedules and breastfeeding facilities. In the PRC, every female employee who has a child under a year old is entitled to an hour breastfeeding break each day. On special occasions, the Group also gives its employees the chance to get together with their families. For instance, working parents are urged to bring their kids to work on Children's Day so they can play family-oriented games together.

