



Nurturing the World through the Power of Plants

Sustainability Report 2023/24

Stock Code : 0345

Contents



- 3** **Chairman's Message**
- 5** **About This Report**
- 6** **Vitasoy and Plant-based Nutrition**
- 12** **Focusing on What Matters**
- 16** **Purpose-driven Organisation**
- 20** **Making the Right Products**
Portfolio
- 27** **Making the Right Products**
Packaging
- 33** **Making Products the Right Way**
Manufacturing
- 43** **Making Products the Right Way**
Supply Chain
- 48** **Making Products the Right Way**
Workplace
- 56** **Making Products the Right Way**
Community
- 59** **Appendices**
- 64** **Vitasoy Climate and Nature**
Disclosure Statement FY2023-24



Chairman's Message

In this Fiscal Year 2023/24, our board-level ESG Committee has continued to provide oversight and strategic guidance to align Vitasoy's sustainability outcomes and Environmental, Social and Governance (ESG) strategy with our corporate responsibilities and stakeholders' expectations.

Our executive level Sustainability Steering Team complements the role of the ESG Committee by ensuring continuous implementation and monitoring progress. Underscoring our ongoing efforts to advance and drive meaningful change, we are currently engaged in formulating a new set of targets under our Sustainability Framework for 2030/31. These targets will update our roadmap for sustainable progress.

In line with our Sustainability Framework, which focuses resources on our most material ESG topics, I would like to highlight a few key initiatives below.

Making the Right Products

Product nutrition and health is one of Vitasoy's top material issues. Our product range leverages the intrinsic benefits of plant nutrition and its potential for lowering carbon emissions to make positive contributions towards addressing global challenges such as climate change, hunger, and health and wellbeing in alignment with the United Nations Sustainable Development Goals (UNSDGs). During the reporting period, we continued to expand our range of plant-based products with new initiatives like Vitasoy Australia's Oat Yogurt to meet demand from consumers for affordable, healthy and sustainable choices.

Transforming our product packaging in line with Vitasoy's Responsible Packaging Policy is integral to managing the Group's environmental risks. We are introducing more sustainable options for packaging materials and designs with due consideration for guidance and support provided by regulators and other policymakers as well as advancements in technology. We are focused on optimising packaging volume and weight, utilising more recycled materials, and improving packaging recyclability.



Mr. Winston Yau-lai LO
(SBS, BSc, MSc)
Executive Chairman

Making Products the Right Way

Climate change is a multifaceted phenomenon encompassing some of the most complex and critical issues facing Vitasoy throughout our business operation and value chain. While it is important that we decarbonise our own operations, the majority of Vitasoy's carbon footprint is outside of our direct control in the supply chain. To lay the foundation for comprehensive carbon reduction targets, we have engaged with our top suppliers to improve data collection for our emissions inventory.



Furthermore, building on our scenario-based climate risk assessment from 2022, this year we have looked more deeply into physical risk factors for our business. We have worked with various Risk Owners internally to fully integrate these factors into our risk management process.

We rely heavily on sourcing raw materials and ingredients from various suppliers and therefore acknowledge the critical role of our supply chain in our business operations and sustainability strategy. In 2023, we undertook a supply chain risk mapping exercise for four key commodities (soybean, sugar, tea and milk powder) targeting forced labour, poor working conditions, environment and deforestation.

We published our first Modern Slavery Act Statement for our Australian business as a fully owned subsidiary. Modern slavery is one among other supply chain sustainability topics that feature prominently in mandatory training for all senior managers and executives throughout the Group.

At Vitasoy, we leverage our corporate purpose to drive sustainable growth and improve ESG performance. Over the past few years, we have spent considerable effort engaging with our associates on the Group's Purpose, Values and Behaviours. We have done this across the organisation through a series of workshops, townhall meetings and small group briefings. All these initiatives, together with our company-wide employee engagement survey in 2023, serve to inform us about our strengths, as well as opportunities for action.

In our community efforts, we have continued our "Nourish Your Body, Nourish Your Mind" initiative; expanding our Vitasoy Community Care Project to advance the nutrition,

health and wellbeing of under privileged children in rural Mainland China. Additionally, we continued to support the Mulloon Institute in Australia to advance regenerative agriculture and restore thousands of hectares of farmland through landscape rehydration initiatives.

What's Next?

As emerging issues continue to shape the sustainability landscape, international standards and frameworks are being developed to address these challenges. Notably, the Taskforce on Nature-related Financial Disclosures (TNFD) and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards highlight growing recognition of the need to incorporate sustainability factors more systematically into financial reporting.

Moving forward, we anticipate that consumer demand for better health and nutrition as well as action on pressing global environmental issues will continue to rise. In response, we reaffirm our commitment to fulfilling our purpose and making meaningful contributions to the communities we serve.

Thank you for taking the time to read this report. We appreciate feedback on our sustainability initiatives and progress, and look forward to continuing our journey together towards a more sustainable future.

Winston Yau-lai Lo
Executive Chairman
20 June 2024





• Chairman's Message

• **About This Report**

• Vitasoy and Plant-based Nutrition

• Focusing on What Matters

• Purpose-driven Organisation

• Portfolio

• Packaging

• Manufacturing

• Supply Chain

• Workplace

• Community

• Appendices

• Vitasoy Climate and Nature Disclosure Statement FY2023-24

About This Report

Welcome to the tenth annual sustainability report for Vitasoy International Holdings Ltd (Vitasoy, the Group), the primary source for disclosures on our Environmental, Social and Governance (ESG) performance over the period 1st April 2023 to 31st March 2024 (FY2023-24). Global and regional sustainability challenges have increased in significance and complexity over the past decade, and in response Vitasoy's strategy has continued to evolve.

This report has been prepared in accordance with Appendix 27 of Hong Kong Exchanges and Clearing Limited's Main Board Listing Rules (HKEX ESG Guide). We have also referenced leading international reporting frameworks, such as the Global Reporting Initiative's (GRI) Universal Standards and Recommendations from the Taskforce on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD).

> [HKEX ESG Guide Content Index](#)

> [Climate and Nature Disclosure Report](#)

The reporting boundary aligns with the Group's financial reporting, including operations based in Mainland China and Hong Kong Special Administrative Region (Hong Kong, China), Australia, Singapore and the Philippines. We have commissioned Hong Kong Quality Assurance Agency (HKQAA) to conduct independent assurance.

> [HKQAA Independent Assurance Report](#)

Please share your thoughts

We welcome feedback and suggestions on the Group's sustainability strategy and disclosures.

Please contact us at sustainability@vitasoy.com





- Chairman's Message
- About This Report
- **Vitasoy and Plant-based Nutrition**
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



VITASOY AND PLANT-BASED NUTRITION AT A GLANCE



About Vitasoy

Established in 1940, Vitasoy is committed to providing affordable and sustainable nutrition. We are a purpose-driven organisation united by our singular purpose: To advance the world's transformation towards a sustainable future, through the amazing power of plants. From fostering healthy lifestyles among our customers and sustainable packaging to mitigating carbon emissions, promoting sustainable agricultural practices and investing in local communities, we strive to promote sustainability at every step throughout our value chain.

Vitasoy International Holdings Ltd (Vitasoy, the Group) has grown into one of Asia Pacific's leading plant-based beverage and food producers. We have manufacturing operations in China (including Mainland China and Hong Kong Special Administrative Region), Australia, Singapore and the Philippines. Our products are available in ~40 markets worldwide.

Vitasoy is a listed company (SEHK: 0345) headquartered in Hong Kong, China. For information about our financial performance, please refer to our [Annual Report](#)

Global Business

Brands Available

~ 40
markets worldwide

Production Facilities

8
regions across Asia-Pacific



Plant-based Future

Product Portfolio

91%
Plant-based food and beverages

>80 years
Great tasting, affordable plant-based nutrition

Purpose-driven

Our Purpose

To advance the world's transformation towards a sustainable future, through the amazing power of plants.

6,243

Employees united as One Vitasoy

Our Core Values

We share the same three core values:



Integrity

Honest, trusted, loyal. We are reliable and responsible partners.



Dedication

Committed, enthusiastic, with a "can-do" spirit. We always give our best efforts.



Advancement

Striving, moving forward, always improving. We aspire to advance ourselves and the Company.



- Chairman's Message
- About This Report
- **Vitasoy and Plant-based Nutrition**
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

About Vitasoy

Brands and Products

We offer a wide range of great-tasting, affordable and healthy plant-based products under our VITASOY and VITA brands.



Plant-based Milk Beverages



Plant-based Yogurt



Tofu



Tea Beverages



Plant-based Nutrition at a Glance

Unsustainable food systems contribute to climate crisis and ecosystem degradation. In 2023, more than 130 countries signed the COP28 UAE Declaration on Sustainable Agriculture, Resilient Food Systems, and Climate Action, making an important declaration about the global

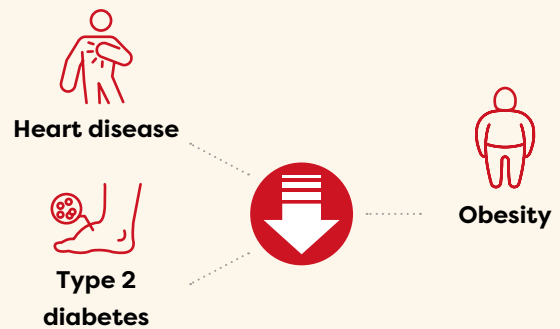
importance of transforming food systems. Shifting to more sustainable, plant-based nutrition also offers promising solutions at local, regional and global levels for human health challenges associated with malnutrition, obesity and chronic disease.

Global Sustainable Development Challenges

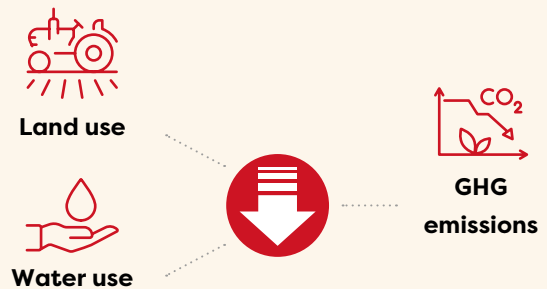
- Globally, ~75% of deaths are linked to chronic diseases¹ such as heart disease, cancer and diabetes that may be prevented by healthier, plant-based diets. Shifting to plant-based nutrition could avert ~11 million premature adult deaths a year.²
- Unsustainable food systems contribute one-third of GHG emissions and 70% of freshwater consumption.³ Plant-based nutrition could reduce projected diet-related greenhouse gas (GHG) emissions by up to 74%.⁴

Benefits of Plant-based Nutrition

Good for people



Good for our planet



Please visit <https://www.vitasoy.com/nutrition/> to learn more about the benefits of plant-based diets.

¹ WHO (2023) [Noncommunicable diseases](#)

² Food in the Anthropocene: the EAT-Lancet Commission on healthy diets from sustainable food systems Volume 393, ISSUE 10170, P447-492, February 02, 2019

³ United Nations (24 July 2023). [Global food systems 'broken'](#)

⁴ FAO, IFAD, UNICEF, WFP and WHO (2020) The State of Food Security and Nutrition in the World 2020. Transforming food systems for affordable healthy diets



Plant-based Nutrition at a Glance

Vitasoy's plant-based products are optimised in accordance with the 'Vitasoy Nutrition Criteria' based on dietary recommendations from the World Health Organization (WHO) and other international and national health authorities. Packed with plant-powered protein,

unsaturated fats and dietary fibre, as well as high in calcium and vitamins, Vitasoy's product range supports consumers to enjoy healthy, balanced diets that are also environmentally-responsible.

Plant-based food and beverages are good for people and the planet. If everyone were to switch to plant-based diets, projected diet-related GHG emissions could be reduced by up to 74%.⁴

Some of our amazing key ingredients



SOYBEANS

- Nutritious beans packed with plant-powered protein
- 9 essential amino acids
- Heart-friendly unsaturated fats



OATS

- Heart-healthy whole grains
- Rich in dietary fibre for healthy digestion
- Natural source of beta-glucan



ALMONDS

- Nutritious nuts loaded with vitamins and minerals
- Rich in vitamin E antioxidant
- Heart-friendly unsaturated fats



TEA

- Rich in tea polyphenols
- Loaded with good-for-health antioxidants

⁴ FAO, IFAD, UNICEF, WFP and WHO (2020) The State of Food Security and Nutrition in the World 2020. Transforming food systems for affordable healthy diets.



VITASOY SUSTAINABILITY FRAMEWORK



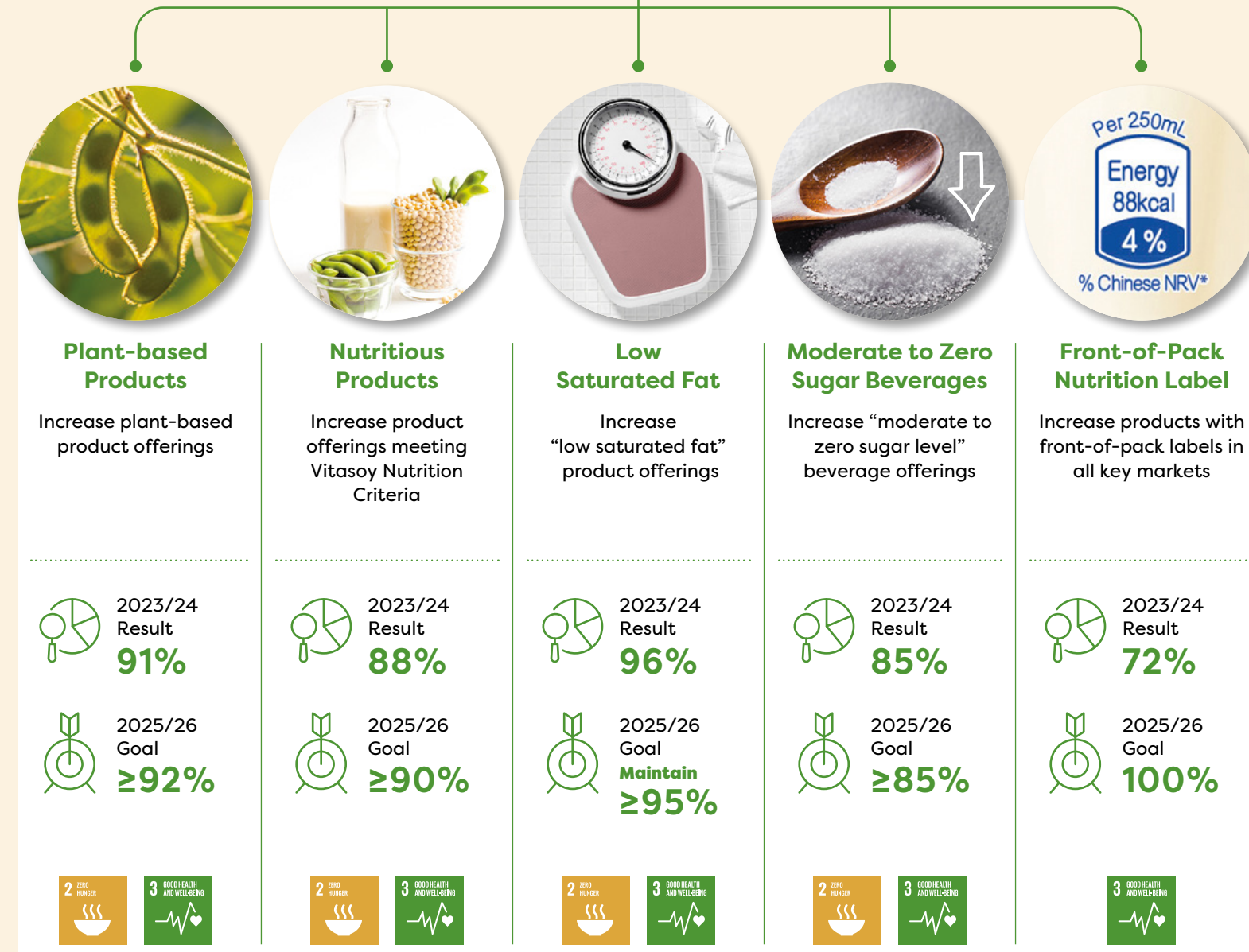
To advance the world's transformation towards a sustainable future, through the amazing power of plants

Making the Right Products

Making Products the Right Way

* Refer to Sustainability Report for KPI definitions

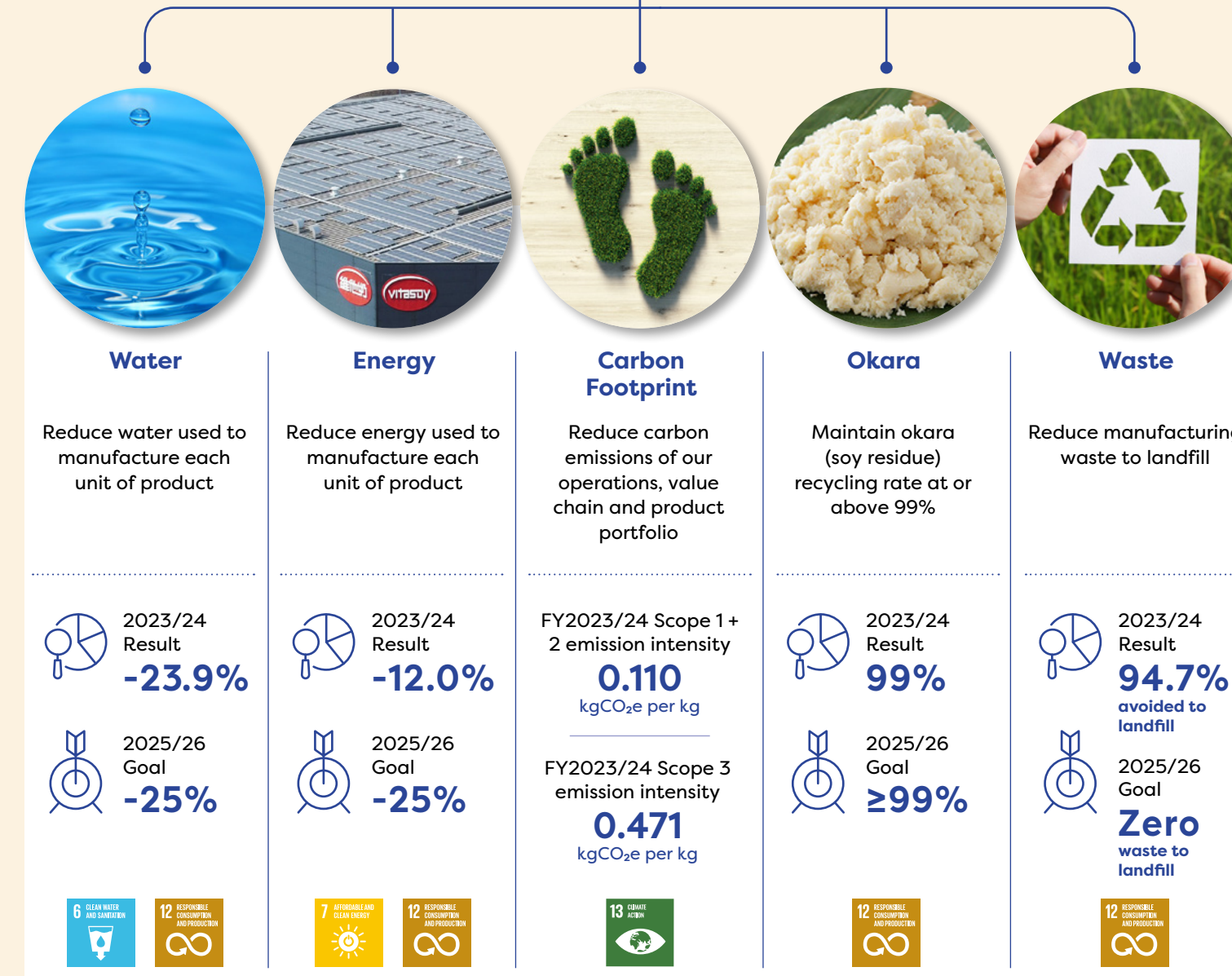
Portfolio



Packaging



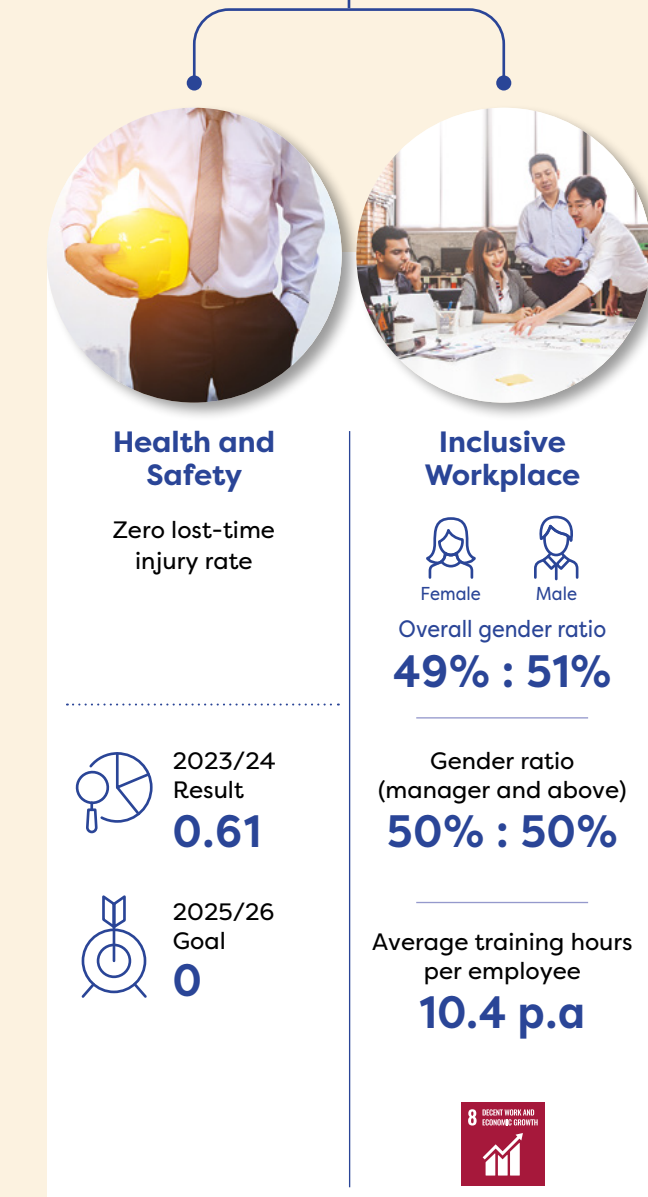
Manufacturing



Suppliers



Workplace



Community





- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- **Focusing on What Matters**
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



FOCUSING ON WHAT MATTERS



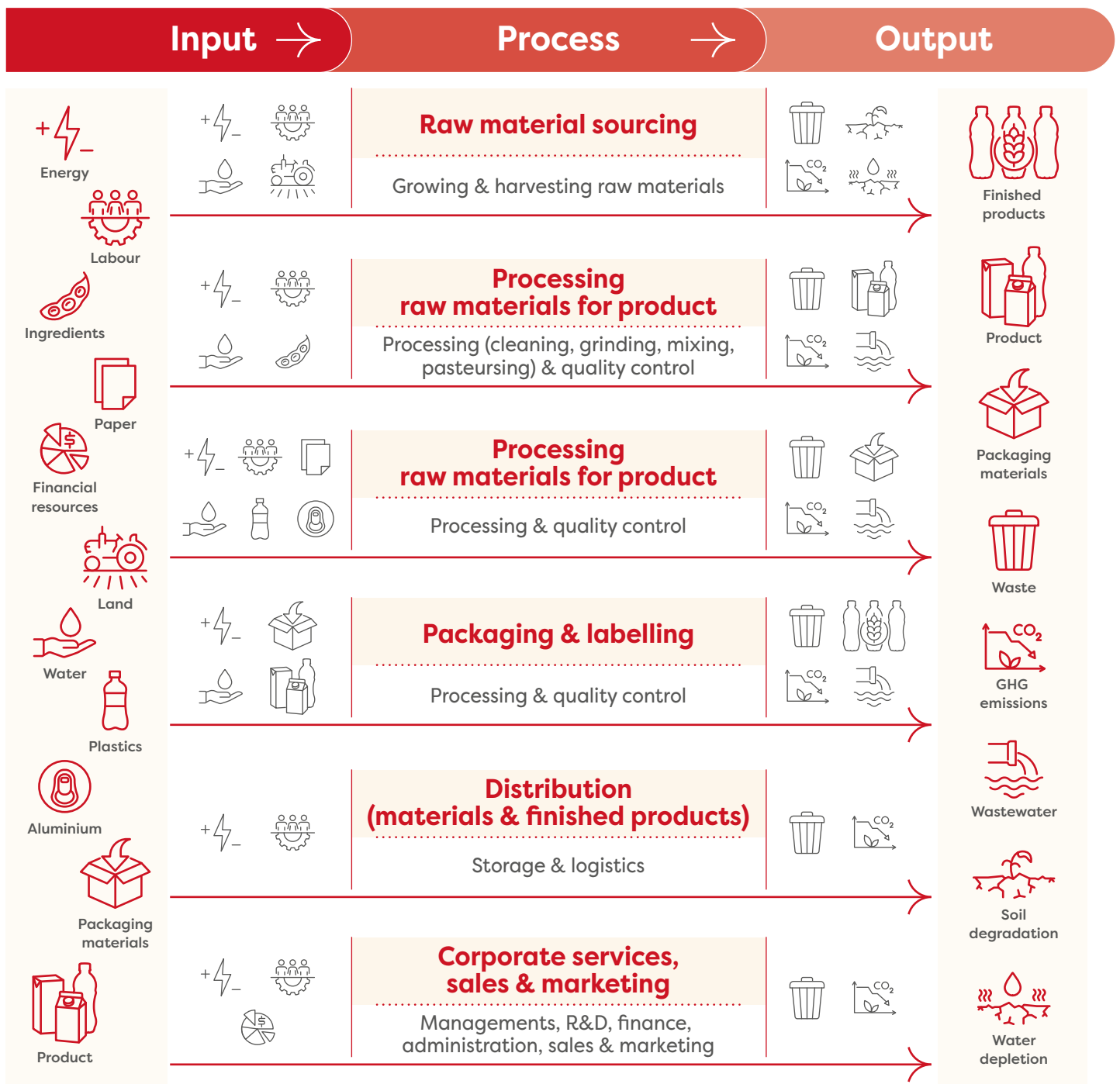
- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- **Focusing on What Matters**
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Focusing on What Matters

Our daily operations involve a complex chain of processes and relationships to source ingredients and manufacture and distribute our products. The Vitasoy Sustainability Framework outlines how we integrate ESG into every aspect

of this value chain. It provides a comprehensive structure for organising and evaluating the Group's ESG initiatives and performance.

Vitasoy Value Chain





Focusing on What Matters

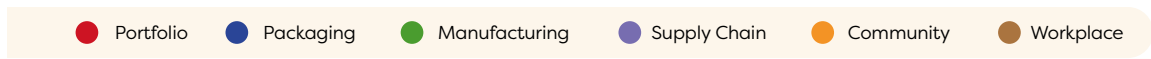
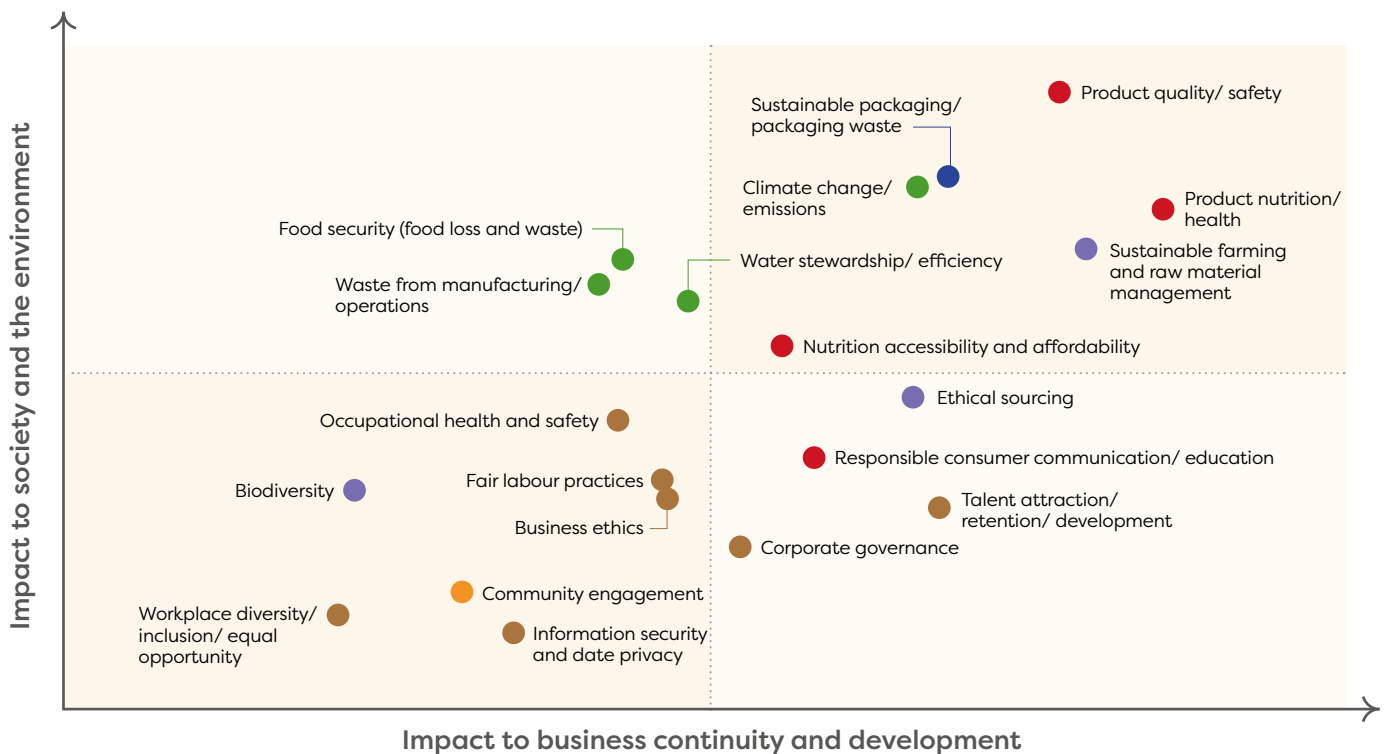
Stakeholder Engagement and Materiality

Our business has a diverse range of stakeholders, including employees, customers, investors, suppliers, non-profit organisations and regulators located in Mainland China, Hong Kong, China, Australia, Singapore and the Philippines among other markets.

Engaging meaningfully with stakeholders is fundamental to our 'double materiality' approach, which involves understanding and managing Vitasoy's material issues from both social/ environmental and financial perspectives. We update our materiality assessment at least every 3 years to identify, evaluate and prioritise sustainability topics that are important for the Group and our stakeholders. These assessments help to inform our decisions and prioritise the allocation of our resources.

During the reporting period, we referred to the results of our most recent materiality assessment conducted in 2022/23 and disclosed fully in our [2022/23 Sustainability Report](#). The findings of that assessment, as summarised in our materiality matrix, have informed the ESG Committee when reviewing and formulating policies and initiatives and have been incorporated in our Enterprise Risk Management system.

Vitasoy's sustainability team and other relevant functional teams remain vigilant and responsive to emerging sustainability issues both locally and internationally. We regularly review our performance, including benchmarking against industry best practices, to drive continuous improvement across our value chain.



A double materiality assessment conducted In FY2022-23 helped us to determine material issues for the Group and our stakeholders, including topics linked to climate-

and nature- related dependencies, impacts, risks and opportunities as highlighted in our materiality matrix.



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- **Focusing on What Matters**
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Focusing on What Matters

Supporting global transformation

Vitasoy's corporate purpose supports sustainable transformation in line with the United Nations Sustainable Development Goals (SDGs). We have identified seven

SDGs that align most closely with the focus areas of our Sustainability Framework. Please refer to our previous [Sustainability Report 2022/23](#), for more information.

Relevant Material Topics: Portfolio		
SDG Impact Areas	SDG Targets	
Goal 2 Zero Hunger	Target 2.2 Address the nutritional needs	Target 2.4 Sustainable food production systems
Goal 3 Good Health and Well-being	Target 3.4. Reduce premature mortality from noncommunicable diseases through prevention	

Relevant Material Topics: Packaging		
SDG Impact Areas	SDG Targets	
Goal 12 Responsible Consumption and Production	Target 12.3 Reduce food waste and food losses	Target 12.5 Reduce waste generation through prevention, reduction, recycling and reuse

Relevant Material Topics: Manufacturing		
SDG Impact Areas	SDG Targets	
Goal 6 Clean Water and Sanitation	Target 6.4 Increase water-use efficiency and ensure sustainable withdrawals	
Goal 7 Affordable and Clean Energy	Target 7.2 Increase the share of renewable energy in the energy mix	
Goal 12 Responsible Consumption and Production	Target 12.3 Reduce food waste and food losses	Target 12.5 Reduce waste generation through prevention, reduction, recycling and reuse
Goal 13 Climate Action	Target 13.2 Integrate climate change measures strategies and planning	

Relevant Material Topics: Supply Chain		
SDG Impact Areas	SDG Targets	
Goal 2 Zero Hunger	Target 2.2 Address the nutritional needs	Target 2.4 Sustainable food production systems
Goal 8 Decent Work and Economic Growth	Target 8.8 Protect labour rights, and promote a safe and secure working environment for all workers	
Goal 12 Responsible Consumption and Production	Target 12.3 Reduce food waste and food losses	Target 12.5 Reduce waste generation through prevention, reduction, recycling and reuse

Relevant Material Topics: Community		
SDG Impact Areas	SDG Targets	
Goal 2 Zero Hunger	Target 2.2 Address the nutritional needs	Target 2.4 Sustainable food production systems
Goal 3 Good Health and Well-being	Target 3.4. Reduce premature mortality from noncommunicable diseases through prevention	

Relevant Material Topics: Workplace		
SDG Impact Areas	SDG Targets	
Goal 8 Decent Work and Economic Growth	Target 8.8 Protect labour rights, and promote a safe and secure working environment for all workers	



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- **Purpose-driven Organisation**
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



PURPOSE-DRIVEN ORGANISATION



Purpose-driven Organisation

Vitasoy's Board has endorsed the Group's Sustainability Framework and delegated responsibility for leadership and implementation of relevant initiatives through our established governance structure. We identify and manage risks and opportunities through our integrated risk management process, and continue to develop, refine and implement Group policies and procedures for managing material issues. All policies are publicly available on our website.

Board Oversight

The Board is accountable for Vitasoy's ESG performance, including identifying and managing climate-related risks and opportunities. The Board has delegated oversight of ESG matters to the ESG Committee, which ensures that material issues receive sufficient attention from the Board.

Role of Management

The ESG Committee receives regular updates from the Sustainability Steering Team (SST), formerly known as the Group Executive Sustainability Committee (GESC), which is chaired by the Group Director of Sustainability. The SST is responsible for recommending strategies and driving progress toward performance targets. It is supported by working groups focused on implementing initiatives to meet specific objectives targets, and facilitating cross-market and cross-functional collaborations.

Integrated Risk Governance Structure



FY2023/24 Highlights

Board oversight	<ul style="list-style-type: none"> Review of emerging ESG trends and regulations - HKEX ESG Guide climate-related disclosure requirements - TNFD Recommendations - Modern Slavery Act (Australia) - ESG bills and regulations worldwide that could affect Vitasoy - Draft International Standard on Sustainability Assurance 5000 (ISSA5000) 	<ul style="list-style-type: none"> Formulation of strategic plans and actions - Discussed potential carbon reduction targets and reduction strategies - Reviewed and approved Modern Slavery Statement for VAP
------------------------	--	---





Corporate Governance

Material issues

- Corporate Governance
- Business Ethics
- Information security and data privacy

Policies available on our website

- Corporate Governance Policy
- Board Diversity Policy
- Director Nomination Policy
- Whistleblowing Policy
- Group Business Ethics Policy
- Code of Business Conduct

High standards of corporate governance are essential for sustaining Vitasoy's long-term performance and value creation, including firm adherence to governance principles and practices emphasising transparency, independence, accountability, responsibility and fairness. Please refer to [our website](#)  and [Annual Report](#)  for information on the structure and composition of our Board and Board-level committees.

Ethics and Integrity

The Group Business Ethics Policy addresses compliance with laws, including avoiding conflicts of interest and anti-bribery and anti-corruption among others corporate governance topics. To encourage employees to speak up against wrongdoing, our Whistleblowing Policy provides a confidential reporting channel for incidents of suspected misconduct, malpractice and/or other irregularities. During the reporting period, there were no grievances reported or under investigation and no follow up actions were undertaken.

Vitasoy's Code of Business Conduct for Suppliers and Customers states our expectations for members of these key stakeholder groups to uphold the same high standards of ethics and integrity as Vitasoy employees. This Code requires subsidiaries to adapt and implement the Group's standards in every local context through culturally-appropriate agreements and guidelines.

Vitasoy Global Integrity Portal

The Vitasoy Global Integrity Portal communicates Vitasoy's standards for ethics and integrity to employees, suppliers and distributors via an e-learning platform, policy and publication library and online complaint channel. We require all employees, key suppliers and distributors in Mainland China to sign our Integrity Commitment Declaration annually through the portal and plan to expand implementation of the portal to other markets.

Information security and data privacy

Vitasoy's Personal Data (Privacy) Policy protects the privacy of personal data that we hold and/or have access to in compliance with relevant legislation. The Board has assigned our Chief Information Officer, a member of the Executive Management team with relevant experience, to develop the Group's cybersecurity strategy and to oversee its implementation.

We have information security policies and processes in place including the Group IT Security Policy, Data Protection Policy and Vitasoy Personal Data (Privacy) Policy, empowering employees to escalate cybersecurity incidents for appropriate action. These provide for disciplinary action to be taken if employees fail to safeguard the interests of the Group and its stakeholders. We raise employees' awareness about cybersecurity threats through regular training, including compulsory training for employees who fail to demonstrate awareness of phishing risk during regular internal tests.

During the reporting period, there were no reported breaches of data privacy.



Corporate Governance

Integrated Risk Management

The Group identifies and manages ESG risks along with other business and operational risks through our established stakeholder engagement and risk management processes. These are embedded in our daily operations, financial and investment activities, internal controls and strategy development and business planning. Please refer to [our website](#) and [Annual Report](#) for more information.

Governance, Risk and Compliance (GRC) System

During the reporting period, we upgraded our GRC System to engage employees more effectively in risk management. The GRC System dashboard displays risk management activities and real-time changes in risk status to facilitate timely management decision-making. We are undertaking progressive GRC enhancements to further improve risk information and communications.

Disclosure of top ESG Risks

The Group's most material ESG topics map to significant risks from our integrated risk management process, as well as specific focus areas of our Sustainability Framework.

Product quality and safety

Every step in Vitasoy's value chain adheres to high quality standards for taste, nutrition and hygiene in accordance with our Group Food Safety Policy. Our organisation is governed and guided by management systems and principles including Hazard Analysis Critical Control Point (HACCP), Good Manufacturing Practices (GMP), Food Safety System Certification (FSSC 22000), International Standard of Food Safety Management (ISO 22000), and International Standard of Quality Management (ISO 9001).

> [Making the Right Products – Portfolio](#)

Product nutrition and health

We are continuously enhancing our portfolio of plant-based products in line with the Group Product Health and Nutrition Policy and recommendations from the WHO.

> [Making the Right Products – Portfolio](#)

Sustainable packaging

Transforming product packaging to become more sustainable in line with the Group Responsible Packaging Policy is integral to managing environmental, sales and reputational risks.

> [Making the Right Products – Packaging](#)

Climate change

The complex and diversified nature of climate-related impacts both affecting and affected by Vitasoy's daily operations relate to activities and initiatives in multiple focus areas of our Sustainability Framework, including Portfolio, Packaging, Manufacturing and Supply Chain. To guide us in making comprehensive disclosures about this complex set of issues, Vitasoy has adopted Recommendations from the TCFD.

> [Climate and Nature Disclosure Report](#)

Sustainable farming

Vitasoy acknowledges the vital role played by farmers in pursuing our corporate purpose, so we work closely with suppliers of key ingredients to implement our Supplier Responsibility Principles (SRP) and Sustainable Farming Guidelines (SFG). This year, for the first time, we have commenced adopting recommendations from the TNFD to help improve our reporting on biodiversity impacts throughout our value chain.

> [Making Products the Right Way – Supply Chain](#)

> [Climate and Nature Disclosure Report](#)



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- **Portfolio**
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



MAKING THE RIGHT PRODUCTS PORTFOLIO



Making the Right Products – Portfolio

Material issues

- Product nutrition/ health
- Climate change/ emissions
- Nutrition accessibility and affordability
- Responsible consumer communication/ education

Policies available on our website

- Group Product Health and Nutrition Policy

SDG goals



The plant-based movement is gaining traction as a popular consumer trend around the world with support from governments and international bodies, such as the WHO and UN Food & Agriculture Organisation (FAO). In line with increasing awareness about threats to human health and environmental sustainability, consumers are turning increasingly to plant-based diets based on beverages and foods derived from legumes, whole grains, nuts, fruits and vegetables.

The global shift toward plant-based nutrition represents a significant opportunity to address sustainable

development challenges associated with population growth, unsustainable food systems, climate change and nature crisis. By embracing this trend, Vitasoy expects to benefit from opportunities to gain competitive advantage and increase revenues in a rapidly evolving market.

The Group's health and nutrition strategy focuses on 1. More plant-based products, 2. Healthier product options, and 3. Encourage healthier choices. We have Key Performance Indicators (KPIs) and targets in our Sustainability Framework to measure and monitor our progress.

Nutritional Benefits of Vitasoy's Plant-based Portfolio



Plant-based Milk

- Plant-Powered Protein
- Vitamins e.g. B2, B12, D, E
- Minerals e.g. Calcium, Potassium, Magnesium
- Dietary Fibre
- Zero Cholesterol
- Low Saturated Fat



Plant-based Yogurt

- Plant-Powered Protein
- Probiotics
- Vitamins e.g. B12 and D
- Calcium
- Heart-Friendly Unsaturated Fats
- Zero Cholesterol

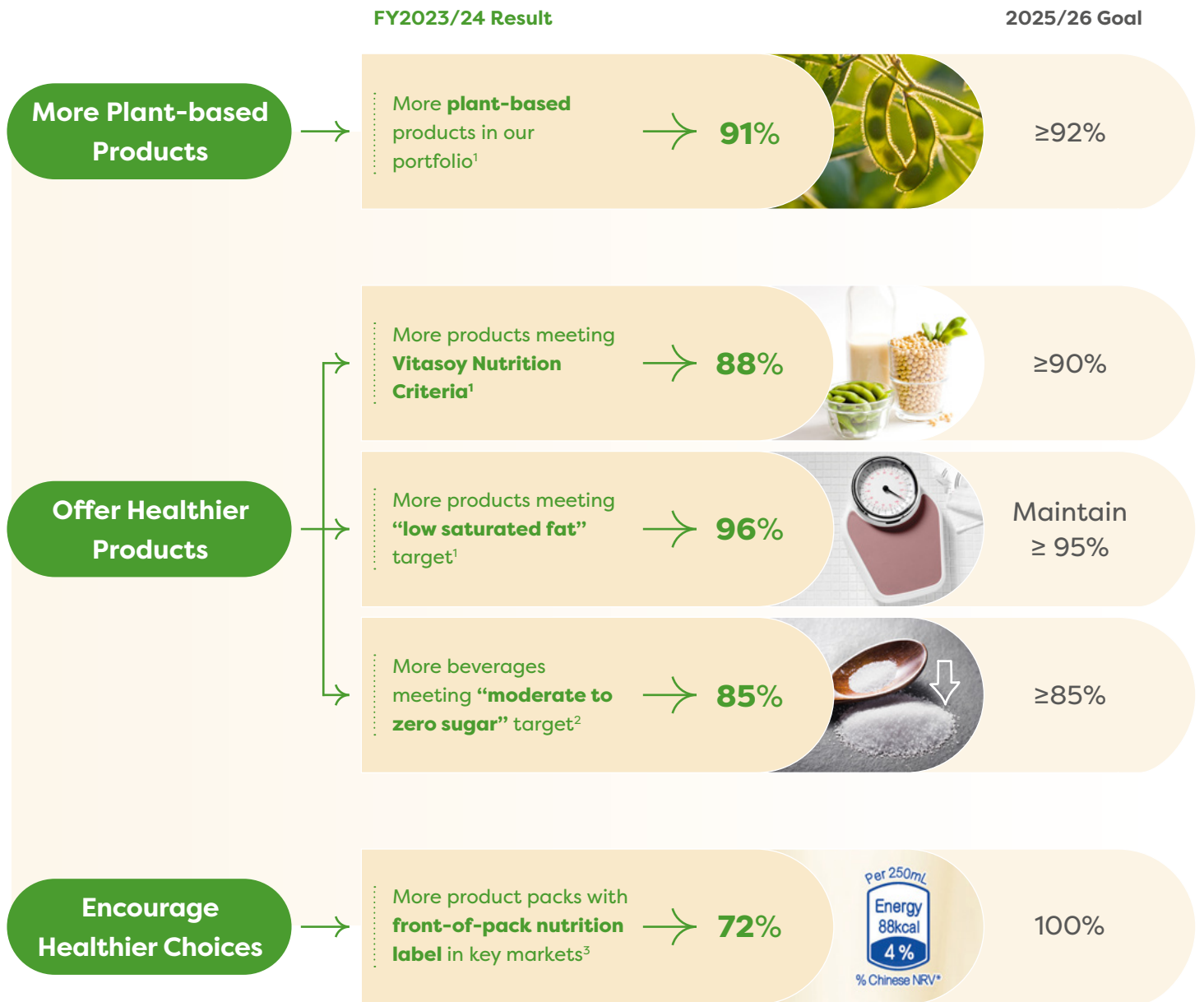


Tofu

- Plant-Powered Protein
- Calcium
- Heart-Friendly Unsaturated Fats
- Zero Cholesterol



Making the Right Products – Portfolio



Note:

1. Percentage of total formulations of all food and beverage product offerings, excluding water (distilled water and mineral water) and products developed for food service purposes. “Low saturated fat” refers to saturated fat content of not more than 0.75g/100ml or 1.5g/100g or 10% energy from saturated fat for plant-based products and 1.5g/100ml or 100g for other products.
2. Percentage of total formulations of all beverage product offerings, excluding water (distilled water and mineral water) and products developed for food service purposes. “Moderate to zero sugar” refers to the total sugar content of 0g/100ml to not more than 7.5g per 100ml for beverages.
3. Percentage of total product packaging type applicable to products sold in key markets with local packaging: Mainland China, Hong Kong, China, Australia and Singapore. Excludes multi-label products for sale in various markets; glass bottles; products packaged for food services; baristas products; water products such as distilled water and mineral water. Front-of-pack refers to the front of the primary product packaging.



Making the Right Products – Portfolio

Expanding our Plant-based Portfolio

We are continuously expanding our range of great-tasting, nutritious plant-based products around our key ingredients of soy, oats, almonds and tea. Our product categories include plant-based milk and yogurt, tofu and teas among others.



FY2023/24 Highlights

91%

Plant-based Food and Beverage Products

Tea Beverages

Our tea product innovations focus on providing no-sugar or low-sugar healthier options brewed from real tea leaves.



Plant-based Milk

- In Australia, we revamped our barista plant-based milk products and launched the new Barista's Choice by Vitasoy brand. This range is made from Australian grown almonds, oats, and soybeans, specifically formulated for coffee and latte art.
- In Hong Kong, China, we expanded VitaOat oat milk range with a new chocolate flavour product made from real oats and cocoa that tastes smooth and creamy.



Plant-based Yogurt

- We introduced a new line of Vitasoy Oat Yogurt in Australia made with Australian grown oats providing plant-based protein with a smooth and creamy texture, which can be served as a breakfast addition, snack or cooking ingredient.





Making the Right Products – Portfolio

Offering Healthier Products

The Vitasoy Nutrition Criteria are based on dietary guidelines from the WHO and other international and national health authorities. We are continuously innovating and developing our product range to deliver more “nutrients to encourage” (e.g. vitamins and minerals) while reducing “nutrients to limit” (e.g. sugars, saturated and trans fats, and sodium) without compromising on taste and product experience.

We have detailed the Vitasoy Nutrition Criteria to evaluate the nutritional value of our products. In addition, we track Portfolio KPIs focused specifically on reducing sugars and saturated fat.

> [Detailed information about the Vitasoy Nutrition Criteria by product category](#)

Increase "Nutrients to Encourage"



- Protein
- Calcium
- Dietary Fibre
- Vitamin B2, B12, D
- Other B Vitamins



Reduce "Nutrients to Limit"



- Sugars
- Saturated Fat
- Sodium



FY2023/24 Highlights

88%

Vitasoy Nutrition Criteria Compliant Products



New Recipe

VITASOY Soy Milk Drinks – Chocolate Flavour and Café Latte Flavour (The Philippines)

- Vitamins B2, B12 and D
- Zero cholesterol food



New Product

VITASOY Oat Yogurt Range (Australia)

- Plant protein
- Source of calcium
- Vitamins B12 and D



Making the Right Products – Portfolio

Sugars and Saturated Fat

We are committed to reducing added sugars and saturated fat in our multi-year pipeline of product reformulation and new product development.

- Saturated fats, which are mainly found in animal-based foods, raise blood cholesterol and are linked to higher risk of heart disease. We use plant-based ingredients such as soybeans and oats that are naturally low in saturated fat and free of trans fat. Our goal is to maintain at least 95% of our portfolio meeting our low saturated fat criterion. In 2023/24, we exceeded this target, achieving 96%.
- Reducing sugar intake is a key recommendation of a balanced diet. Since 2015/16, we have been expanding our offering of beverage products with “moderate to zero sugar level”, including no-sugar tea drinks and low sugar plant milks. This year, 85% of our portfolio fulfilled this criterion, compared with 64% in 2015/16, meeting our 2025/26 goal ahead of time.

FY2023/24 Highlights

85%

Moderate to Zero Sugar



New Product

VITA No Sugar Tea - Cold-brew Tea Drinks

(Mainland China)



New Product

VITA Chrysanthemum Tea - Sparkling Low Sugar Drink

(Hong Kong, China)



New Product

VITA Fresh Tea - Cold-brew Low Sugar Apple Black Tea Drink

(Hong Kong, China)



New Recipe

VITA wellness drink - Low sugar recipe

(Hong Kong, China)

“Moderate to Zero Sugar” contains not more than 7.5g of total sugars per 100ml

“Low Sugar” contains not more than 5g total sugars per 100ml

“No Sugar” contains not more than 0.5g of total sugars per 100ml



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- **Portfolio**
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making the Right Products – Portfolio

Encouraging Healthier Choices

To enable consumers to make informed decisions, we are transparent about our ingredients and the nutritional content of our products. We participate in various voluntary graphical labelling programmes in line with government-endorsed nutrient profile models, such as Health Star

Rating in Australia, Healthier Choice Symbol in Singapore and Salt/Sugar Label Scheme for Pre-packaged Food Products in Hong Kong, China. Our target is to implement clear and effective front-of-pack nutrition labels on 100% of applicable products in key markets.

FY2023/24 Highlights

72%
Products with front-of-pack nutritional labels in key markets



Tea products updated with Front-of-pack Energy Label and Percentage of Chinese Nutrient Reference Value

(Mainland China)



Energy Label with Percentage of Chinese Nutrient Reference Value on VITA Fresh Tea range

(Hong Kong, China)



The new oat VITASOY yogurt range boasts 4-star Health Star Rating

(Australia)



UNICURD tofu features the Healthier Choice Symbol

(Singapore)



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- **• Packaging**
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



MAKING THE RIGHT PRODUCTS PACKAGING



Making the Right Products – Packaging

Material issues

- Sustainable packaging/packaging waste

Policies available on our website

- Group responsible packaging policy

SDG goals

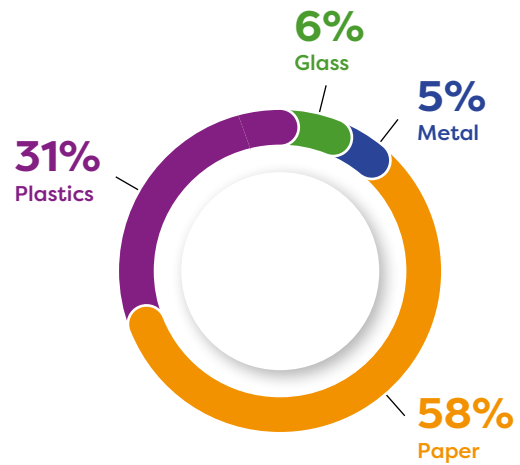


This focus area of our Sustainability Framework presents both opportunities and risks for Vitasoy in the context of emerging technologies, increasing regulations, and rising stakeholder interest/awareness about sustainable packaging. On the one hand, we must balance various considerations to ensure our packaging is hygienic, durable, attractive and affordable to fulfil many essential functions for distribution, marketing and consumption of our products. On the other hand, we recognise that the materials consumed, and the processes involved in producing and disposing of them, give rise to complex lifecycle impacts.

Vitasoy's packaging footprint

During the reporting period, the Group consumed 56 kilotonnes (kt) of materials for primary packaging (e.g. bottles and cartons) and secondary packaging (e.g. multi-pack wraps, packs and crates). The composition of our total packaging mix consists mostly of paper as well as plastics, glass, and metals.

FY23-24 - Composition of Packaging Materials by Weight



Transforming Product Packaging

We are transforming our product packaging to become more sustainable in line with our Responsible Packaging Policy, which addresses both primary and secondary packaging. We are evaluating alternative materials and designs with due consideration for guidance and support provided by policy makers, as well as advancements in technology and the cost of investment. We strive to overcome technical and regulatory challenges to optimise our packaging volume and weight, and to source and utilise more recycled and recyclable materials.





- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- **Packaging**
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making the Right Products – Packaging

Beverage carton packs



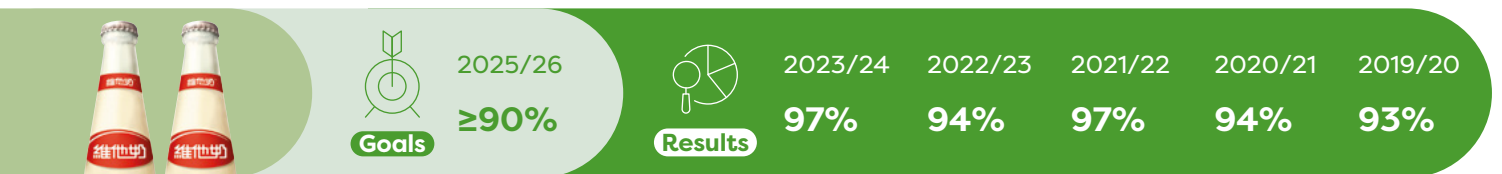
*KPI desiniton: Increase fresh keeping laminated carton packs with FSC certification.

For many loyal consumers, the VITA and VITASOY brands are closely associated with iconic laminated carton packs. These are primarily paper-based combined with thin layers of polymers and aluminium, which can be fully recycled where requisite collection, sorting and recycling services are available.

During the reporting period, paper accounted for more than 50% of the Group's total packaging materials, which includes corrugated cartons and beverage cartons. For primary packaging of beverage carton, we source 100% of paper and paper products from Forest Stewardship Council (FSC) certified suppliers. This ensures all virgin paper material originates from sustainably managed forests. We are also working with our suppliers to complement in-house R&D efforts to develop even more sustainable packaging solutions.

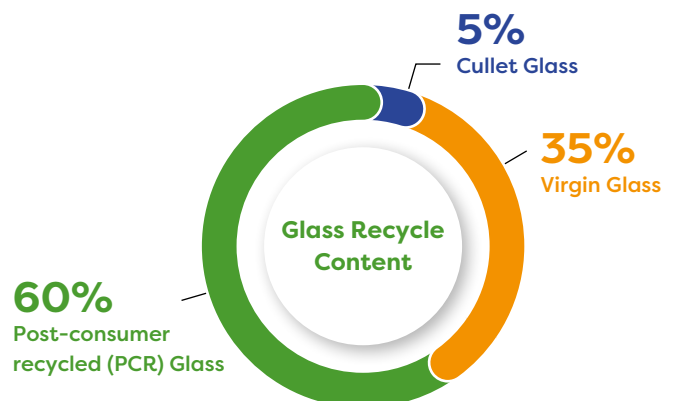


Glass bottles



*KPI desiniton: Increase glass bottle recycling rate

Although heavy and fragile to transport, the Group favours traditional glass bottles for a selection of product lines in Mainland China and Hong Kong, China where circumstances are conducive to high rates of bottle collection and re-use. During the reporting period, we achieved glass bottle recycle-reuse rate of 97%. Vitasoy glass bottles also contain a high proportion (60%) of post-consumer and pre-consumer recycled material.





Making the Right Products – Packaging

Single use & problematic plastics

Curbing consumption of plastic straws and straw sleeves is an effective means of raising public awareness and engaging with consumers about plastic pollution. In doing so, Vitasoy wishes to send a signal about the Group's commitment to avoid single use plastics.

Polyvinyl chloride (PVC) is a versatile material, but it is non-biodegradable and can release toxic chemicals into the environment. Vitasoy heeds the call from stakeholders to phase out PVC. We have already substituted PVC applications in most markets, and we are in the process of phasing out PVC in a few remaining applications for bottle sleeves and multi pack shrink wraps.

FY2023/24 Highlights



Replacing plastic straws and straw-sleeves with paper substitute

- Collection of feedback from consumers' experience on paper straws
- Technical and Market research for next generation non-plastic straw alternatives
- Paper Straws in Paper Wrappers pilot (exports to Singapore and US)

Replacing PVC bottle-sleeves

- **100%** phased out PVC shrink sleeves in PET bottle and PVC shrink labels in distilled water carboy (Hong Kong, China)
- Substitution trials ongoing (the Philippines)



PVC → PE

Replacing PVC multi pack shrink film with PE

- Substitution trials ongoing (Hong Kong, China)

Circular economy for plastics

We are working on several initiatives to reduce our environmental impact by consuming less plastic packaging. Since 2022, we introduced lighter-weight amorphous polyethylene terephthalate (APET) bottles and polyethylene (PE) bottle caps resulting in noticeable savings.

2023/24 Highlights

APET Carton
(Mainland China)



↓ 48g
per box weight

Saved **450 Tonnes** Kraft Paper

APET Bottle – PE Cap
(No Sugar Tea, Mainland China)



↓ 9%
per cap weight

Saved **0.2 Tonnes** HDPE

Distilled Water Bottle – PE Cap
(Hong Kong, China)



↓ 25%
per cap weight

Saved **40 Tonnes** HDPE



Making the Right Products – Packaging

We are also exploring opportunities to utilise plastics made from post-consumer recycled content, such as recycled polyethylene terephthalate (rPET) when recycled gives rise to a low-carbon packaging material. Colourless rPET is particularly valuable in the circular economy because it remains clear and unblemished through multiple cycles of reuse.

Making the switch to post-consumer recycled materials requires enabling regulations, infrastructure and support services that are not yet readily available in many markets. We also face numerous, complex technical challenges because products respond differently to light and other environmental factors. Consequently, we are exploring a range of solutions to meet the diverse needs of our extensive product range.

FY2023/24 Highlights



Switching to rPET and rPE

- Hong Kong, China and Mainland China: Pilot initiatives utilising **30% - 50%** rPET shrink sleeve and **30%** rPE shrink film wrap
- Hong Kong, China: Pilot market
- Other markets: Technical validation



Technical validation of clear PET Technology

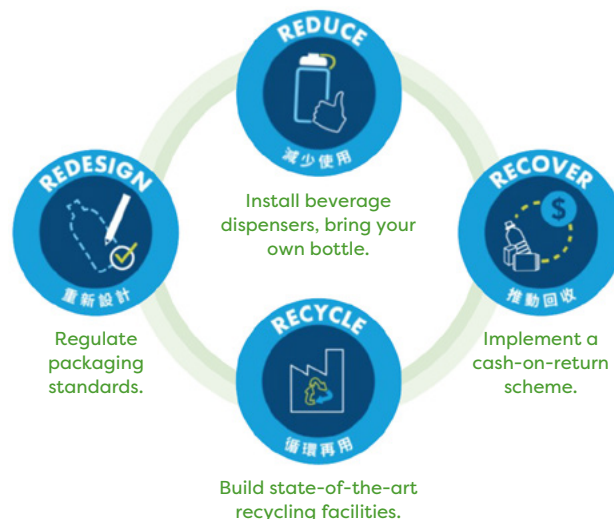
- Success in laboratory trials has given rise to further hopes in validation efforts
- To pilot utilising colourless APET bottles for selected products upon completion of technical validation

Engaging the Community

Our vision for boosting the circular economy cannot be achieved in isolation. We seek to realise long-term, sustainable solutions by leveraging opportunities for collaboration with partners and local communities. Progress on engaging the community in recycling efforts is not always smooth, but we will continue to invest in community partnerships.

Drink Without Waste

Drink Without Waste (DWW) is a multi-stakeholder initiative to develop, facilitate and implement solutions for avoiding and managing single-use beverage packaging waste in Hong Kong, China. Vitasoy supports the Single-Use Beverage Packaging Working Group in collaboration with other beverage manufacturers, distributors and retailers as well as NGOs. Together, we contribute to moving towards a circular economy for packaging by uniting around the 4Rs of Reduce, Redesign, Recover and Recycle.



During the year, Vitasoy supported the DWW by providing technical input on eco-design for beverage packaging in a continuous, collective effort to explore and assess new technologies with potential to be helpful for our industry. The DWW also participated in stakeholder engagement on forthcoming regulations under the Producer Responsibility Scheme (PRS). More information is available on the [website](#)



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- **Packaging**
- Manufacturing
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making the Right Products – Packaging

Beverage carton clean recycling programme

Through our Beverage Carton Clean Recycling Programme, we conduct eco-talks at schools and community venues to educate the public about beverage carton recycling, sustainable forest practices and circular economy.

During the reporting period, we organised visits to our Beverage Carton Sustainability Education Centre for students and other members of the public. This mobile centre is a specially designed vehicle equipped with exhibition materials, educational displays and interactive activities.



Recycling programme in mainland China

Since its launch in 2022, our recycling programme in Mainland China has engaged over 1800 schools. More than 600 tonnes of post-consumer paper cartons have been collected and recycled as of December 2023.

In October, we participated in the “Government and Society Cooperation • Promote High-quality Development Forum of Waste Recycling” in Shenzhen. As part of this event, we published research on the significance of waste sorting and recycling for helping to achieve China’s national “double carbon” goal of peak emissions by 2030 and carbon neutrality by 2060.

Our research, which has been conducted in partnership with Tsinghua Shenzhen International Graduate School, looks at methodologies for quantifying carbon reductions

associated with beverage carton recycling in Shenzhen schools compared with other disposal options such as landfill or incineration.





- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- **Manufacturing**
- Supply Chain
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



MAKING PRODUCTS THE RIGHT WAY

MANUFACTURING



Making Products the Right Way – Manufacturing

Material issues

- Climate change/ emissions
- Water stewardship/ efficiency
- Food security (food loss and waste)
- Waste from manufacturing/ operations

Policies available on our website

- Group environment policy
- Group climate change policy
- Group water stewardship policy
- Group waste management policy

SDG goals



To make Vitasoy’s products ‘the right way’, we must continually identify and manage risks and opportunities arising from the Group’s environmental and social footprint. Beyond mitigating reputational and compliance risks, we are actively exploring strategic opportunities to future-proof our business by raising workforce productivity, improving resource efficiency and contributing social capital in local communities.

The manufacturing pillar under our Sustainability Framework focuses on energy use, water consumption and waste disposal at Vitasoy’s plants in Mainland China, Hong Kong, China, Singapore, the Philippines and Australia. We monitor, manage and mitigate these impacts in accordance with ISO 14001 Environmental Management Systems (EMS) and in compliance with local regulations in each jurisdiction.





Making Products the Right Way – Manufacturing

Decarbonisation

Vitasoy supports the global agenda of transitioning towards carbon neutrality. We recognise the value of emission reduction targets for the Group, and we are working to introduce these in due course.

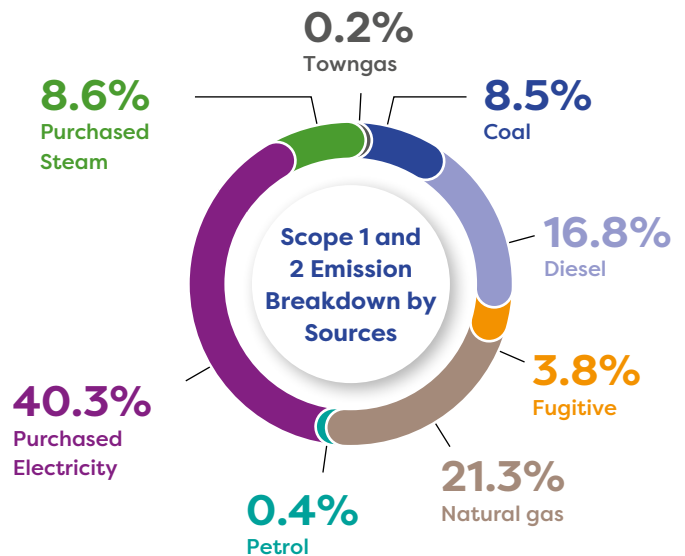
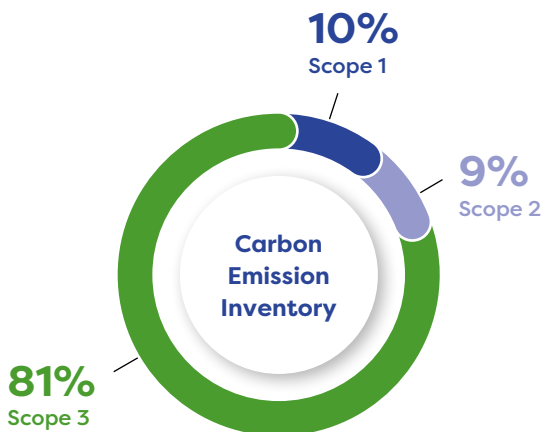
Climate change and nature loss are global phenomena that pose significant risks and opportunities for global food production systems and supply chains. This section of the report addresses the key risks and opportunities of Vitasoy's manufacturing operations. For comprehensive information on climate and nature related disclosures throughout our value chain, please refer to the Group's [Climate and Nature Disclosure Statement](#)



Vitasoy's carbon footprint

We have developed a comprehensive carbon emissions accounting inventory following best practices from the Greenhouse Gas Protocol¹ and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard². We categorise our emissions into three mutually exclusive scopes: Scope 1, scope 2 and scope 3.

Our management approach to decarbonisation is under development, starting with tackling emissions sources over which we have control in our manufacturing operations. In parallel, we are analysing and evaluating our options for tackling emissions sources elsewhere in our value chain.



¹ <https://ghgprotocol.org/>

² World Resources Institute & World Business Council for Sustainable Development: Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, Revised Edition, March 2004. <https://www.wbcsd.org/Programs/Climate-and-Energy/Climate/Resources/A-corporate-reporting-and-accounting-standard-revised-edition>.



Making Products the Right Way – Manufacturing

Scope 1

Scope 1 emissions are generated by machinery and equipment controlled by Vitasoy. These are driven predominantly by natural gas used in manufacturing as well as fuel for vehicles and generators. This category also includes fugitive emissions from refrigerants in cooling systems.

We are managing emissions from **energy use** (fuel and electricity) in our manufacturing facilities.

> [See more on improving energy efficiency](#)

Scope 2

Scope 2 emissions are linked to consumption of purchased electricity and steam in our manufacturing plants and offices.

Scope 3

We calculate and report on emissions from third-parties such as ingredients suppliers and service providers over which we have some influence but no direct control. These emissions are difficult to account for accurately. Many value chain partners are unable to provide us with good data.

We are managing emission from **waste generated in our manufacturing operations** and **end-of life treatment of sold products**

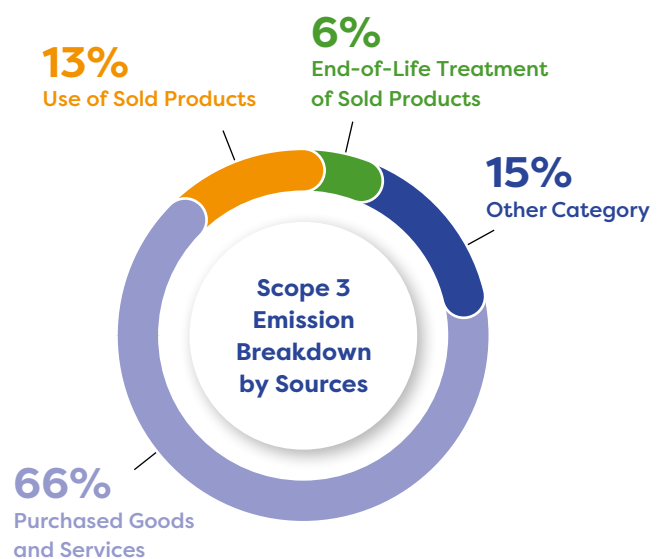
> [Responsible waste management](#)

> [Responsible packaging](#)

Scope 3 emissions accounting

Most of Vitasoy's carbon footprint occurs outside of the Group's direct control, particularly in connection with the production and transportation of raw materials that we purchase in our supply chain. Although these emissions are difficult to account for accurately, doing so is essential for developing and implementing a comprehensive strategy for scope 3 decarbonisation. We are in the process of reviewing our Scope 3 inventory including Forest, Land and Agriculture (FLAG) emissions calculations for disclosure next year.

During the reporting period, we worked with our top-spend suppliers in Mainland China to improve data collection for our emissions inventory. We developed templates to assist them in calculating their emissions and spent time with some of them to explain our requirements. We will continue to work with our value chain partners to build capacity and improve data quality.





Making Products the Right Way – Manufacturing

In January 2024, Vitasoy (Dongguan) Company Limited and Vitasoy (Wuhan) Company Limited were awarded the prestigious title of “National Green Factory” from the Ministry of Industry and Information Technology in

recognition of energy efficiency, clean energy, and waste management among other sustainability initiatives. This accolade underscores the Group’s commitment to championing sustainable development.

Vitasoy Green Factory



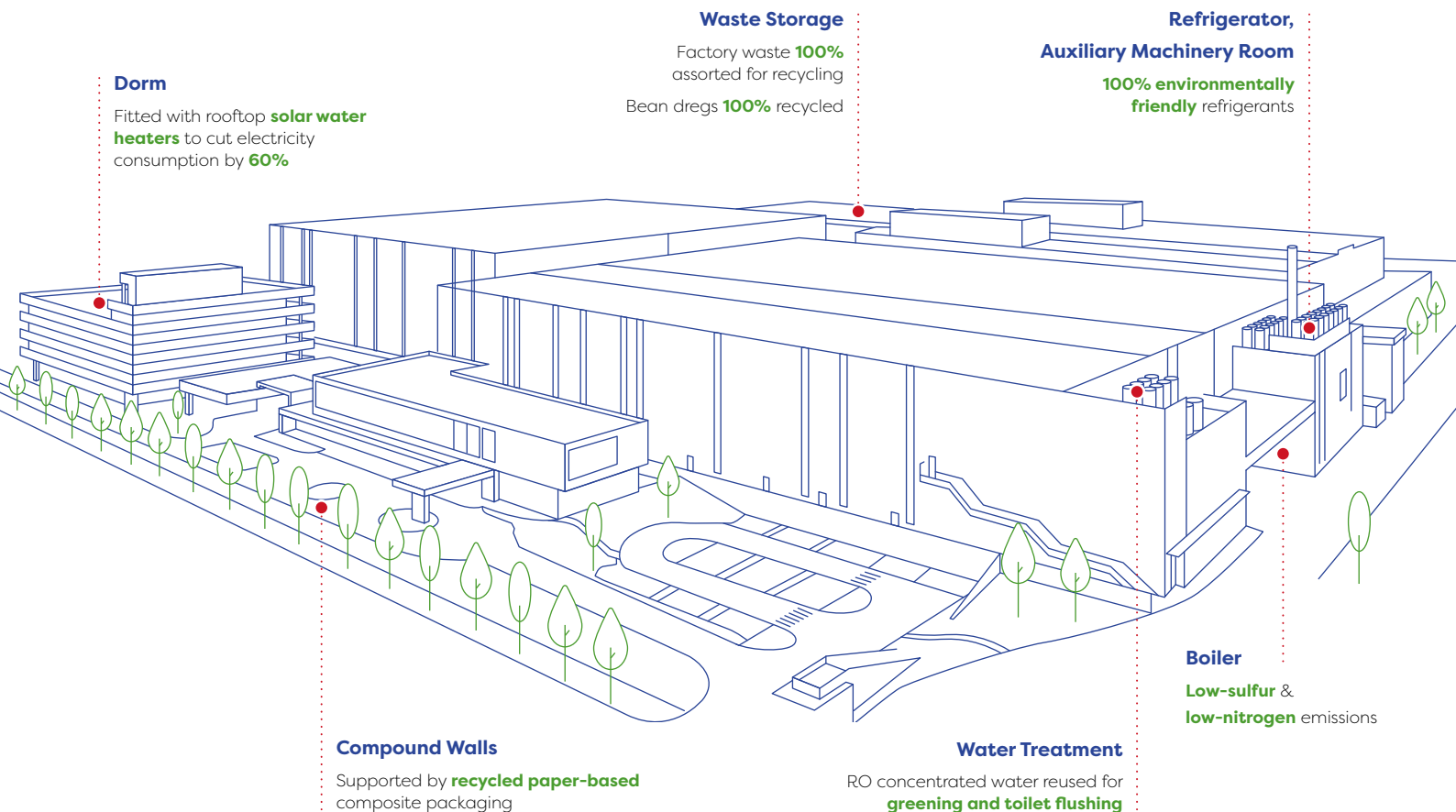
20% of Foshan factory’s electricity consumption supplied by solar PV power generation



Wuhan and Dongguan factories awarded LEED Gold certification



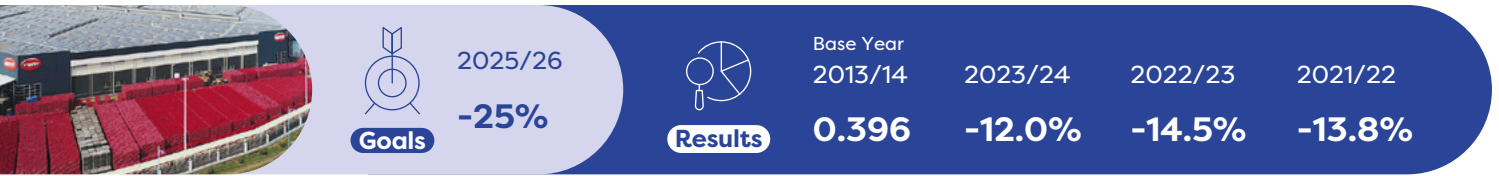
BIM design concepts to ensure optimal flow of people and goods





Making Products the Right Way – Manufacturing

Improving Energy Efficiency



*KPI desination: Reduce fuel used to manufacture each unit of product (Unit: kWh per kg product)

We monitor our manufacturing facilities to evaluate their performance in reducing emissions from consumption of fuel and electricity in line with our Group-wide combined energy intensity target. Our goal is to achieve 25% reduction in energy per unit of product by 2025/26 compared with our baseline in 2013/14.

Due to disruption and under-utilisation of our manufacturing facilities associated with the recent pandemic, we still have some way to go to reach our goal. However, each manufacturing facility has developed its own energy-saving plan and provides monthly updates on implementation status. We are confident these plans will move us closer to our target.

In FY2023/24, total (scope 1 and 2) energy consumption amounted to 321.31 GWh, representing a 2.8% increase from the previous reporting period. We have improved our energy efficiency by 12.0% from the FY2013/14 base year, achieving 0.35 kWh of energy use per kg of product manufactured.

Energy saving measures

During the reporting period, we improved energy efficiency by detecting and repairing steam leaks, improving insulation of hot surfaces, recovering steam boiler exhaust, and improving hot water use in bottle washers. We have also invested in heat recovery technologies and four plants conducted in-depth research on air-pressure, refrigeration, heating, steam and lighting.

Exploring opportunities for electrification

To reduce scope 1 emissions in our Hong Kong, China manufacturing facility, we have investigated the feasibility of replacing diesel boilers with electric models.

Electrification reduces heat loss and helps to improve ambient air quality. However, according to our findings, the impact on decarbonisation would be undermined by the high carbon emissions intensity of our purchased electricity. Since electricity is also more expensive than diesel on a per unit basis, we will defer boiler electrification to a later time.

Switching to renewable energy

Electricity consumption is our most significant source of scope 2 emissions. In FY2023/24, 13.6% of total electricity came from renewable sources, including 27.5% from onsite solar installations and 72.5% from purchased green electricity. We are working with potential service providers to explore options for increasing on-site solar electricity generation and consumption.

Mitigating Water Risk

Fresh water is an essential ingredient of our products and vital input for processing and cleaning in our manufacturing operations. We are proactively improving water efficiency to mitigate risk of water stress and drought. Climate change also increases flooding risk, which may cause contamination of local municipal freshwater supplies. In accordance with our quality and safety management systems, we maintain stringent purification treatment and distillation processes.

We are also working closely with contract farms to encourage water conservation as part of our initiative on [Sustainable Farming](#)



Making Products the Right Way – Manufacturing

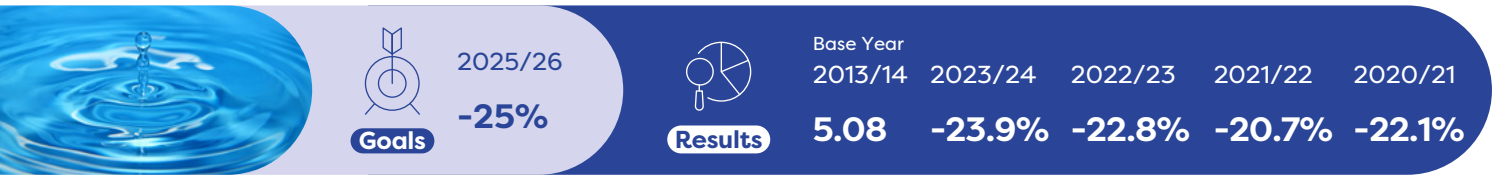
Vitasoy’s water footprint

As part of the Group’s ongoing work on climate physical risk screening, we recognise ‘high’ and ‘very high’ risk of water stress and drought that could impact our fully owned manufacturing operations in Hong Kong, China, Shanghai, Singapore, and Australia. We are using municipal water in these markets where local governments have put in place sufficient mitigation measures to secure a steady

water supply. We therefore consider these risks sufficiently mitigated.

Our sites in Shanghai and Foshan are subject to ‘high’ or ‘very high’ risk of river flooding, but our factories are not located in the vicinity of major water bodies and therefore we consider the impact to be low.

Improving water efficiency



*KPI desination: Reduce water used to manufacture each unit of product (Unit: kg per kg product)

We are implementing a programme of investment to generate more than 54.7 kt annual water savings. We monitor all manufacturing facilities to evaluate their performance in reducing consumption of freshwater in line with our Group-wide water intensity target, which is to achieve 25% reduction in water per unit of product by 2025/26 compared with our baseline in 2013/14.

Overall, we are pleased with the Group’s progress towards this target. In the FY2023/24, the Group consumed an average of 3.86 litres of water to manufacture each kg of product. This represents a 1.4% improvement in water intensity year-on-year and 23.9% reduction from our FY2013/14 baseline.

In March 2024, Vitasoy International Singapore (VIS) received an award from Singapore’s National Water Agency recognising projects commissioned between 2019 - 2022 that demonstrate remarkable improvements in water efficiency.

VIS overcame technical challenges to develop an innovative system that collects and filters overflow water produced during the manufacture of tofu for re-use within the manufacturing facility, such as for cleaning and washing. The system helps to save up to 30m³ of water per day.



Recognising outstanding water contributions 26 March 2024



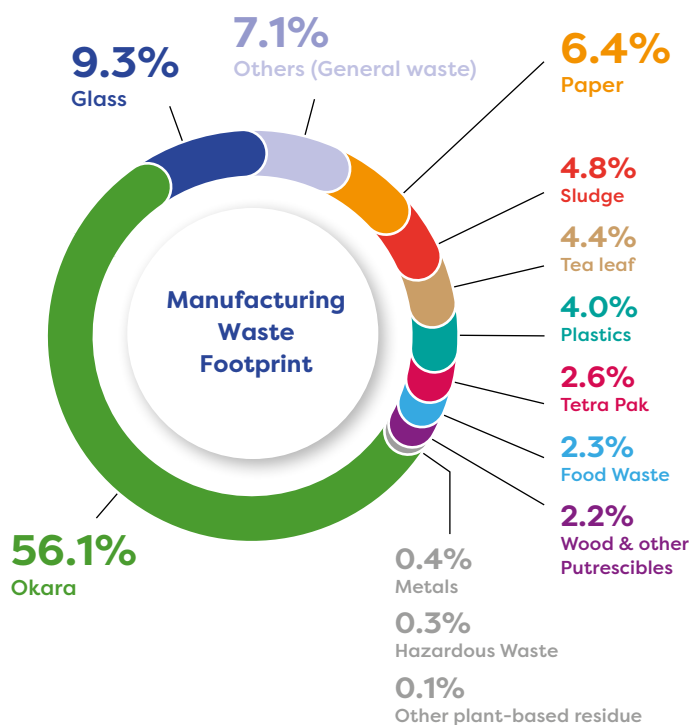
Making Products the Right Way – Manufacturing

Zero Manufacturing Waste to Landfill

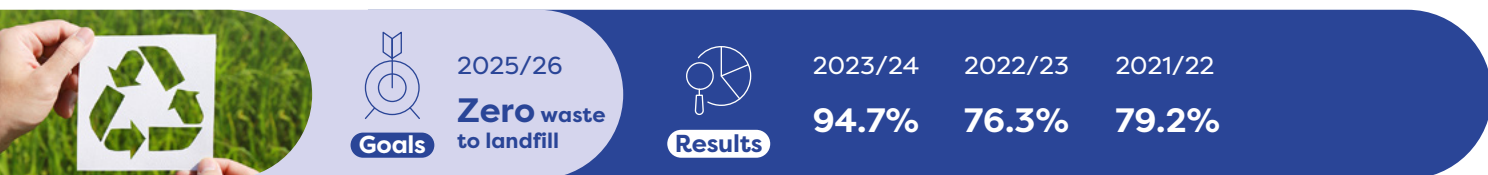
Effective waste management reduces operating costs and generates additional revenue streams from the sale of scrap materials. The Group's waste management strategy in our manufacturing operations revolves around three key objectives: waste reduction at source, waste segregation, and waste diversion from landfill.

Vitasoy's manufacturing waste footprint

In FY2023/24, our manufacturing operations generated a total of 21.7 kt of solid waste. The Group's manufacturing waste intensity was 0.024 kg of waste per kilogram of product. The composition of this waste consists largely of okara (56.1%)—an organic by product of soymilk production. We do not generate hazardous waste apart from small amounts of lubricating oil and laboratory waste. These are collected by specialised waste contractors and disposed of in regulated hazardous waste disposal facilities.

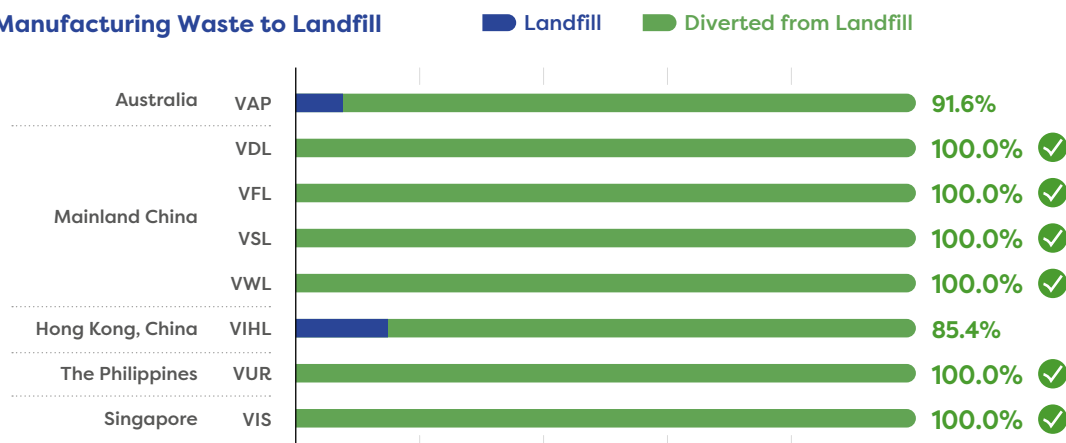


Moving towards zero waste to landfill



*KPI desination: Zero Manufacturing Waste to Landfill is defined as at least 98% of solid waste is avoided to landfill each year

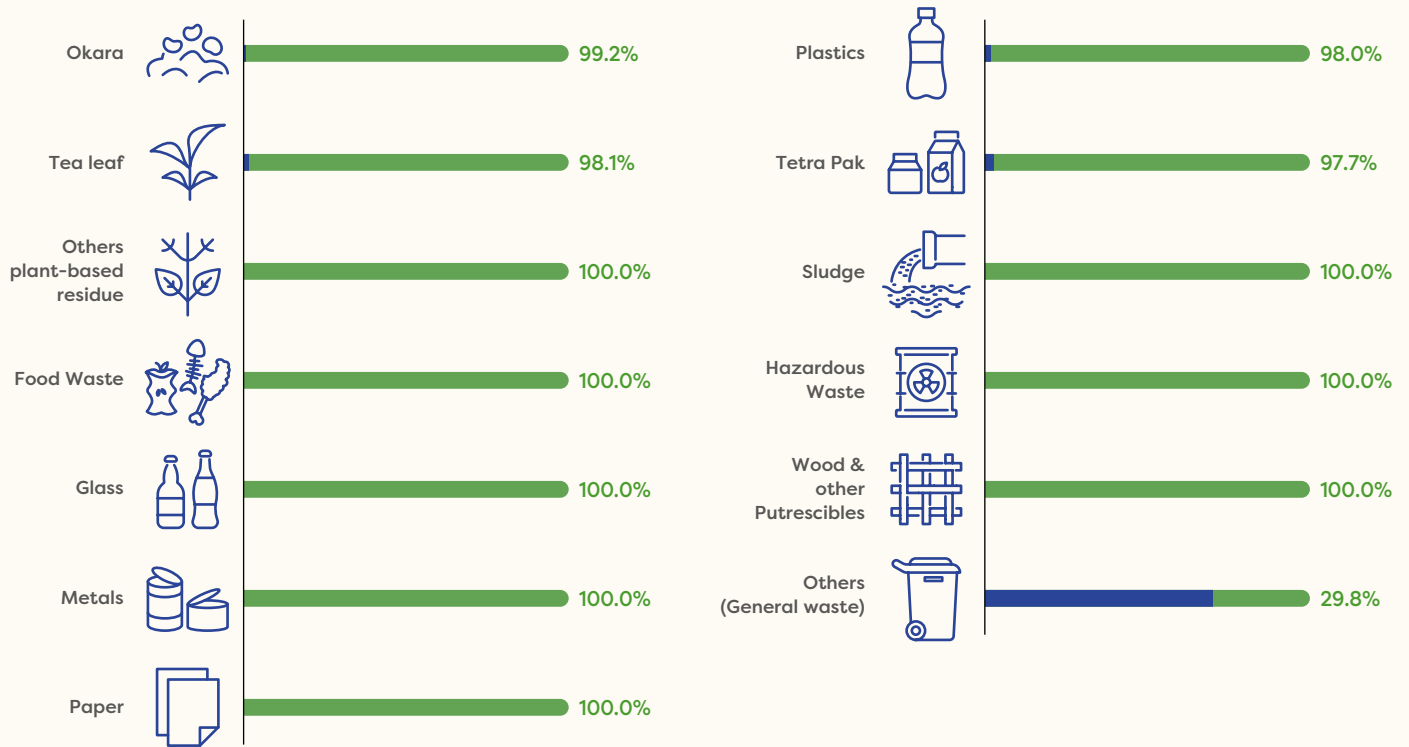
Reduce Manufacturing Waste to Landfill





Making Products the Right Way – Manufacturing

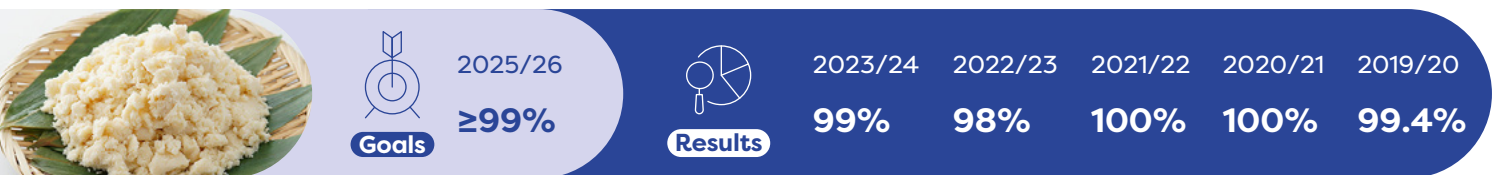
Percentage of Manufacturing Waste Avoided from Landfill in 2023/24 by Type



Landfills are the least desirable method for waste disposal because they contribute to soil and groundwater contamination and methane released from decomposing waste contributes to climate change. In FY2023/24, all

the Group's manufacturing sites achieved diverting >94.7% of solid manufacturing waste from landfills. Our sites in Mainland China, Singapore and the Philippines achieved 100% diversion rates.

Recycling rate for Okara



*KPI definition: Recycling Rate

We have had significant success developing various methods to support the circular economy for okara over many years. We monitor our manufacturing facilities

to evaluate their performance in recycling okara waste streams in line with our Group-wide target to achieve ≥99% recycling rate.



Making Products the Right Way – Manufacturing

Reducing Food Waste

Food loss and waste is a serious threat to food security, the economy, and the environment. Approximately one-third of all food produced for human consumption (~ 1.2 billion tonnes of edible food) is lost and wasted every year³.

This is global sustainable development issue that impacts Vitasoy's value chain even though key ingredients in our plant-based portfolio are less perishable than alternatives.

Risk of Food Loss	
Raw material sourcing 	<ul style="list-style-type: none"> • Pest and disease infestation • Harvesting and handling practices
Manufacturing 	<ul style="list-style-type: none"> • Quality nonconformity • Expiry • Spillage
Storage 	<ul style="list-style-type: none"> • Breakage • Quality nonconformity • Expiry • Spoilage
Distribution 	<ul style="list-style-type: none"> • Breakage • Quality nonconformity • Spoilage
Sales 	<ul style="list-style-type: none"> • Breakage • Quality nonconformity • Expiry • Improper storage or handling practices

Food waste in the Group's manufacturing operations arises mainly from by-products, such as okara, soy hull, and used tealeaf. Occasionally, we dispose of finished products due to breakage or spoilage. To mitigate these waste streams, we implement robust procurement, inventory management and quality control systems with firm specifications for our raw materials suppliers and advanced technologies that minimise non-conformities. We also strive to reduce products unsold past expiry in our sales outlets through better sales optimisation.

As part of our management approach to zero landfill waste, we work with value chain partners to reuse and recycle manufacturing food waste. In Mainland China, 100% of okara waste is diverted for animal feed. In Hong Kong, China, food waste is diverted for energy at O – Park1, which is the city's first organic resources recovery centre and renewable energy generation plant where organic waste is converted into compost and biogas. This sustainable approach reduces landfill waste and contributes to a cleaner energy mix.

³ Gustavsson J., Cederberg C., Sonesson U., van Otterdijk R., Meybeck A. Global Food Losses and Food Waste. FAO; Rome, Italy; 2011



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- **Supply Chain**
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



MAKING PRODUCTS THE RIGHT WAY

SUPPLY CHAIN



Making Products the Right Way – Supply Chain

Material issues

- Sustainable farming and raw material management
- Ethical sourcing
- Biodiversity

Policies available on our website

- Supplier Responsibility Principles
- Group Responsible Procurement Policy
- Sustainable Farming Guidelines
- Group Zero Deforestation Policy

SDG goals



From raw ingredients to transportation services, managing risks and opportunities arising from our suppliers' operations is integral to Vitasoy's sustainability commitment.

The focus of this pillar of our Sustainability Framework addresses ESG risks and opportunities around working conditions and environmental protection as outlined in

our Group Responsible Procurement Policy and Supplier Responsibility Principles. We are also committed to combatting harmful drivers of unsustainable food systems that contribute to climate change and nature crisis through our policies and practices on non-GM and zero deforestation.

Supplier categorisation

Category 1 Suppliers	Critical Suppliers	Suppliers having critical impact on both the quality of our products and the manufacturing process, including our raw material suppliers.
	Major Suppliers	Suppliers who have had a long-term business relationship with us for five years or more and have an annual purchasing value exceeding HK\$3 million.
	Suppliers that produce products bearing the Vitasoy brand name	Suppliers who produce products that display Vitasoy's brand logo or items that are directly linked to Vitasoy, such as vending machines and delivery trucks.
Category 2 Suppliers	Suppliers of less significance to our business, without whom we are able to source alternatively without causing business disruption.	
Category 3 Suppliers	Suppliers of the least impact to our business, not affecting our product quality.	



Making Products the Right Way – Supply Chain

Managing ESG Risk in our Supply Chain

All suppliers must adhere to Vitasoy's Supplier Responsibility Principles (SRP). We ask new suppliers to read and sign this document before commencing business with us. In 2023/24, we updated the SRP and expanded the scope of suppliers in Mainland China that are required to endorse them. This now extends to all direct suppliers and more than 120 indirect suppliers, representing 80% of indirect supplier spending.

We collaborate with the Institute of Public & Environmental Affairs (IPE) to screen our suppliers in their database for environmental risks and compliance status. For those with a current or historical non-compliance record, we review

the latest 3-years of their performance data to monitor whether sufficient remedial actions are in place.

During the reporting period, we engaged with our 30 top-spend direct suppliers in Mainland China in a pilot exercise on voluntary disclosure of environmental information. Among these, 13 suppliers disclose carbon emissions data, and 16 suppliers disclose other environmental emissions data through IPE's platform. This initiative helped to establish baseline information for our supply chain. With further verification, the data will be helpful for enhancing our scope 3 carbon accounting inventory and developing carbon reduction targets.



Segmentation analysis

During the reporting period, we engaged an external consultant to conduct a segmentation analysis categorising suppliers based on specific criteria, such as location, size, industry, and capabilities. This analysis covered 38 of our key suppliers for soybean, sugar, tea, and milk powder from five countries, namely Canada, China, Thailand, Australia, and New Zealand. The consultant evaluated social and environmental risks with particular focus on forced labour and deforestation to reflect the rising priority of these issues from a regulatory perspective.

In follow up to this analysis, we will undertake further assessment of risks associated with soy and sugar production in Mainland China and Canada, looking at site-specific ESG compliance monitoring and traceability management.

Statement on modern slavery

Modern slavery occurs when an individual is exploited for personal or commercial gain. Whether tricked, coerced, or forced, they lose their freedom, and this includes but is not limited to human trafficking, forced labour and debt bondage.

Vitasoy is committed to proactively eliminating risks of modern slavery in our value chain. Following the implementation of legislation in Australia, Vitasoy Australia Products Pty. Ltd. (VAP), has published its first [Modern Slavery Act Statement](#). VAP has an Anti-Slavery Policy and will conduct regular risk assessments and implement mitigation measures should there be issues found.



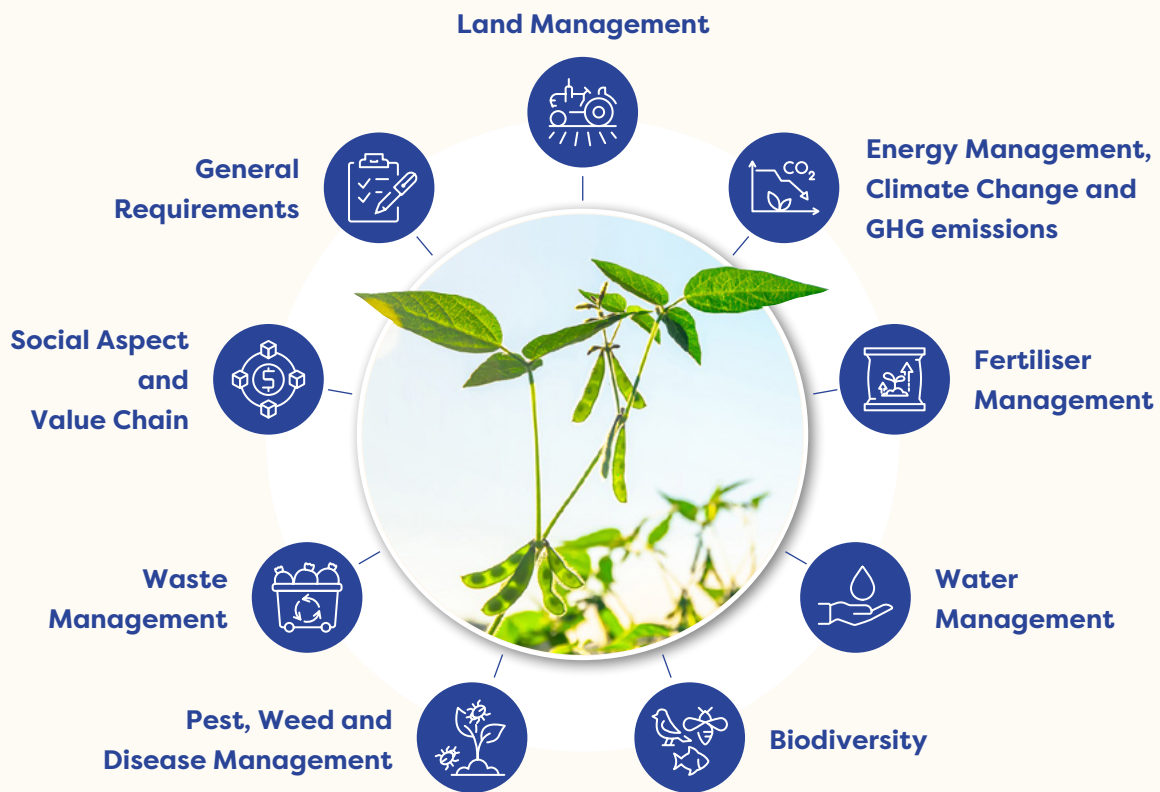
Making Products the Right Way – Supply Chain

Sustainable farming

Farming of commercial crops such as soybean, sugar, tea and milk could have significant negative impacts on natural ecosystems. Unsustainable farming practices are a key driver of biodiversity and habitat loss due to land conversion, soil degradation, water abstraction, and chemical and nutrient pollution.

Vitasoy is committed to ensuring ingredients used in our products are grown sustainably. We engage with our contract farm suppliers to manage their environmental and social impacts in accordance with our Sustainable Farming Guideline (SFG), which stipulates requirements for proper management of fertilisers, pests, weeds and disease, land, water, waste and energy and carbon emissions as well as biodiversity protection and social responsibilities.

Domains of Vitasoy's SFG



In 2023, we collaborated with experts to support effective implementation of our SFG at two soybean farms in Mainland China. Apart from providing technical guidance, the experts conducted training on soil health, restoring organic matter and pesticide safety. This pilot initiative achieved promising carbon emissions reductions through energy efficiency improvements in farmland machinery, renewable energy, and reducing fertiliser input.

The farmers participating in this initiative reported that their awareness of sustainable farming practices improved resulting in better alignment with our SFG requirements. Building on the success of this pilot, we will explore opportunities to expand this form of engagement in future.



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- **Supply Chain**
- Workplace
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making Products the Right Way – Supply Chain

Non-GM and organic ingredients

The introduction of new biological elements, such as genetically modified (GM) crops, to complex ecosystems may take many years to study and understand. There is evidence however that GM crops contribute to biodiversity loss arising from increased herbicide use in response to chemical-resistant weeds becoming more dominant on farms with GM crops.

Erring on the side of caution, Vitasoy bans all GM ingredients. Our non-GM Policy applies to all edible materials used for products manufactured by the Group. We procure exclusively soybeans that are certified non-GM by independent third parties. We accept other raw

materials only with a non-GM declaration from the supplier and verify this information via regular supplier audits and in-house sampling.

Organic farming mitigates harm to wildlife by avoiding synthetic fertilisers and pesticides. Since healthy soils sequester more carbon dioxide from the atmosphere, promoting soil health through organic farming is also an opportunity for climate change mitigation. In response to increasing consumer interest in the health and environmental benefits of organic produce, we offer a range of products made from organic soybeans.

Made with Certified Organic Soybeans

VITASOY PURE Soyabean Extract range
- Hong Kong, China



VITASOY SAN SUI Soya Milk range
- Hong Kong, China

Certified (USDA NOP¹) Organic Products

VITASOY Café for Baristas Organic Soyamilk (Creamy Original)
- Hong Kong, China



VITASOY SAN SUI Organic Tofu range
- Hong Kong, China

UNICURD Organic Tofu range
- Singapore



Zero deforestation

Forests are important carbon stocks that provide important habitats for biodiversity as well as livelihoods for local communities. Deforestation contributes to global warming and biodiversity loss with severe consequences. Vitasoy has a Group Zero Deforestation Policy, which applies to all agricultural and forest-based raw materials in our value chain. We recognise higher-level deforestation risks applying to pulp and paper, soy and palm oil as well as risks associated with other commodities, such as sugar.

We strive to avoid contributing to land clearance by means of burning/logging and illegal development in areas of high conservation value. We will never knowingly source from suppliers who participated in deforestation after cut-off dates specified by credible organisations.

¹ United States Department of Agriculture's National Organic Program



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- **Workplace**
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



MAKING PRODUCTS THE RIGHT WAY

WORKPLACE



Making Products the Right Way – Workplace

Material issues

- Talent attraction/ retention/ development
- Occupational health and safety
- Fair labour practices
- Workplace diversity/ inclusion/ equal opportunity

Policies available on our website

- Group safety and health policy
- Group diversity and inclusion policy
- Group anti-discrimination and anti-harassment policy
- Group fair labour practices policy

SDG goals



At Vitasoy, we strive to create a purpose-driven, inclusive and safe corporate culture to drive performance. We are focused on recruiting and developing talent and keeping pace with our employees' evolving expectations by listening and responding to their needs.

One Vitasoy

We uphold the Group's Values of integrity, dedication, and advancement through six competency-based behaviour standards known as Vitasoy Success Drivers (VSD) that have been incorporated into our Performance Management System. Under the Sustainability Framework, we are

striving to make Vitasoy an even better place to work. Our sustainable governance structure measures and monitors performance with reference to KPIs on workforce, training and health and safety.

We are working systematically to empower our senior leaders to take an even stronger lead on translating and cascading the Group's Purpose and Values throughout our global operations. A Purpose & Values theme month in Mainland China, for example, reached ~4,000 employees through meetings, workshops, quizzes, sharing sessions and other activities. Similar events took place in other markets, with training content and formats suitably adapted to local circumstances.

Vitasoy Success Drivers



INNOVATION



QUALITY ORIENTATION



COLLABORATION



CUSTOMER FOCUS



STRATEGIC AGILITY

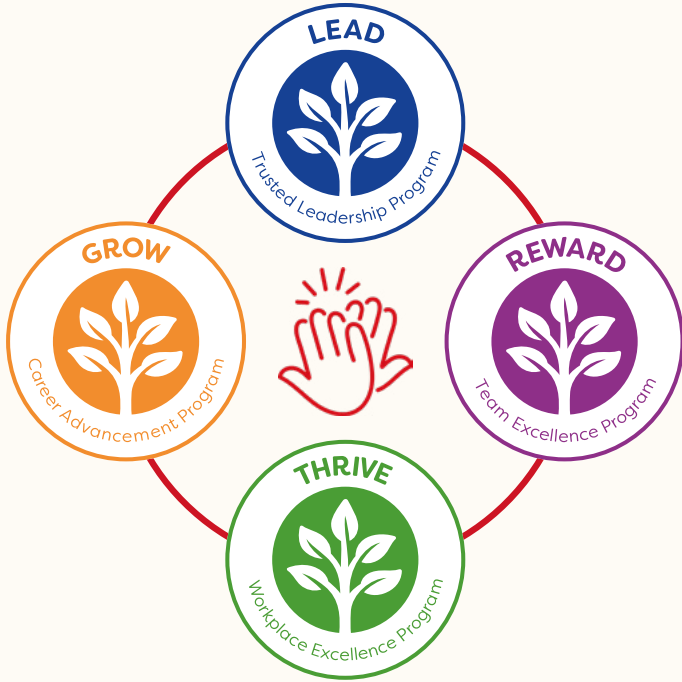


ACCOUNTABILITY



Making Products the Right Way – Workplace

Principles for continual improvement to make Vitasoy an even better place to work



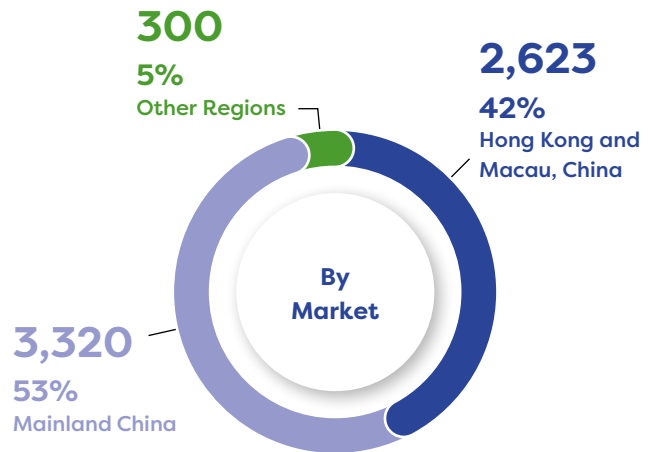
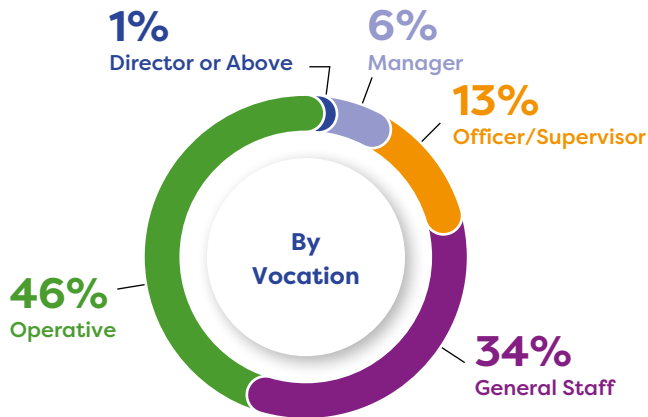
Lead Our leaders should serve as positive role models, engaging associates at all levels in building our business and strengthening our organisation.

Grow We want our associates' careers to grow with us, so we strive to develop their skills to match our critical business needs.

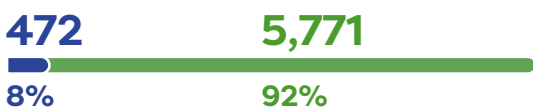
Reward We celebrate together to reward individual performance as well as team achievements.

Thrive We promote a collaborative team culture among associates from diverse backgrounds celebrating non-discriminatory and respectful behaviours in safe, healthy and inclusive workplaces, for the wellbeing of all.

Vitasoy's employment profile



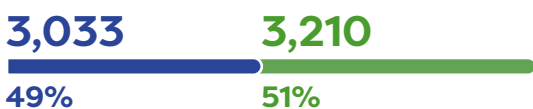
Management | non-Management



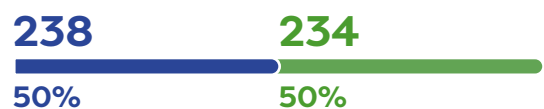
Full-time | Part-time



Female | Male (All Employees)



Female | Male (Management)





- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- **Workplace**
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making Products the Right Way – Workplace

During the reporting period, the Group employed 6,243 people, representing a moderate decrease of 5% compared with 6,566 in FY 2022/23. Most of our workforce (53%) is employed in Mainland China. In addition to Hong Kong & Macau, China (42%), other locations of employment include Singapore, North America, Australia and the Philippines.

Many of our associates are employed in physically active roles in our frontline Sales, Manufacturing and Catering service divisions. They are supported by employees in other functional teams, including Supply Chain, Finance, Marketing, R&D and Quality, Human Resources, IT and Internal Audit and Risk Management.

Gender equality

By promoting equality and inclusivity, we seek to benefit from a wider talent pool and different perspectives, enhanced collaboration, and improved staff retention in all areas of our business. The Group's overall female to male gender ratio is 49%:51% and at management level it is 50%:50%. We are monitoring and analysing gender equality in relation to job skills, compensation, training and development and other critical success factors.



Lead

Employee engagement is important for harnessing the power of workers' insights and passion to shape business strategy and drive growth. Led by the Human Resources team, the Group has embarked on a transformative journey to connect more deeply with associates and take action in line with their needs and expectations.

Building on the outcomes of a global employee engagement survey conducted in March 2023, we are implementing various initiatives to foster a sense of greater belonging. Regular Townhall Meetings are open for all associates to participate via a digital platform, and we have recently engaged extensively with associates on the process of developing and marketing new product offerings, such as VLT Zero and Banana Soya Bean Milk.

Leadership Lounge is another initiative designed to engage our 'Rising Stars' and 'VSD Role Models' through informal, preferably face-to-face, meetings with senior leaders. During the reporting period, more than ten sessions took place in Mainland China, Hong Kong, China and Australia with participants raising questions and discussing ideas about Vitasoy's business development plans and new products, as well career development and opportunities for promotion.



JobsDB "The Hong Kong HR Awards" 2023/24 Employer Brand Transformation Award

JobsDB "The Hong Kong Awards" are recognised as one of the premier HR events in Hong Kong, China. This year, Vitasoy was proud to receive the "Employer Brand Transformation Award" recognising excellent repositioning of employer brand through meaningful changes in organisational culture and strong reputation to attract candidates.





- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- **Workplace**
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making Products the Right Way – Workplace



Grow

The Vitasoy Mentoring Programme provides career development support for individuals with strong potential through coaching and mentoring from top leadership team members, including the

Group CEO and his direct reports. Participants meet with their mentors 1:1 every two months over a 12-month period with check-in sessions mid-way and at the end of the programme to collect feedback from mentees in a group format.



Feedback on our Vitasoy Mentoring Programme

My mentor guides me to analyse situations from a leadership perspective and challenges me to adopt a value-creation mindset, which is very helpful for my development.

Calvin

This is a good programme for enabling me to build personal relationships with our leadership team and gain a better understanding their leadership styles.

William

I am grateful to be part of this programme. My mentor has provided advice and support to guide my transition into a new marketing role.

Erika

We develop talent internally by identifying and deploying talented individuals in key functional roles across Mainland China, Hong Kong, China and Singapore through global

mobility programmes. Our talent and succession planning process supports a 35% internal promotion rate for key talents.



- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- **Workplace**
- Community
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24

Making Products the Right Way – Workplace



Reward

We recognise outstanding performance as a source of motivation and inspiration for our employees. Vitasoy’s annual Global Excellence Award is supplemented by local award programmes such as the Vitasoy Success Drivers Star Awards. We share stories about our winners through our internal communications platform.

Vitasoy Global Excellence Award

This Award is the most prestigious recognition of individual and team achievements at Vitasoy. Prizes are presented annually by the Executive Chairman and Group CEO.



Our team has always held on to our vision of being a sustainable and profitable company. To achieve these goals, we had to have a great re-start after the Covid-19 pandemic and delivered exemplary sales growth, customer satisfaction and product innovations.



Vitasoy Global Excellence Award 2023 – Team Award Winner

Vitasoy-URC, The Philippines



During the Covid-19 outbreak, we worked as a team to implement alternative delivery methods and reshuffled our delivery team’s manpower to maintain normal delivery and stable product supply to our key customers despite the challenges facing quarantined frontline employees.



Vitasoy Global Excellence Award 2023 - Individual Award (Managerial Category) Winner

Anthony Lau, Manager, Customer Service, Hong Kong Operation, Hong Kong, China



Making Products the Right Way – Workplace

Safety initiatives FY 2023/ 24

Special focus on road safety

Mainland China

- Two-wheeler defensive driving training
- Road traffic safety management platform

Hong Kong, China

- Road Safety for Drivers by Hong Kong Police

Special focus on manual handling safety

- Live session with registered physiotherapists
- **590** attendees
- **399** views through e-learning

Safety sharing

- **17** sessions

Upgrading safety facilities

Hong Kong, China

- Uniforms – new breathable T-shirt
- Manufacturing facility – reinforcement of security lighting and safety fencing
- Forklift vehicles – speed control adjustment

Australia

- Software – new safety automation system and chemicals management database
- Conveyor lines – additional guarding
- Reduction of manual handling tasks

STAAR – Stop, Think, Assess, Act, Review

Australia

- Enhanced protocols for risk assessment of changed, abnormal or new tasks
- New Mandatory Safety Rules
- New format Risk and Aspect Register





- Chairman's Message
- About This Report
- Vitasoy and Plant-based Nutrition
- Focusing on What Matters
- Purpose-driven Organisation
- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Workplace
- **Community**
- Appendices
- Vitasoy Climate and Nature Disclosure Statement FY2023-24



MAKING PRODUCTS THE RIGHT WAY

COMMUNITY



Making Products the Right Way – Community

Material issues

- Community Engagement

SDG goals



Vitasoy is committed to creating long term positive impact in the communities where we operate. Under the guidance of our community engagement strategy, we focus our community investment efforts on enhancing community wellbeing by encouraging consumers to make healthy and sustainable lifestyle choices through our product offerings, advocacy and education initiatives.

In FY2023/24, we implemented a range of initiatives, including advocacy and consumer education about the benefits of sustainable plant-based nutrition and advancing environmentally sustainable practices in society. We monitor our performance in this pillar of our Sustainability Framework with reference to KPIs on the value of our donations and the number of partnerships and beneficiaries reached.

2023/24 Highlights



HK\$
3,497,000



279,790+



1,430

Donations

Beneficiaries

Institutional partnerships

Promoting Healthy Diets and Rural Revitalisation

Vitasoy continues to support the Community Care Programme in Mainland China. During the reporting period, we donated over 1.8 million packs of Vitasoy Low Sugar Soybean Milk to rural schools. We also fostered awareness about healthy and sustainable lifestyle choices to around 6,500 rural children in 47 schools from Guizhou, Hunan, Henan, Hebei, Gansu and Shanxi through our “Three Good Habits” health education, sports activities and paper cartons recycling classes.

In March 2024, various stakeholders including senior government officials, nutrition experts, national athletes, media and Vitasoy representatives attended the second annual wrap-up meeting in Beijing to celebrate the success of this multi-year donation programme.





Making Products the Right Way – Community

Nutrition Exploration Programme

We raise awareness about the benefits of plant-based nutrition via our online-to-offline Nutrition Exploration Programme in Hong Kong, China. This year, we connected with around 800 local NGOs and schools, reaching over 110,000 children and their parents through plant-based educational videos and latte art workshop, learning and exploration activities including workshops, farm experience, learning tour and writing contest.



• Plant-based Educational Videos and Latte Art Workshop

In May 2023, we invited around 260 local NGOs and primary schools to participate in our online-to-offline activities, promoting the benefits of plant-based diet through an educational video and quiz game.

Over 60 pairs of parents and children learned about plant-based diets and sustainable eating habits through the Latte Art Workshop. The programme reached over 98,000 teenagers, building awareness about the benefits of plant-based diet and helping to drive the plant-based movement.

• Plant-based Diet Workshops and Farm Experience

During the year, we collaborated with St. James Settlement to organise seven workshops, including farm experience day, plant-based diet workshops and STEM planting workshops for 120 students from six local primary

schools to promote good health and encourage a healthy lifestyle. The students spread what they had learned from the workshops to more than 1,800 schoolmates through internal sharing sessions.

• Nutrition Exploration Learning Tour

This year, our annual summer tour series adopted the theme of “Nourish Your Body, Nourish Your Mind.” We received over 250 applications from schools and NGOs to arrange visits to our Hong Kong, China manufacturing facility during the summer school holidays. Over 2,000 local students aged 6-12 years were treated to an exciting day out, learning about our corporate history, beverage manufacturing processes and product nutrition facts.

• South China Morning Post – Young Post Top 10 Challenge

In June 2023, we sponsored the “Top 10 Challenge” series in the SCMP’s Young Post, inviting students to research, write and submit short articles on two topics concerning the plant-based movement. The top 10 best articles were selected and published by the newspaper. This campaign reached around 8,000 students from 280 schools.

Beverage Carton Clean Recycling Programme

Our Beverage Carton Clean Recycling Programme raises awareness about carton recycling in Hong Kong, China through collaboration with 460 participating organisations, including schools, residential estates and shopping malls.

The Mulloon Institute partnership

We are committed to a five-year partnership with the farming community of the Mulloon Creek catchment area in South Tablelands, New South Wales, Australia. In support of our mission in Australia, “Let’s Grow a Better World”, we are helping to restore thousands of hectares of farmland through tree planting and landscape regeneration initiatives designed to enhance water supply, biodiversity and soil life. We will continue to work through this partnership on research, advocacy and education.



Appendix I – HKQAA Independent Assurance Report



VERIFICATION STATEMENT

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) has conducted an independent verification for the Sustainability Report 2023/24 (“The Report”) of Vitasoy International Holdings Limited (“Vitasoy”). The Report covers the sustainability performance data and information of Vitasoy from 1st April 2023 to 31st March 2024.

The aim of this verification is to provide a reasonable assurance on the reliability of the Report. The Report has been prepared in accordance with Appendix C2 of Hong Kong Exchanges and Clearing Limited’s Main Board Listing Rules (“HKEX ESG Guide”) and referenced to Global Reporting Initiative’s Standards (“GRI Standards”) and Recommendations from the Taskforce on Climate-related Financial Disclosures (“TCFD”) and Taskforce on Nature-related Financial Disclosures (“TNFD”).

Level of Assurance and Methodology

HKQAA’s verification procedure has been 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. When preparing our verification process, we also take note of the requirements of the proposed International Standard on Sustainability Assurance 5000.

Our verification is risk-based driven and has been designed to obtain a reasonable level of assurance. The extent of this verification process covers the criteria set in the HKEX ESG Guide, GRI Standards, TCFD and TNFD. The focus of our verification including but not limited to the review of the data management mechanisms and report compilation processes. Raw data and supporting information of the selected samples were examined and representatives with responsibility to prepare the Report were interviewed.

Independence

Our verification activities are independent and impartial. HKQAA’s Code of Conduct with respect to integrity, impartiality and confidentiality has been strictly followed.

Conclusion

Based on the verification results, HKQAA has obtained reasonable assurance and is in the opinion that:

- The Report has been prepared in accordance with the HKEX ESG Guide, also referenced to GRI Standards and recommendations from TCFD and TNFD;
- The Report illustrates the sustainability performance of the material topics in a balanced, comparable, clear and timely manner; and
- The data and information disclosed in the Report are accurate, reliable and complete.

Vitasoy demonstrates its commitment to proactively addressing stakeholders’ expectations in sustainability disclosure by adopting the latest international reporting frameworks in its reporting.

Signed on behalf of Hong Kong Quality Assurance Agency

Connie Sham
Head of Audit
June 2024



Appendix II – Sustainability Performance Table

Environmental Performance				
	Unit of Measure	FY2021/22	FY2022/23	FY2023/24
Greenhouse gas emissions	tCO ₂ e			
Scope 1 emissions	tCO ₂ e	45,443	44,213	51,961
Scope 2 emissions	tCO ₂ e	79,605	67,437	49,935
Scope 3 emissions	tCO ₂ e	492,210	437,592	434,924
Carbon intensity	kg CO ₂ e per kg product manufactured	0.63	0.59	0.58
Total energy use¹	GWh	334.7	312.6	321.4
Direct energy	GWh	132.1	93.9	91.0
Indirect energy	GWh	202.6	218.7	230.4
Energy intensity	kWh per kg product manufactured	0.34	0.338	0.35
Direct water consumption	kt	3,947.8	3,620.20	3,565.46
Water intensity	kg water per kg product manufactured	4.03	3.92	3.86
Waste generated²	tonnes	33,761	31,996	21,666
Okara	tonnes	13,685	12,886	12,162
Plastics	tonnes	4,770	5,259	864
Paper	tonnes	2,902	2,916	1,393
Other types waste	tonnes	12,405	10,934	7,247
Waste intensity	kg waste per kg product manufactured	0.034	0.0346	0.024
Waste recycled	tonnes	25,724	23,265	19,411
Hazardous waste	tonnes	53.1	57.1	58.4

¹ The major sources of our energy consumption during the reporting year included electricity, vehicle fuels, natural gas, and steam.

² Our Australian business adopted a new waste collection system in FY2023/24



Appendix II – Sustainability Performance Table

Social Performance				
		FY2021/22	FY2022/23	FY2023/24
Total Headcount		6,498	6,566	6,243
<i>by employment types</i>				
Full-time		5,782	5,387	5,079
Part-time		716	1,179	1,164
<i>by gender</i>				
Female		2,756	3,139	3,033
Male		3,742	3,427	3,210
<i>by age groups</i>				
Under 30 years old		1,012	768	582
30 – 50 years old		4,608	4,772	4,641
Above 50 years old		878	1,026	1,020
<i>by employment categories</i>				
Management		475	503	472
Non-management		6,023	6,063	5,771
<i>by geographical region</i>				
Hong Kong, China		2,237	2,701	2,623
Mainland China		4,000	3,553	3,320
Other regions		261	312	300
Staff turnover		2,034	1,560	1,222
<i>by gender</i>				
Female		623	519	440
Male		1,411	1,041	782
<i>by age groups</i>				
Under 30 years old		688	416	343
30 – 50 years old		1,301	1,102	817
Above 50 years old		45	42	62
<i>by geographical region</i>				
Hong Kong, China		356	348	347
Mainland China		1,634	1,139	821
Other regions		44	73	54



Appendix II – Sustainability Performance Table

		FY2021/22	FY2022/23	FY2023/24
Social Performance				
New hires		2,434	3,357	2,789
<i>by gender</i>				
Female		1,317	2,128	1,827
Male		1,117	1,229	962
<i>by age groups</i>				
Under 30 years old		651	583	432
30 – 50 years old		1,435	2,255	1,926
Above 50 years old		348	519	431
<i>by geographical region</i>				
Hong Kong, China		1,223	1,973	1,763
Mainland China		1,143	1,236	938
Other regions		68	148	88
Training hours	hours	89,357 ¹	104,631 ¹	66,992
<i>by gender</i>	hours			
Female hours	hours	18,713	25,977	16,992
Male hours	hours	70,644	78,654	50,000
<i>by employment categories</i>	hours			
Management	hours	7,213	7,414	4,513
Non-management hours	hours	82,144	97,217	62,479
<i>by geographical region</i>	hours			
Hong Kong, China	hours	17,431	12,865	12,679
Mainland China	hours	71,926	89,817	53,691
Other regions	hours	-	1,950	623
Occupational Health & Safety				
Fatality	incidents	1	0	0
Lost time injury	incidents	50	48	39
Lost time injury rate (LTIR)	incidents per 100 employees	0.67	0.69	0.61
Lost day rate ²	lost man-days per 100 employees	9.98	15.24	32.13

¹ Only Hong Kong Operations and Mainland China data are included

² Lost day rate increased significantly because the type of injury that occurred required longer recovery days



Appendix III – Vitasoy Nutrition Criteria

Vitasoy Nutrition Criteria represents the nutrition standards we use to evaluate the nutritional value of our prepackaged food and beverage products in guiding new product development, product nutrient optimization and responsible marketing. The criteria that apply to our prepackaged foods and beverages are established based on dietary recommendations and nutrition labelling guidelines from the World Health Organization (WHO) and other international and national health authorities.



Product Category	Description	Nutrients to Limit				Nutrients to Encourage*
		Sugar	Saturated fat	Trans fat	Sodium	
Plant-based Milk Beverages	Plant-based milk beverages derived from legumes, grains, nuts or seeds or a combination of these (e.g. soy milk, oat milk and almond milk)	7.5g total sugar per 100ml or No added sugar	0.75g per 100ml or 10% of energy	Not detectable or 0.3g per 100ml	NA	Source of protein or High in calcium or Source of at least 2 of: Dietary fibre, Iron, Vitamin A, Vitamin D, Riboflavin, Vitamin B12 and other Vitamin B
Tofu & Other Soy Foods	All kinds of tofu and soy-based foods (e.g. tau kwa, tofu puff and bean curd) excluding yoghurt & desserts	NA	1.5g per 100g or 10% of energy	Not detectable or 0.3g per 100g	300mg per 100g	Source of protein or Source of at least 2 of: Dietary fibre, Calcium, Iron, Vitamin A, Vitamin D, Riboflavin, Vitamin B12
Plant-based Yoghurts	Plain, flavoured and fruit Yoghurt derived from legumes, grains, nuts or seeds or a combination of these	Plain: No Added Sugar or 5g total sugars per 100g or 100 ml Fruit & other flavours: 7.5g total sugars per 100g or 100 ml	0.75g per 100ml or 1.5g per 100g or 10% of energy	Not detectable or 0.3g per 100g or 100ml	NA	Source of protein or High in calcium or Source of at least 2 of: Dietary fibre, Iron, Vitamin A, Vitamin D, Riboflavin, Vitamin B12 and other Vitamin B
Plant-based Desserts	All kinds of desserts derived from plant ingredients (e.g. tofu dessert and sweetened plant-based pudding)	10g total sugars per 100ml or 100g	1.5g per 100ml or 3g per 100g or 20% of energy	Not detectable or 0.3g per 100g or 100ml	NA	
Tea Beverages	All kinds of tea beverages, without milk or plant milk ingredients (e.g. unsweetened tea, sweetened tea, flavoured tea, herbal tea, carbonated tea)	7.5g total sugars per 100ml	NA	NA	NA	
Other Foods and Beverages	All other types of foods and beverages (e.g. coffee, milk tea, juice drinks and other flavoured water-based beverages)	Plant-based: No added sugar or 7.5g total sugars per 100g or 100ml Other: 7.5g added sugar per 100g or 100ml	Plant-based: 0.75g per 100ml or 1.5g per 100g or 10% of energy Other: 2.6g per 100g/ml	Not detectable or 0.3g per 100g or 100ml	Foods: 600mg per 100g	

All values presented are maximum levels unless otherwise stated.



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Introduction

This statement has been prepared by Vitasoy International Holdings Ltd (Vitasoy, the Group) on a voluntary basis with reference to [TCFD Recommendations](#)  and [TNFD Recommendations](#) .

The content of this statement references information available elsewhere, including the Group's annual report, sustainability report, and corporate website. Its purpose is to consolidate disclosures about the Group's dependencies, impacts, risks and opportunities relating to climate change and nature/ biodiversity for ease of reference.

About TCFD

In December 2015, 196 countries agreed to pursue efforts to limit the global average temperature increase to 1.5°C above pre-industrial levels in acknowledgment that crossing this threshold risks unleashing severe climate change impacts. The Financial Stability Board (FSB) created the Taskforce for Climate-related Financial Disclosure (TCFD) to develop recommendations on the types of information that companies should disclose to support investors in assessing and pricing risks related to climate change. In October 2023, the TCFD disbanded having fulfilled its remit.

About TNFD

In December 2022, 196 countries agreed to the Kunming- Montreal Global Biodiversity Framework to halt and reverse nature loss by 2030, and to live in harmony with nature by 2050. In 2023, the Taskforce on Nature-related Financial Disclosure (TNFD) was established by national governments, businesses and financial institutions to support companies and financial institutions help achieve these objectives through enterprise and portfolio risk management and mainstream corporate reporting.

Structure of this report

The TCFD and TNFD frameworks share a common structure, containing recommendations for disclosures across four categories of Governance, Strategy, Risk management and

Metrics & targets. We have structured this statement to address the requirements of both frameworks.



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Governance

Board Oversight

The Board is accountable for Vitasoy's Environmental, Social and Governance (ESG) performance, including identifying and managing climate-related and nature-related matters as part of the Vitasoy Sustainability Framework. The Board has delegated oversight of these matters to the ESG Committee, which guides and monitors implementation of the framework and ensures

that material issues receive sufficient attention from the Board.

The ESG Committee held one meeting during FY2023/2024. The other ESG Committee meeting for FY2023/2024 was moved forward to hold in March 2023 because of scheduling conflict.

FY2023/24 Highlights

Board oversight (ESG Committee)

Review of emerging trends and regulations

- Hong Kong Listing Rules: New ESG reporting requirements proposed by Hong Kong Exchanges and Clearing Market and implications for Vitasoy

- Kunming- Montreal Global Biodiversity Framework: TNFD Recommendations

Impact on strategic decision-making

- Group decarbonisation targets proposal: Consideration of new targets

- Vitasoy Sustainability Framework targets proposal: Consideration of updated FY2030/31 targets and KPIs

Role of Management

The ESG Committee receives regular updates from the Sustainability Steering Team (SST), formerly known as Group Executive Sustainability Committee (GESC), which is chaired by the Group Director of Sustainability and includes senior executives from various functions and business units, as well as the Group Chief Executive Officer.

working groups focused on implementing initiatives and facilitating cross-market and cross-functional collaborations.

The SST is responsible for recommending strategies and driving progress toward performance targets under the Vitasoy Sustainability Framework. It is supported by

During the reporting period, the SST met quarterly to discuss progress on climate- and nature- related matters, including portfolio optimisation, sustainable packaging, carbon and water reduction, waste management, supply chain engagement, and the roll-out of One Vitasoy values and principles throughout our organisation.

FY2023/24 Key Work Done

Management role (SST)

Review of Group performance and implementation of initiatives

- More plant-based products
- Phase out single use and problematic plastics
- Reduce virgin plastic; increase recycled content
- Improve Tetrapak sustainability
- Energy and water intensity (manufacturing)
- Waste diversion from landfill
- Responsible sourcing – Supplier Responsibility Principles
- Supplier risk update
- Supplier collaboration – Carbon inventory data collection
- One Vitasoy Global Employee Engagement



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Risk Management

Integrated Risk Management

The Board's Audit Committee oversees climate- and nature-related risks that have been incorporated into the Group's enterprise risk register. We identify and manage ESG risks alongside other business and operational risks through our integrated risk management process. This is embedded in our daily operations, financial and investment activities, internal controls and strategy development and business planning.

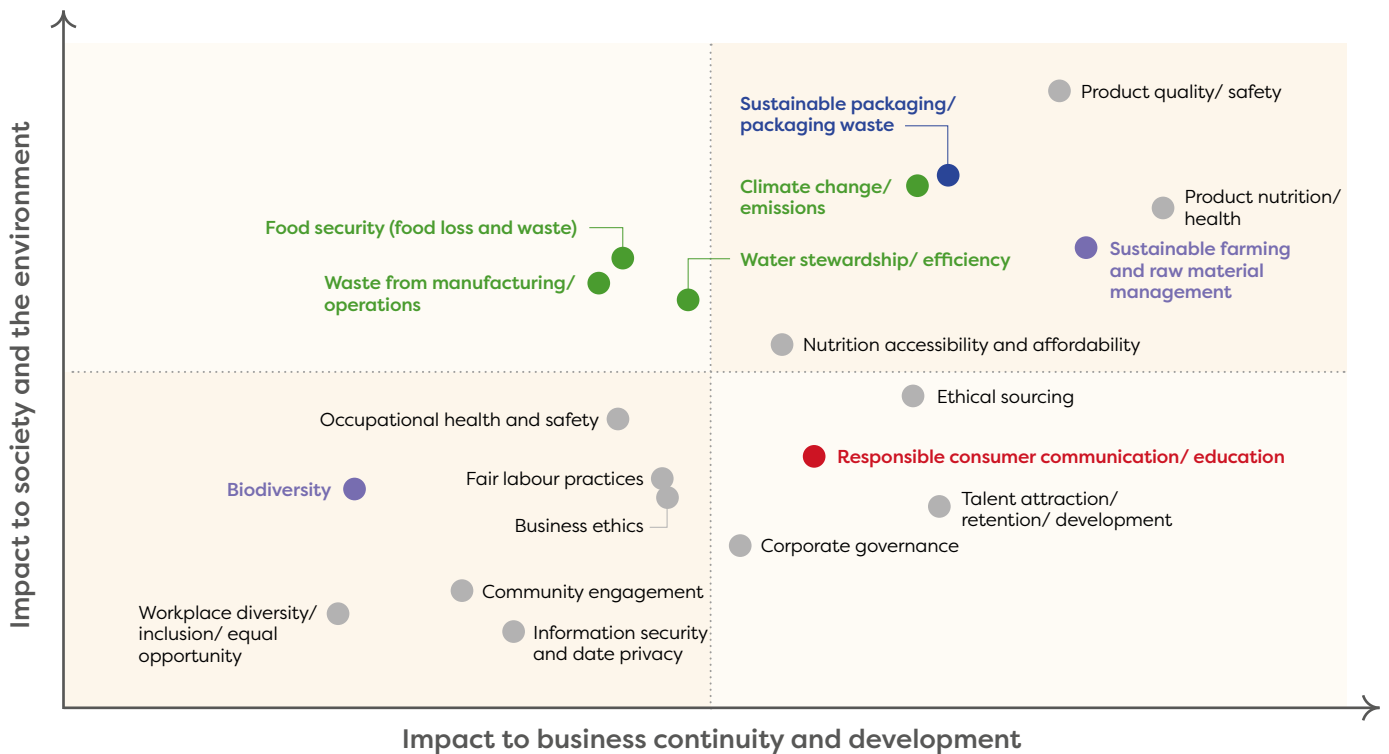
For more information

- > [Purpose-driven Organisation](#)
- > [Corporate website](#)
- > [Annual Report](#)

Identifying, assessing and prioritising material issues

A double materiality assessment conducted In FY2022-23 helped us to determine material issues for the Group and our stakeholders, including topics linked to climate- and nature- related dependencies, impacts, risks and opportunities as highlighted in our materiality matrix.

Vitasoy Materiality Matrix



- Portfolio
- Packaging
- Manufacturing
- Supply Chain
- Other topics



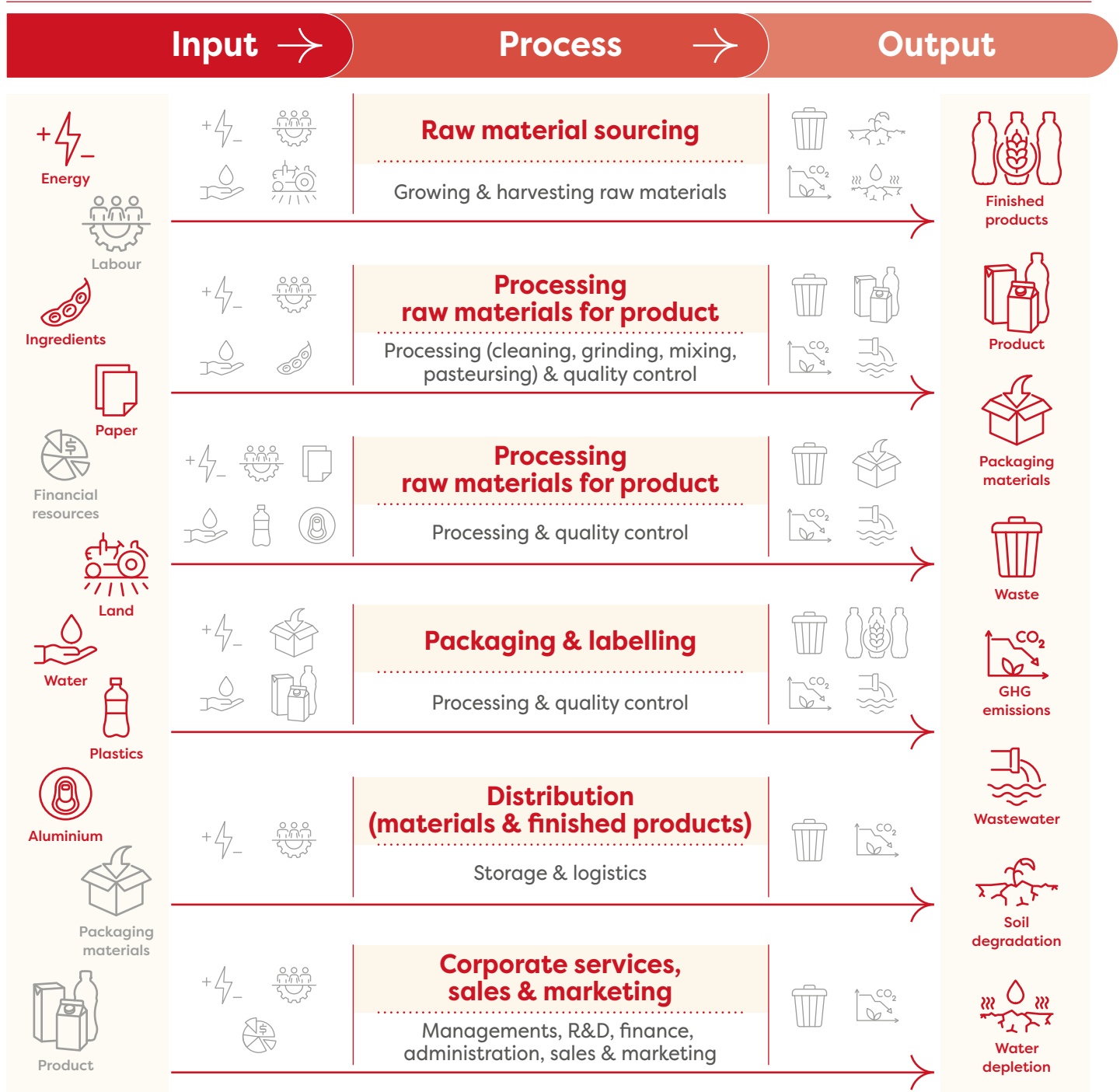
Vitasoy Climate and Nature Disclosure Statement FY2023-24

Organisational boundaries

The Group's vertically integrated operations involve a complex chain of processes and relationships to source ingredients and manufacture and distribute products.

We identify and assess climate- and nature- related dependencies (inputs) and impacts (outputs) throughout our value chain.

Vitasoy value chain dependencies and impacts





Vitasoy Climate and Nature Disclosure Statement FY2023-24

Strategy

At Vitasoy, we are united by our purpose: To advance the world's transformation towards a sustainable future through the amazing power of plants. Our core sustainable value proposition is that plant-based beverages and foods are healthier for people and the planet. The global food system accounts for more than 25% of greenhouse gas (GHG) emissions, of which ~80% is associated with livestock production.⁶ If everyone switched to plant-based diets, food-related GHG emissions could be reduced by up to 60%.⁷

Climate scenarios

Climate scenarios are a helpful analytical tool for contextualising climate-related dependencies, impacts, risks and opportunities. This type of analysis builds on climate modelling of Shared Socioeconomic Pathways (SSPs) as well as time-dependent trajectories of atmospheric greenhouse gas (GHG) concentrations from the IPCC (Intergovernmental Panel on Climate Change) Fifth Assessment Report.

SSP climate scenarios

SSP1-2.6	Low carbon scenario - Considered a realistic case for limiting climate change impacts if there are concerted worldwide actions to reduce GHG emissions. Global mean surface temperature continues to rise but stabilises at around 1.8°C by the end of the century.
SSP3-7.0	Medium-to-high carbon scenario - Representing continued rise in GHG emissions resulting in global mean surface temperature rise to 3.6°C above pre-industrial levels by the end of the century. This scenario represents stressed exposure to physical climate risks.

Climate-related risks and opportunities

The Group's climate-related risk and opportunities can be categorised into two major types:

- Physical risks and opportunities arise directly from changes in the climate system. These can be further distinguished between event driven exposures (acute risk) and longer-term shifts in climate patterns (chronic risk).
- Transition risks and opportunities arise as governments, customers, supply chain partners, and local communities adapt to climate change. This process is likely to involve changes in supply of raw materials/ ingredients, new technologies and regulations as well as evolving consumers expectations/ demands.

⁶ Springmann M, Godfray HC, Rayner M, and Scarborough P. Proc Natl Acad Sci USA. 2016; 113:4146-51.

⁷ Segovia-Siapco G, Sabaté J. Eur J Clin Nutr. 2018 Oct 2:1, and Sun Z, Scherer L, Tukker A, Spawn-Lee SA, Bruckner M, Gibbs HK, Behrens P. Nature Food. 2022 Jan;3(1):29-37.



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Key risks identified

	Direct operations	Upstream value chain	Downstream value chain	Potential Financial Implications
--	-------------------	----------------------	------------------------	----------------------------------

Physical Risks

Changes in weather patterns, such as extreme heat, or acute weather events, such as drought, affecting crop yields		✓		Increasing commodity and raw materials costs; increasing operating costs due to operational disruptions
Heat stress on the workforce	✓	✓	✓	
Tropical cyclones causing disruption to supply chain and distribution channels		✓	✓	

Transition Risks

Emissions regulations and carbon pricing	✓	✓	✓	Increasing capital investment; increasing expenditure e.g., on sustainable packaging
Shifting consumer preferences towards products and packaging with lower carbon footprints	✓		✓	
Increasing insurance premiums	✓			

Key opportunities identified

	Potential Financial Implications
Shifting consumer demand towards more plant-based diet is a primary driver for business growth in the 2°C scenario	Attracting new customers and revenue
Technological advances in clean energy and transport solutions could lead to cost savings in the long run	Increasing capital investment and operational cost savings in technology
Increasing demand for affordable nutrition driven by population growth and rising disposable income	Increasing revenue
Growing investor demand for green and low carbon finance and investment	Attracting green investment and diversification of financing sources



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Physical risks

During the reporting period, we engaged an independent third-party to undertake a climate risk and scenario analysis focussing on physical risks in our portfolio of eight manufacturing sites. The results of this study, as outlined

below, deepen our understanding of climate risks identified by climate scenario analysis in 2021. The findings have been reported to the ESG Committee and the Board.

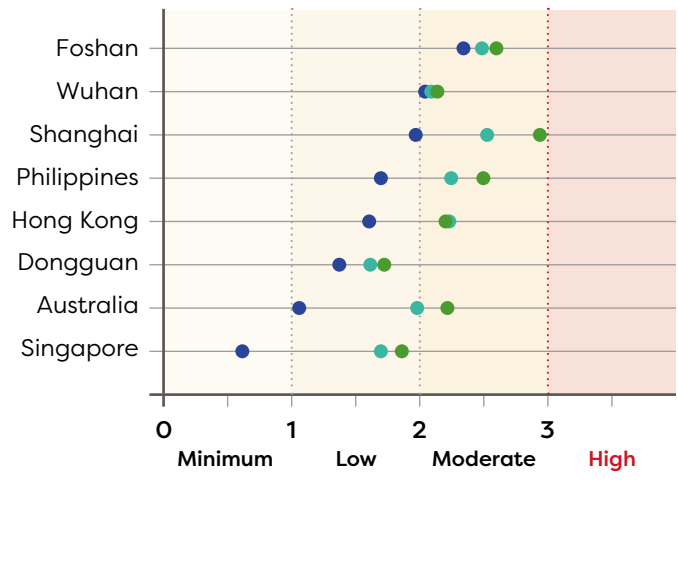
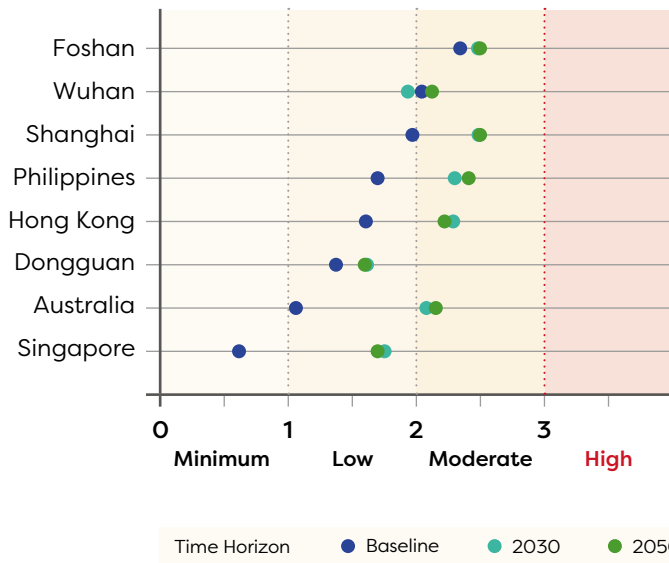
Physical results

Baseline and Projected Risk Scores by Asset (ordered by the baseline risk score)

Risk Level	Risk Score Thresholds
Minimum	0 to 1
Low	1 to 2
Moderate	2 to 3
High	3 to 4
Very high	4 to 10

SSP1-2.6 (low carbon scenario)

SSP3-7.0 (high carbon scenario)



In summary, we have identified higher risk of water stress and drought and extreme heat events in the following locations:

- Higher risk of water stress and drought in Hong Kong China, Australia and Singapore

In all three locations we consume municipal water supplies and associated risks are being mitigated by relevant authorities in each jurisdiction. We will continue to monitor the situation and work towards achieving water use reduction targets.

For more information, please refer to:

[➤ Mitigating water risk](#)

- Higher risk of extreme heat in Singapore and the Philippines

In both locations, our factories are suitably designed to withstand extreme heat. We have developed guidelines to mitigate health and safety risks for workers particularly those working outdoors in extreme heat.



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Nature-related dependencies and impacts

During the reporting period, we conducted a desktop assessment utilising the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) tool to explore the Group's exposure to nature-related dependencies and

impacts. This analysis looked at our direct operations (i.e. Processed food and drink production sector), upstream value chain (i.e. Largescale irrigated arable crops sector) and downstream value chain (i.e. Distribution sector).

Dependencies and impacts

	Direct operations	Upstream value chain	Downstream value chain
Dependencies	Very High: Groundwater & Freshwater input	Very High: Groundwater input, Flood storm protection, Soil erosion High: Surface water, Pollination, Soil Quality, Water flow maintenance, Water quality, Buffering of mass flows, Climate regulation, Disease control	High: Climate regulation
Impacts	High: Water use, GHG emissions, Solid Waste	Very High: Water use & Land use High: Water & soil pollutants	High: GHG emissions, non-GHG air pollutants, Disturbances

In the next reporting period, we plan to conduct a more in-depth TNFD/LEAP (Locate, Evaluate, Assess and Prepare) analysis focusing on soy, which is an important material input for the Group. Associated nature-related physical, transition and systemic risks and opportunities will be further defined and assessed. We will continue to enhance our strategy and future targets to integrate nature- and climate- related risks.

Sustainable farming

We recognise that the most significant nature-related dependencies and impacts for the Group occur in our upstream value chain, particularly concerning the supply of key ingredients and materials such as soy, sugar and paper.

We engage with our supplier to manage their environmental and social impacts in accordance with our Sustainable Farming Guideline (SFG). In our procurement practices, we are combatting two harmful drivers of unsustainable agriculture by implementing policies on non-GM and zero deforestation. We also procure paper packaging materials with Forest Stewardship Council (FSC) certification to guarantee that it comes from responsible sources.

For more information, please refer to:

- > [Sustainable Farming](#)
- > [Group Non-GM Policy](#)
- > [Group Zero Deforestation Policy](#)



Vitasoy Climate and Nature Disclosure Statement FY2023-24

Metrics & Targets

Vitasoy's Sustainability Framework

The Vitasoy Sustainability Framework provides a comprehensive structure for managing climate- and nature-related dependencies, impacts, risks and opportunities and monitoring our performance. These megatrends

are complex and touch upon multiple focus areas of our framework. We currently have relevant Key Performance Indicators (KPIs) and targets for Portfolio, Packaging and Manufacturing.

KPIs and FY2025/26 Targets

Portfolio	Packaging	Manufacturing
Plant-based foods and beverages Target: 92%	FSC certified laminated paper Target: 100%	Energy intensity of product (vs 2013/14) Target: -25% (0.3 kWh/L) Water intensity of product (vs 2013/14) Target: -25% (3.81 L/L) Manufacturing waste to landfill Target: 0%

Full information about our management approaches and initiatives to achieve these targets is available in our annual sustainability report. We plan to announce additional KPIs and 2030/31 Targets in the next reporting period.

Carbon footprint

We have developed a comprehensive GHG emissions accounting inventory following best practices from the Greenhouse Gas Protocol and the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard . We categorise our emissions into three mutually exclusive scopes: Scope 1, scope 2 and scope 3.

Scope 3 emission accounting

Most of Vitasoy's carbon footprint occurs outside of the Group's direct control, particularly in connection with the production and transportation of raw materials that we purchase in our supply chain. These emissions are difficult to account for accurately but during the reporting period, we worked with our top-spend suppliers in Mainland China to improve data collection for our emissions inventory.

We are in the process of reviewing our Scope 3 inventory including Forest, Land and Agriculture (FLAG) emissions calculations for disclosure next year. We will continue to work with our value chain partners to build capacity and improve data quality.

For more information, please refer to:

> [Decarbonisation](#)



Vitasoy International Holdings Limited

1 Kin Wong Street, Tuen Mun, The New Territories, Hong Kong
Tel : (852) 2466 0333 Fax : (852) 2456 3441



www.vitasoy.com