



Vinda International Holdings Limited

(incorporated in the Cayman Islands with limited liability) Stock Code: 3331

*Healthy Lifestyle
Starts with Vinda*



2022

Environmental, Social and
Governance Report



维达纸业(中国)有限公司
广东分公司
VINDA PAPER(CHINA)CO., LTD. GUANGDONG BRANCH



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CEO Message





CEO Message

In 2022, the global market was impacted by external factors such as the resurgence of COVID-19 pandemic, resulting in uncertainties of the business environment. During the past year, we have made sustained efforts to keep operation in the face of adversity, and to maintain steady growth of sales with a leading position in the industry. Vinda is confident in the industry prospect, and will actively deal with various challenges. Vinda always maintains a flexible business strategy, and continues to expand its businesses with innovative thinking and technology empowerment. Vinda takes innovation as its core value, and strives to provide customers with diversified high-end products portfolio and shape healthy life through online and offline dual-track expansion strategy, from tissues, incontinence care, feminine care, baby care to outdoor cleaning and hygiene.

Key to Sustainability

Vinda is fully aware that enterprise development, and environment and society are as one. While the business continues to develop, Vinda always regards “Sustainability” as its core value. While promoting the overall development of businesses, the Group has fully complied with all relevant local regulations by keeping abreast of the objective of “Carbon Neutrality”. Vinda will press forward the “Five-Year Sustainable Development Goals” in an all-round way in respect of the focuses on the procurement policy of energy and raw materials, environment improvement, natural resources management, appropriate classification and disposal of waste. From the selection of wood pulp, emission reduction, supervision of pollution to participation in public services activities, the achievements of the Group have been recognised and acknowledged by all circles. In order to achieve the win-win situation of economic benefits and environmental protection, Vinda pushes forward sustainability in a more orderly manner covering eight main planning areas such as energy management, green supply chain, carbon emission and sustainable procurement to realize circular economy.

Despite the challenging business environment, as a leading manufacturer of hygiene products in Asia, Vinda remains focused on the project of pandemic prevention and aid. Through “Vinda Volunteer Team”, “Vinda Charity Foundation” and other organisations, we offered aid and provided pandemic prevention hygiene products to communities needing help in Mainland China, Chinese Taiwan and Malaysia to establish social resilience and cooperative spirit. Moreover, it is the “Architects” who are always being praised, but all the hard work are completed by the “Builders”. We expressed our gratitude to every colleague who contributed to Vinda, and in this excellent team, all employees are the “Builders” of all our achievements.

Looking Forward

2023 is a crucial year for us to begin to deal with climate change. Under the quality management plan and group strategy, we believe that our sustainability roadmap has been further strengthened. We will be able to respond to customers’ needs more quickly and react to changes with greater flexibility in the future. Meanwhile, according to local climate conditions and past actual conditions of extreme climate, the production plants of the Group in various regions have relevant contingency plans in place and perform regular drills to ensure the effectiveness of all contingency plans. In the future, we should work together to explore the eco-friendly production and business models, focus on sustainable development goals, practice the philosophy of “Healthy Lifestyle Starts with Vinda” and capture the opportunities of the post-pandemic era.

Li Jielin

Chief Executive Officer



OUR
REPORT

Scope of the Report

Vinda International Holdings Limited (“Vinda” or the “Company” and together with its subsidiaries as the “Group”, “we”, “us”)’s main revenue is derived from its tissue and personal care segments in China, Southeast Asia and Korea. The scope of disclosure in this Environmental, Social and Governance Report 2022 (the “Report”) covers the sustainability initiatives and performance of the Group’s ten factories in operation (or eight as classified by “legal entities”¹) in Mainland China, two factories in Malaysia and one factory in Chinese Taiwan for the year ended 31 December 2022 (the “Year”).

Reporting Period

The Report aims to objectively and fairly review the Group’s performance and effectiveness based on Environmental, Social and Governance (“ESG”) standards in 2022, and is formulated based on the Environmental, Social and Governance Reporting Guide (the “Guide”) published by the Stock Exchange of Hong Kong Limited (the “Exchange”). The Report complies with all “comply or explain” provisions of the Guide, and reports on all required disclosures of the Guide.

These reporting principles have been considered in the formulation of this Report:

Materiality

We have conducted a materiality analysis by seeking input from stakeholders and in doing so, have determined the ESG topics considered to be most important for Vinda. This analysis was also used to establish the focus of the Report.

Balance

To provide an unbiased performance overview, we provide fair disclosure on the Group’s ESG achievements and areas for improvement.

Quantitative

The Group has recorded and estimated quantitative information and compared it with past performance where applicable. To ensure the accuracy of key environmental performance indicators, the Group has appointed external consultants to conduct an independent audit and review of the greenhouse gas emissions data and carbon footprint assessment disclosed in the Report. The quantitative information on key social performance indicators in the Report comes from the internal data and records of relevant departments within the Group.

Consistency

Since 2015, we have followed the Guide. In case of any changes that may affect comparison with previous reports, the Group has included remarks to the corresponding content in the Report.

Obtaining and responding to the Report

The electronic version of this Report has been published on the website of the Exchange and is available on the Company’s sustainable development website at <http://www.vinda.com>.

If you have any questions or feedback about this Report and its contents, please email us at esg@vinda.com.

Reporting Principles

The Report has been prepared with reference to the Guide and the recommendations of Task Force on Climate-Related Financial Disclosures (TCFD). It is an important channel for Vinda to communicate and disclose ESG information that is meaningful and valuable to our stakeholders in facilitating their decision-making. The Report is therefore prepared in accordance with the basic reporting principles listed in the Guide.

¹ The eight legal entities are Vinda Paper (China) Company Limited (including three branches in Guangdong, Jiangmen and Xinhui), Vinda Paper (Zhejiang) Company Limited, Vinda Paper (Sichuan) Company Limited, Vinda Paper (Shandong) Company Limited, Vinda Paper (Liaoning) Company Limited, Vinda North Paper (Beijing) Company Limited, Vinda Personal Care (China) Company Limited and Vinda Personal Care (Guangdong) Company Limited, in which the entity of Guangdong Xinjiang Energy Company Limited was included in the operation of Vinda Personal Care (Guangdong) Company Limited, due to the fact that Guangdong Xinjiang Energy Company Limited is only supplying steam for paper manufacturing by Vinda Personal Care (Guangdong) Company Limited and the calculation of its relevant emission data was included in the boiler operation of Vinda Personal Care (Guangdong) Company Limited.

Our Report



Statement of the Board and ESG Working Group

The Board of Director (the “Board”) attaches high importance to sustainable development management. During the Year, with reference to the Guide, we continue to enhance information transparency in the Group’s reporting, and summarise our climate-related risks and response measures with reference to the recommendations of TCFD, and to clarify to each stakeholder the impacts and opportunities that climate change brings to the Group’s business.

To realize the sustainable development commitment of Vinda, we set up a cross-functional ESG working group (“Working Group”) which comprises members from quality management, human resources, procurement, administration, marketing, group investor relations and internal control center across three main regions: Mainland China, Chinese Taiwan and Malaysia. The Working Group’s main responsibilities are to support the implementation of social responsibility activities, raise awareness about the importance of social responsibility among colleagues, and compile information related to the Company’s ESG performance.

All data and information provided in the Report are derived from our internal data and records, and supplemented by other management and operational information consolidated by the Group. We strive to ensure that all information presented in the Report is accurate and reliable. We have also engaged an independent professional organisation, SGS-CSTC Standards Technical Services Co. Ltd., to conduct an independent audit² on the greenhouse gas emissions data stated in the Report, so as to verify the accuracy of the disclosed information.

The Board is fully accountable for the Company’s ESG strategies and reports, as well as for monitoring and managing the related risks of ESG developments, while the Working Group is responsible for implementing the Company’s ESG strategies and policies and reporting to the Board. The Report has been reviewed and approved by the Board.

In 2022, the Board evaluated and reviewed the progress of our ESG works. The Board also discussed, reviewed and endorsed the ESG-related goals and targets, and kept track of the associated actions done to achieve the goals and targets.

² This independent audit was representing the series of processes for independent assurance of the data related to greenhouse gas (GHG) emissions disclosed in this Report. The audit was organised within the scope of controlled operations of the 15 plants of Vinda Group’s 10 subsidiaries registered in Mainland China, Chinese Taiwan and Malaysia. The operational scope of review for greenhouse gas (GHG) emissions was defined as all production and office areas as well as company dormitories, for the seven greenhouse gases defined in ISO 14064-1:2006. The scope of the audit was Scope 1 (direct GHG emissions) and Scope 2 (energy indirect GHG emissions, including purchased electricity and purchased steam). The auditing and reviewing processes for assurance of GHG emission data were conducted through on-site visits and desktop verification of the data collected from the aforesaid sites and scopes.



About Vinda

Company Profile

Vinda was founded in 1985 and has its headquarters in Hong Kong. Vinda, a large-scale hygiene products company in Asia, was listed on the Main Board of the Exchange in 2007 (stock code: 3331).

Vinda is committed to the philosophy of “Healthy Lifestyle Starts with Vinda” and the provision of quality hygiene products and daily necessities, with an aim at improving the quality and health of life of our consumers. In addition, Vinda expands its business in accordance with the principle of sustainable development. While fulfilling the needs of different customers, we minimize the impacts of business on environment, taking the protection of natural resources as primary consideration. Vinda fulfills its corporate social responsibility, cares for the needs of communities at which its business operates, and creates mutual values for the Company and our stakeholders. Vinda is committed to actively contribute to the society and aims to become “Asia’s first choice for hygiene products and services”.

Brand Operations

Vinda Group has business in many countries and regions, and is mainly engaged in tissue, incontinence care, feminine care, baby care and professional hygiene solution, with multiple renowned brands, such as *Vinda*, *Tempo*, *Tork*, *TENA*, *Dr. P*, *Libresse*, *Libero* and *Drypers*.

Healthy Lifestyle
Starts with Vinda

VINDA'S SUSTAINABILITY STRATEGY AND VISION

Sustainability is one of Vinda's core principles

We are committed to providing quality hygiene products and services to improve the quality and health of life of our consumers, in a way that embraces our core values of sustainable growth and innovation

We work closely with our stakeholders to minimize our environmental impact across different areas such as sourcing, production and sales

CORPORATE CULTURE

VINDA'S MISSION

To provide high quality hygiene products and services

VINDA'S VISION

To become Asia's first choice for hygiene products and services

CORE PRINCIPLES

SUSTAINABILITY

- Be responsible and make holistic choices that create value for our business, people and the environment

INNOVATION

- Investing the future for our customers and consumers; solving challenges of today

EMBRACE CHANGES

- Be encouraging by change, be positive to adapt change and be active to create change, to seize market opportunities and lead industrial development

PROFESSIONALISM & INTEGRITY

- Be committed to providing high quality products and professional services to our customers and consumers
- Embrace our code of conduct, manage Vinda as one company and consider how our actions uphold the Company's image and reputation

About Vinda

Corporate Awards

For many years, Vinda has been committed to providing superior products and services to its customers. Vinda has always sought to sustainability management and carry out various policies in ESG and integrate them into daily management and operation. Vinda has won multiple awards by its achievements in 2021-2022, and was recognized by local and international bodies.



Overall Performance of Sustainability

Company Name	Award/Recognition	Organiser
Vinda International Holdings Limited	Outstanding Award for Green and Sustainable Loan Issuer	Hong Kong Quality Assurance Agency
Vinda International Holdings Limited	Pioneering Organisation in ESG Disclosure Enhancement	Hong Kong Quality Assurance Agency
Vinda International Holdings Limited	Certificate of Excellence in Environmental, Social and Governance Reporting	The Hong Kong Management Association
Vinda International Holdings Limited	ESG Best Partner	Citi Bank (Hong Kong)



Company Name	Award/Recognition	Organiser
Vinda International Holdings Limited	ESG Corporate Award – Platinum Award	The Asset
Vinda International Holdings Limited	Best ESG Award	Roadshow China
Vinda Paper (China) Company Limited	Rank 97th in Top 500 Enterprises in manufacturer industry of Guangdong Province in 2022	Industrial Economy Research Institute of Jinan University, Guangdong Manufacturers Association, Guangdong Provincial Development and Reform Institute
Vinda Paper (China) Company Limited	Outstanding Contribution Award for Local Economy	Jiangmen Municipal People's Government
Vinda Paper (China) Company Limited	2022 Annual Excellent Enterprise of Jiangmen City	Jiangmen Municipal People's Government
Vinda Paper (Zhejiang) Company Limited	Special Award of Quzhou Municipal Government in 2021	Quzhou Municipal People's Government

About Vinda

People

Company Name	Award/Recognition	Organiser
Vinda International Holdings Limited	Top Human Resources Management Awards 2022	51job (前程無憂), a human resources service provider in China
Vinda International Holdings Limited	Best Employer Brand – Excellent Enterprise Award, and awarded with “2022 KNX Rising Award Top 50 of Human Resources Digitalisation Cases of the Year”	A human resources service provider in China – KNX
Vinda International Holdings Limited	Favorite Employer Award 2022 from Shixiseng.com (2022年實習僑最愛雇主獎)	A human resources service provider in China – Shixiseng.com (實習僑)
Vinda Malaysia Sdn Bhd	Malaysia Best Employer Brand Awards 2022	World HRD Congress
Vinda Malaysia Sdn Bhd	Sustainable Product Recognition category for their Sustainability Performance Awards 2022.	United Nations Global Compact Network Malaysia & Brunei (UNGCMYB)
Vinda Malaysia Sdn Bhd	MSOSH (Malaysian Society for Occupational Safety & Health) Gold Class	Malaysian Society for Occupational Safety & Health
Vinda Personal Care (Guangdong) Company Limited	Advanced Home for Workers of Yangjiang City	General Trade Union of Yangjiang City
Vinda Paper (Sichuan) Company Limited	Award for Excellent Cases of Talent Development in Digital Intelligence	A human resources service provider in China – KNX
Vinda Paper (Sichuan) Company Limited	Workers’ Pioneer of Deyang City	General Trade Union of Deyang City
Vinda Paper (Beijing) Company Limited	Preferred Employer in 2021	A human resources service provider in China – Zhaopin.com (智聯招聘)

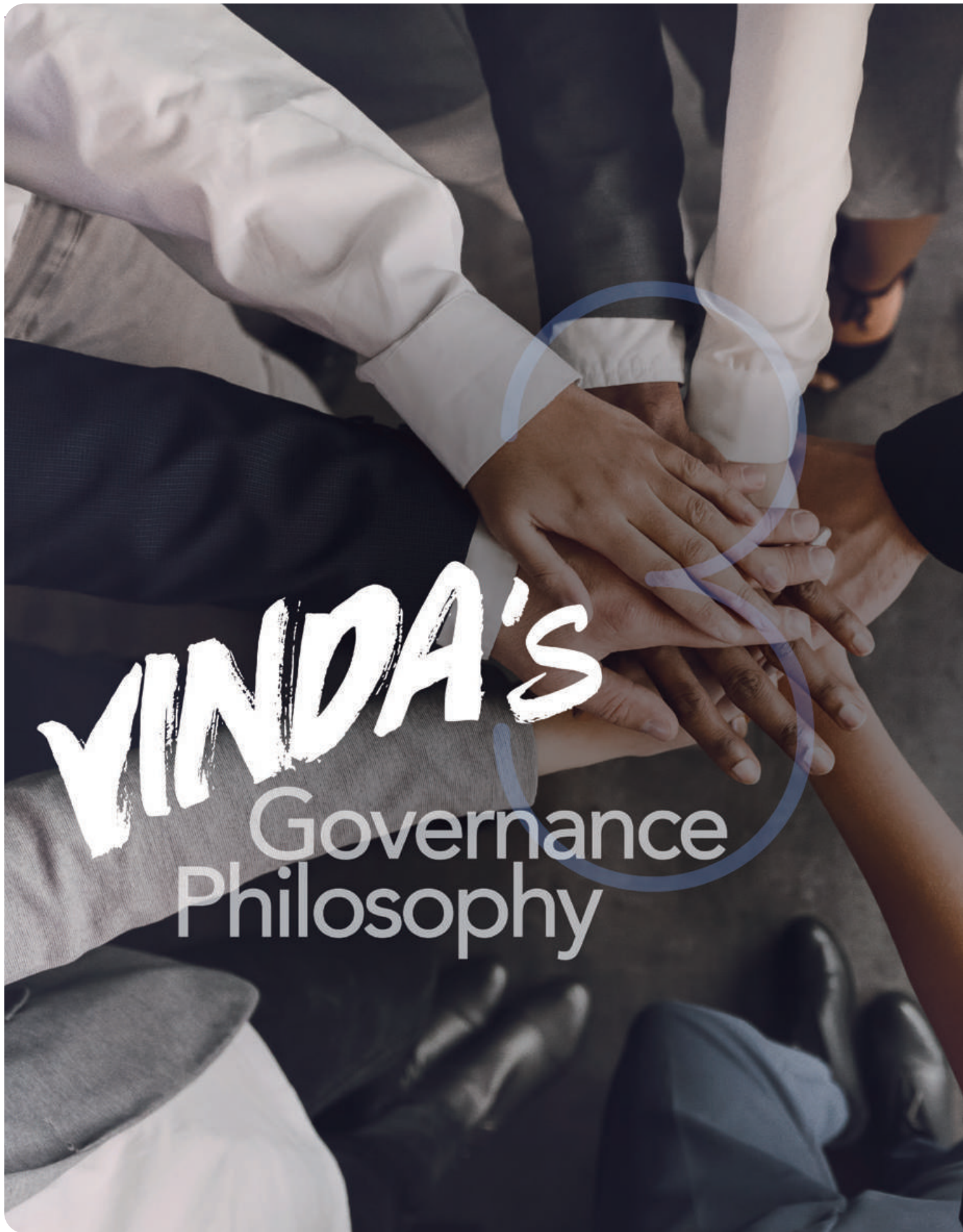


Environment

Company Name	Award/Recognition	Organiser
Vinda International Holdings Limited	Leading Environmental Initiative Award	Bloomberg Businessweek/ Chinese Edition
Vinda Paper (China) Company Limited	Honorable Mentions of the 7th Quality Award of Guangdong Provincial Government	People's Government of Guangdong Province
Vinda Paper (China) Company Limited	Quality Award of Jiangmen Municipal Government of Year 2022	Jiangmen Municipal People's Government
Vinda Paper (China) Company Limited	Leader in Energy Efficiency	Guangdong Paper Association
Vinda Paper (China) Company Limited	2022 National-level Industrial Internet Platform Innovation Piloting Application Model Project (2022年國家級工業互聯網平臺創新領航應用示範項目)	Science and Technology Bureau of Jiangmen City
Vinda Paper (Zhejiang) Company Limited	Smart Factory	Economy and Information Technology Department of Zhejiang
Vinda Paper (Zhejiang) Company Limited	Demonstration Enterprise of Intellectual Property Right of Zhejiang Province	Market Supervision Administration Bureau of Zhejiang Province
Vinda Paper (Sichuan) Company Limited	Excellent Team of Provincial Ankang Cup	General Trade Union, Department of Emergency Management and Health Commission of Sichuan Province
Vinda Personal Care (Guangdong) Company Limited	Certificate of High-Tech Enterprise	Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, Guangdong Provincial Tax Service, State Taxation Administration
Guangdong Xinjiang Energy Company Limited	Clean Production Enterprise of Yangjiang City	Industry and Information Bureau of Yangjiang City

Community

Company Name	Award/Recognition	Organiser
Vinda Paper (China) Company Limited	Caring Enterprise	Red Cross Association of Jiangmen City
Vinda Paper (Zhejiang) Company Limited	AA Level "Contractual Performance and Creditworthiness" Enterprise of Zhejiang Province	Market Supervision Administration of Quzhou City



VINDA'S

Governance Philosophy

Vinda's Governance Philosophy

Sustainability Governance

Vinda's sustainability work is led and supervised by the chief executive officer and executive directors of Group. They assign important sustainability issues to relevant departments and units to actively improve the Group's sustainability performance.

Internal Control

Sustainability management is integrated throughout the Group's corporate governance structure. Vinda's board of directors (the "Board") and its six major committees (namely, Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, Executive Committee and Strategic Development Committee) regularly supervise and review the Group's overall strategy, risk control, financial position, corporate governance, sustainable development and other matters, and review the effectiveness of management approaches which includes the review of indicators, goals and action plans.

The Group has an established internal audit system to identify risks from all aspects. Every year, the internal control department conducts independent audit according to the annual internal audit plan approved by the Audit Committee, and is responsible for identifying, evaluating, reducing and monitoring the risks of its departments or its business units. The audit programs mainly encompass quality, environment, safety and other ethical standards, including anti-corruption, information security, new product

development and advertising. The relevant material audit results will be reported to the Audit Committee of the Board directly. During the Year, a total of 60 internal audit cases was executed, covering each region and function, to timely disclose and eliminate non-compliance risks.

Anti-Corruption

Vinda strictly abides by various internal and external control systems. These include policies related to the employees' basic behavior norms, policies related to anti-corruption work, policies related to anti-corruption in daily management and a set of information security related systems to prevent contract fraud, corruption, information leaks, insider trading, unfair competition and other illegal conduct. Vinda has always complied with global anti-money laundering laws and regulations and set up reporting policies and channels.

During the reporting period, no material violations of relevant local anti-corruption laws and regulation have come to the Group's attention.



Vinda's Governance Philosophy

Scope of Anti-Bribery and Anti-Corruption	Relevant Policies	Implementation
Employees' Basic Behavior Norms	<ul style="list-style-type: none"> "Code of Conduct" "Employee Manual" "Management Measures for Senior Management Personnels" "Basic Code of Conduct for Sales Personnels" "Management System for Reward and Punishment of Employees" 	<p>To regulate employees' behaviors through "Code of Conduct", "Employee Manual", "Management Measures for Senior Management Personnels", "Basic Code of Conduct for Sales Personnels", "Management System for Reward and Punishment of Employees".</p> <p>To prevent contract fraud, corruption, information leaks, insider trading, unfair competition and other illegal conduct, the policy covers internal and external control measures and systems, including "Vinda Code of Conduct", spending approval authority, annual conflicts of interests reporting system and information security related system.</p>
Working Procedures of Anti-Corruption	<ul style="list-style-type: none"> "Anti-Corruption System" "Internal Investigation Procedure" "Internal Audit Chapter" "Anti-Commercial Bribery Agreement" "Conflict of Interest Reporting System"³ "Guidelines on Internal Control" "Risk Assessment and Report System" 	<p>Approval and implementation of express anti-corruption measures such as the "Anti-Corruption System", "Internal Investigation Procedure", "Internal Audit Chapter", "Anti-Commercial Bribery Agreement", "Conflict of Interest Reporting System", "Guidelines on Internal Control" and "Risk Assessment and Report System".</p>
Anti-Corruption in Daily Management	<ul style="list-style-type: none"> "Measures on Business Transactions and Cost Approval Authorities" "Measures Governing Contracts" "Management Measures for Expense Imbursement" "Management System on Confidentiality" "Measures Governing Tender Invitations" 	<p>We prevent corruption in daily management in accordance with "Measures on Business Transactions and Cost Approval Authorities", "Measures Governing Contracts", "Management Measures for Expense Imbursement", "Management System on Confidentiality", "Measures Governing Tender Invitations".</p>

The Company has a well-established "Conflict of Interest Reporting System". When there is a direct or indirect conflict of interest between each colleague or his/her immediate family and the Company, the employee shall report in respect of conflict of interest. We hold regular anti-corruption trainings for directors and employees to offer latest corruption related laws and standards. We require employees to stay alert to suspicious activity and adopt reasonable measures to identify and assess the integrity of our business partners, so as to ensure the legitimacy of all business activities. All funds of unknown origin and suspicious business activities shall be immediately reported upon discovery and handled with the support of professional teams; no corrupt business practices are tolerated.

³ Applies to all departments and employees of the Group.

Vinda's Governance Philosophy

Chinese Taiwan

We arrange trainings on code of conduct and anti-corruption for new employees, to prevent contract fraud, corruption, information leaks, insider trading, unfair competition and other illegal conduct, ensuring that every employee remains vigilant and follows up with the latest corruption laws and standards.



Malaysia

The description, implementation and monitoring of prevention measures and reporting procedures are documented in "Anti-Bribery and Anti-Corruption Procedures". The procedure details the scope of responsibilities of the directors, management and employees of the Company, and covers the types of bribery and corruption. As prevention measures, employees shall not offer or agree to offer, promise or provide any emoluments, gifts, entertainment or other interests or benefits, in exchange for obtaining or retaining business, or rewarding any business received or retained. These include matters related to raising concerns, reporting and investigation, training, supervision and review. Vinda plans to carry out more anti-bribery and anti-corruption training in the first quarter of 2023. Now Vinda's Learning and Development Department (L&D) is looking for training consultants relevant to the subject. In August 2022, Vinda published new anti-bribery and anti-corruption policy.

We regularly organise anti-corruption trainings for Directors and employees to provide them with the latest corruption laws and standards.

2022 Anti-Corruption Training	Number of Participants	Training Hours
Management Personnel	1,431	2,099
General Staff	7,997	14,725

Except holding regular anti-corruption training for directors and employees to prevent contract fraud, corruption, information leaks, insider trading, unfair competition and other illegal conduct, we have implemented a set of anti-corruption measures.

Measures for Preventing Corruption	Implementation Ways
Induction Training	All employees must receive training on code of conduct and understand reporting channels relevant to corruption during the onboarding process.
Interest Reporting	To prevent prejudice to the interest of the Company and shareholders in the working process due to conflict of interest, all employees must report interest relationship that may impact the interest of Vinda (including entry reporting, annual reporting and update at any time).
Anti-Commercial Bribery Agreement	Any person who executes the contract with external parties on behalf of Vinda must sign the anti-commercial bribery agreement, or the content of which are included in the principal terms of the contract.
Annual Risk Assessment	The management team considers potential fraud in every year's risk assessment project, and constantly improves Vinda's anti-corruption procedure.

Vinda's Governance Philosophy

Measures for Preventing Corruption	Implementation Ways
Investigation of Fraud Cases	After each fraud case being investigated, the human resources department will notify the case within proper range according to the case level.
Pre-Employment Check of Key Personnel	When determining a person's employment or promotion to a high-trust position, Vinda will consider conducting background check or integrity due diligence investigation.
Internal Audit	<p>To improve internal control of the Company, and provide recommendations to block fraud loopholes.</p> <p>Audit Procedures include:</p> <ol style="list-style-type: none"> I. The internal audit department shall send "Internal Audit Notice" to notify the audited unit in relation to the scope and schedule of audit items II. The project internal auditor shall prepare the internal audit work plan according to the targets and scope of internal audit projects, and record the implementation process of internal audit to support the output of the internal audit results III. The internal audit results will be reported to the audited unit and head of the Group through internal audit report. Significant internal audit findings will be reported to the Group's senior management and even the Audit Committee IV. The internal audit department shall collect the response plan of the management team of the audited unit to the internal audit findings through OA process, and follow up the implementation

Measures for Preventing Corruption	Implementation Ways
	<p>Audit Policies include:</p> <ol style="list-style-type: none"> I. Define the responsibilities, authorities and basic procedures of internal audit through "Internal Audit Chapter" II. On the basis of risks, the internal audit department shall at least formulate an internal audit plan per year. During the planning process, taking into account the views of senior management and the Board, the key points of internal audit activities that are in line with the organization targets are determined, and finally approved by the Audit Committee for implementation



Vinda's Governance Philosophy

Good corporate governance instils excellent business practices that will enable the Group to be an industry leader and enterprise role model. Vinda expects our business partners (including suppliers, consultants and independent contractors) comply with explicit and implied standards of Vinda's "Anti-Commercial Agreement", "Conflict of Interest Reporting System", "Measures Governing Tender Invitation", "Code of Conduct" and "Intellectual Property and Confidentiality Agreement". All suppliers must agree to the following standards:

- I. When a commercial partner participates in the tendering initiated by Vinda and enters into the contract with Vinda, Vinda will enter into an "Anti-Commercial Bribery Agreement (Undertaking Letter)" or include the terms containing the main content of "Anti-Commercial Bribery Agreement" in the text of contract.
- II. "Conflict of Interest Reporting System" requires employees to actively report their interest relationships with the suppliers and to avoid conflict of interest.
- III. "Measures Governing Tender Invitation" specifies the open and transparent principles and procedures to select suppliers in major procurement matters.

If the behaviour of any business partner conducted during the cooperation with Vinda violates these standards, we will communicate with them to agree on relevant corrective measures.

Reporting Management

Whistleblowing Management

Vinda's whistleblowing mechanism enables internal and external stakeholders to report any suspected cases of misconduct, fraud, impropriety, immorality or unfair treatment to senior management. We develop and standardise the whistleblowing procedures in accordance with relevant laws and regulations.

Whistleblowing Procedures

1. Under the leadership of the audit committee for whistleblowing, the Code of Conduct team (composed of the CEO and relevant senior managers) is the standing department for handling whistleblowing cases, while the internal audit department is the daily management department for whistleblowing cases.
2. Vinda shall disclose the information of whistleblowing channels including whistleblowing telephone number, whistleblowing email, receiving address internally and externally through Vinda official website and in accordance with the Code of Conduct, the Anti-Corruption System and the Anti-Commercial Bribery Agreement, new employee training and annual anti-fraud training etc..
3. The internal audit department will conduct a preliminary analysis of all whistleblowing cases and record them. The Code of Conduct team will decide whether to initiate an investigation and appoint the appropriate investigation team according to the seriousness of the case.
4. Once the whistleblowing cases are verified, Vinda will take disciplinary action against those involved, with the serious one being fired or even transferred to the judicial authority. After the occurrence of fraud cases, the responsible department shall take corrective measures in a timely manner and evaluate and improve the internal control procedures.

Whistleblower Protection

Vinda is committed to achieving and maintaining the strictest standards of confidentiality, and the identity of whistleblowers will be kept absolutely confidential. Vinda follows up on whistleblowing cases and takes appropriate action. Any information provided by the whistleblower will be kept confidential. Such information will be used only by persons required to obtain such information for the purposes of the investigation and resolution of this case in accordance with Vinda's policy, unless disclosure of such information is required by law or materials sent to the relevant authorities for the purpose of criminal proceedings. Any retaliation for whistleblowing and intentional false whistleblowing shall by no means be permitted and shall be subject to serious disciplinary action or even dismissal. In addition, after the whistleblowing case is verified, Vinda will give appropriate rewards to whistleblowers based on certain standards.

Vinda's Governance Philosophy

Risks and Opportunities

As climate change has a huge impact on the natural environment and our society, we understand that adapting to the new normal and building climate resilience are critical to sustaining our business in changing times. The Group is well aware of the known global social and environmental challenges. Taking into account the nature and geography of Vinda's business, we have made a comprehensive assessment on the nature and location of our business and identified a series of potential risks and risk responses to mitigate their negative impacts. The Board has overall responsibility for assessing and determining the nature and extent of risks (including those related ESG) to the Group's strategic objectives, maintaining a robust and effective risk management system and internal monitoring system, and reviewing their effectiveness to protect the investment interests of shareholders. The Group adopted a rigorous and consistent approach to identify, assess, respond to and report on opportunities and risks that affect the Group's objectives and ESG strategy. The Group holds regular management meetings and conducts assessments of sustainability related factors to ensure that the measures against identified risks are implemented in accordance with the requirements of the Group.

Type of Risk	ESG-Related Risks	Risk Response Measures
 <p>LABOUR SHORTAGE</p>	<p>According to official data in China, the ratio of job vacancies to job seekers in public employment services in some Chinese cities will always be greater than 1 in 2020 and 2021, and the seventh national census of China also shows that the working-age population is slowly decreasing year by year, and the economic structure and technological development need to be adjusted for adaption.</p>	<p>The Group continues to explore the use of digital technology to combine simple repetitive tasks with manual work and fully utilise the Company's technological power and intelligent collaboration, which has improved work efficiency, increased employee motivation and brought many new jobs and opportunities. In addition, Vinda adheres to fair employment principles, encourages diversity and equal opportunities, and strives to create a safe, healthy and respectful workplace.</p> <p>The Group's production operations are being intelligently transformed in all production plants, using innovative digital concepts to empower operations and improve efficiency, in order to prepare for possible future manpower constraints.</p>



Vinda's Governance Philosophy

Type of Risk	ESG-Related Risks	Risk Response Measures
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CLEAN TECHNOLOGY

Companies, consumers and governments are paying increased attention to environmental issues, while different countries and regions continue to tighten environmental laws, regulations and standards. It is expected that the Group will face stricter laws and regulations on energy conservation, carbon reduction and environmental resource management.

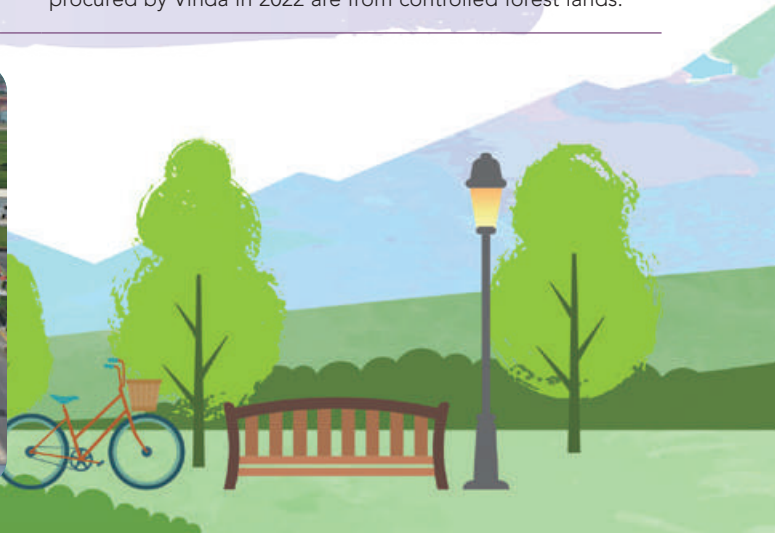
Vinda is committed to reducing the environmental impact of its operations by increasing the use of clean energy to protect natural resources and increasing the reuse rate of wastewater to reduce the discharge of wastewater and protect water resources.

In terms of clean energy use, the Group has installed solar photovoltaic power generation systems on the rooftops of several factories to provide electricity for administrative offices; individual factories have responded to local government calls for converting coal-fired boilers to natural gas boilers (Beijing and Guangdong) or to eliminate boilers and integrate them into industrial parks for centralised heating (Shandong).



In respect of water conservation, the Group has implemented reclaimed water reuse projects in all papermaking factories to increase the reuse rate of waste water and reduce the consumption of clean water.

The Group has set KPI for energy and resource consumption in each production plant and conducts regular statistics, analysis and assessment.

We became the first fast moving consumer goods company in Hong Kong to obtain the Green Finance Pre-issuance Stage Certificate issued by the Hong Kong Quality Assurance Agency, and the first fast moving consumer goods company to successfully raise sustainability performance-linked loans. The proceeds from the loan will be used for green operations to drive the performance of sustainability performance targets. In addition, in accordance with fair sourcing principles, the Group prioritizes the selection and use of environmentally certified raw materials based on low carbon and green supply chain standards. 100% of the wood pulp procured by Vinda in 2022 are from controlled forest lands.



Vinda's Governance Philosophy

Type of Risk	ESG-Related Risks	Risk Response Measures
 <p>ONLINE CONSUMPTION</p>	<p>With the mature online economy, consumers have easy access to goods and services around the world. Conversion to online purchasing accelerated further during the COVID-19 pandemic. This shift to online retail channels means that traditional sales channels alone no longer serve the needs of every consumer segment.</p>	<p>The Group's e-commerce team was established in 2012, and mutually beneficial, long-term collaborations have been established with major e-commerce platforms. The Group actively develops new channels and models to achieve sustainable development in all business regions.</p> <p>E-commerce has increasingly become the main channel of the Group, recording significant organic growth. The Group will continue to promote the business growth of e-commerce and new channels and expand its market share in all regions in which we operate.</p>
 <p>CLIMATE CHANGE</p>	<p>Climate change affects the weather everywhere. Extreme weather events occur frequently and are often accompanied by natural disasters in various regions. This can affect the day-to-day operations of enterprises, as well as the health and safety of employees.</p>	<p>According to the local climate conditions and the actual situation of extreme weather in the past, the production plants in each region of the Group formulate relevant emergency plans and conduct regular drills to ensure that all emergency plans are effective. These emergency plans are designed to deal with rainstorms and typhoons in southern China, snowstorms in northern China, tsunamis in Southeast Asia, and fires in various factories.</p> <p>For details of measures against climate change risk, please refer to "Section 5 – Value Chain and Climate Change" of the Report.</p>



Sustainable Development Direction

Sustainable development is the top priority for all industries. Therefore, in 2020, the Group has formulated a sustainable development roadmap for the next five years as an important indicator of Vinda's development direction. In formulating the sustainable development targets, Vinda comprehensively analyzes the environmental protection technologies available in the market, effectively uses resources and cooperates with the Group's development pace to formulate sustainable development targets. Clear objectives and specific development roadmaps are effective in enabling the Group to strategically monitor and address sustainability-related issues in its day-to-day business operations over the past two years. More importantly, the goal enables the Group work steadily towards sustainable development, paving the way for success.



Vinda's Governance Philosophy

Vinda's Five-year Sustainable Development Targets from 2021 to 2025








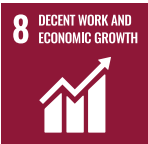

	Targets	Progress in 2022	SDGs
Energy Management	To reduce the Group's use of standard coal in energy consumption by 500,000 tons, as benchmarked against the advanced value ⁴ of China's national standard.	Reduced use of standard coal in energy consumption by 237,000 tons in total.	 
Carbon Emissions	To reduce the Group's carbon emissions by 1 million tons, determined by comparing against the benchmark ⁵ released by the Guangdong Provincial Department of Ecology and Environment in 2019.	Reduced carbon emissions by 578,000 tons in total.	
Waste Recycling, Resources Recycling, Packaging Materials	More than 90% of all packaging to be made of renewable/recyclable materials.	100% packaging was made of renewable/recyclable materials.	
	<p>Research and develop the use of biodegradable plastics as raw materials, and gradually increase the proportion of biodegradable materials in products.</p> <p>95% of waste⁶ to be recycled or used for energy recovery.</p> <p>To maintain 100% of hazardous waste to be managed by qualified third-parties for disposal.</p>	<p>Vinda continued to test biodegradable materials.</p> <p>Approximate 93% of waste was recycled or used for energy or material recovery.</p> <p>100% of hazardous waste was managed by qualified third-parties for disposal.</p>	
Green Supply Chain	100% of the Group's top twenty raw and auxiliary material suppliers (excluding wood pulp suppliers) based on purchasing volume to be ISO 14001 certified in environmental management.	100% of the Group's top twenty raw and auxiliary material suppliers (excluding wood pulp suppliers) in terms of purchasing volume were ISO14001 certified in environmental management.	

⁴ The advanced value of consumption for each ton of household paper is 0.42 tons of standard coal according to "GB31825-2015: energy consumption per unit of pulp and paper products" (GB31825-2015 制漿造紙單位產品能源消耗限額).

⁵ Benchmark is 1.301 tons CO₂/ton of paper during the tissue converting process in the paper manufacturing industry, in accordance with the "Guangdong Province 2019 Carbon Emission Allowance Allocation Implementation Plan (廣東省2019年度碳排放配額分配實施方案)" issued by the Guangdong Provincial Department of Ecology and Environment.

⁶ Non-hazardous waste, such as papers, plastics, coal residues, oven residues, metal products, etc.

Vinda's Governance Philosophy

	Targets	Progress in 2022	SDGs
Water Resources	<p>To reduce the Group's water consumption by 100 million cubic metres.⁷</p> <p>Water recycling rate: > 98%.</p>	<p>Reduced water consumption by 46,000,000 cubic metres in total.</p> <p>Water reuse rate: > 98%</p> <p>The Group strengthens the monitoring of the water pipeline network to eliminate dripping and leakage. In addition, we apply water treatment technology to improve reuse water quality and increase the proportion of reuse water.</p>	 
Sustainable Sourcing	<p>100% of the Group's procured pulp to be certified by recognised forest management standards</p>	<p>In accordance with fair sourcing principles, the Group prioritizes the selection and use of environmentally certified raw materials based on low carbon and green supply chain standards. All the commodity wood pulp procured comes from the controllable forest land.</p>	  
Community Service	<p>To provide 8,000 hours of voluntary service.</p>	<p>Provided 3,944 hours of voluntary service</p>	
Fair Employment	<p>Vinda is an equal opportunity employer that practices gender equality. Our average male-to-female employee ratio has been 55:45 for the past 3 years and Vinda will continue to maintain this gender balance in our workplaces.</p>	<p>Our male-to-female employee ratio was 57:43</p>	 
	<p>To manage all production operations with a target of maintaining zero workplace fatalities.</p>	<p>Workplace fatalities was 1</p>	

⁷ With reference to GB/T18916.5 "Norm of Water Intake – Part 5: Pulp, paper and paper board production (取水定额第 5 部分: 造纸产品)", which stated that 30 tons of water can be consumed per ton of product.

Vinda's Governance Philosophy

Stakeholder Engagement

We are committed to collaborating closely with stakeholders and actively engage them in dialogue about the Company's sustainability progress and outcomes through various communication channels and platforms, including annual reports, surveys, as well as regular discussions and meetings. We regularly communicate with stakeholders to identify areas of materiality and business opportunities with regard to our sustainable development, as well as leverage stakeholder insights to manage known business risks and further our work in sustainable development.

Stakeholder Engagement Approach

Our key stakeholders comprise both internal and external groups who have a significant interest in or influence on our operations. Our communication channels with each of the relevant group of stakeholders are summarised in the below table:

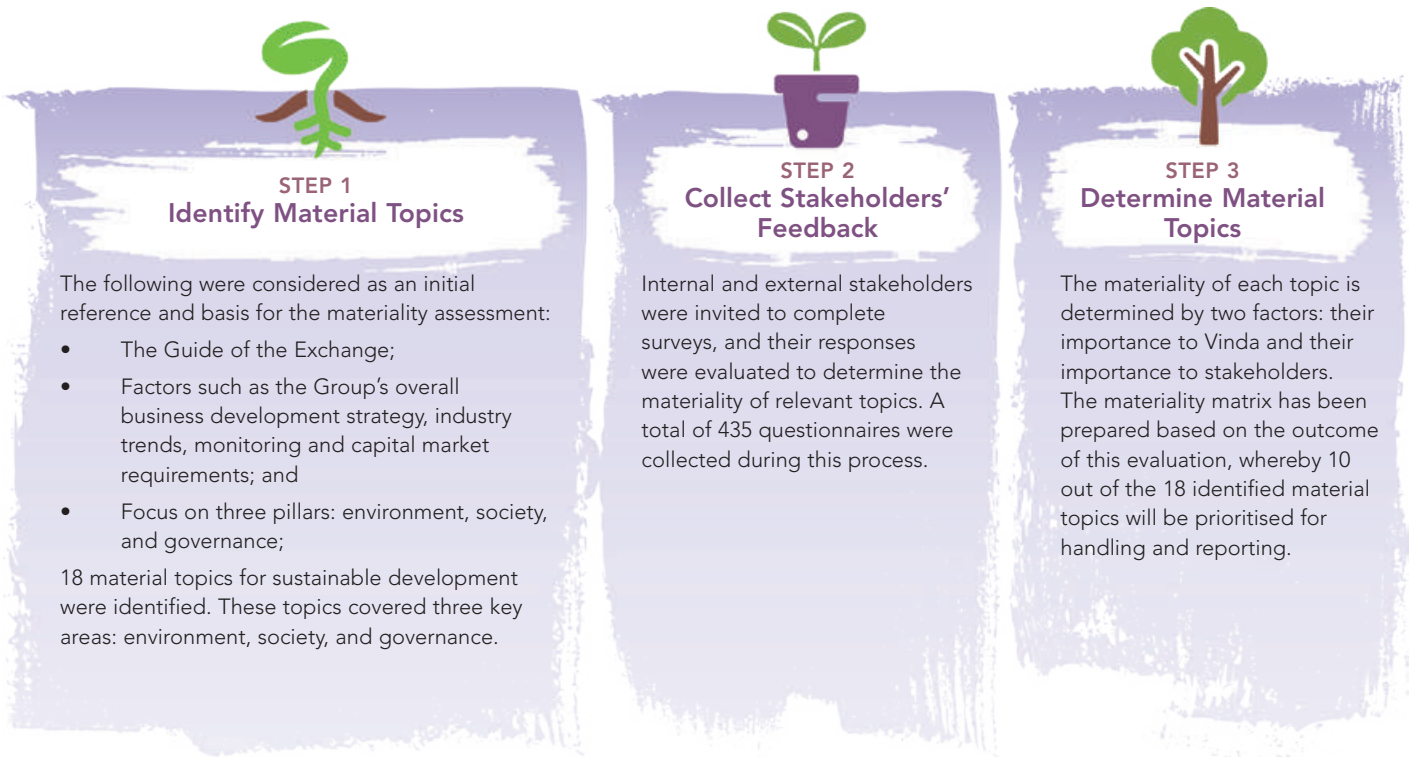
Stakeholder Groups	Communication Channels
 <p>CUSTOMERS AND CONSUMERS</p>	<ul style="list-style-type: none"> • Telephone/email • Customer surveys • Consumer service hotlines • Customer visits and factory audits • Tradeshows • Questionnaires
 <p>EMPLOYEES</p>	<ul style="list-style-type: none"> • Occupational health and safety trainings • Regular meetings • Internal publications (e.g. announcements, newsletters) • Suggestion boxes • Letters/email • Performance reviews • Surveys
 <p>SHAREHOLDERS AND INVESTORS</p>	<ul style="list-style-type: none"> • Annual general meeting • Annual and interim results announcements • Annual report and interim reports • Corporate website • Investor meetings, calls and video conferences • Site visits
 <p>REGULATORS</p>	<ul style="list-style-type: none"> • Government website • Seminars, visits and workshops • Supervision/inspection and evaluation
 <p>SUPPLIERS</p>	<ul style="list-style-type: none"> • Telephone/email • Site visits • Supplier annual audit • Questionnaires
 <p>LOCAL COMMUNITIES</p>	<ul style="list-style-type: none"> • Community programmes

Vinda's Governance Philosophy

Materiality Assessment

To help Vinda gain a better understanding of the perspectives and visions of stakeholders around ESG issues, the Group appointed an independent consulting company to collect the feedback from internal and external stakeholders by questionnaires during the Year.

Three steps were taken to prepare the materiality assessment:

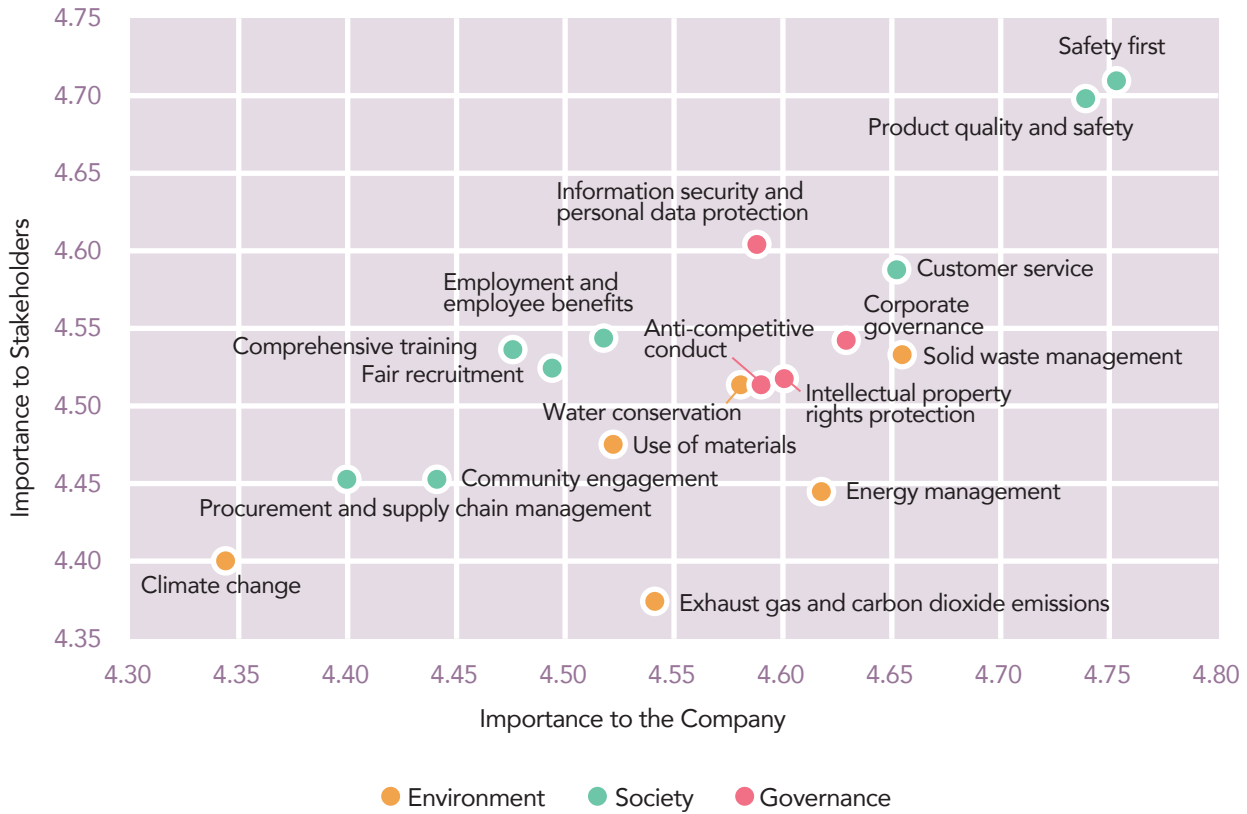


18 MATERIAL TOPICS



Vinda's Governance Philosophy

Materiality Matrix



The survey invited internal and external stakeholders to rate the significance of different topics in the areas of environmental protection, employment and labour practices, business practices and community, so as to understand their degree of interest or concern towards each topic. By analysing the results of the survey, 10 areas were prioritized out of the 18 material topics, which are ranked in descending order of importance:

- Safety first
- Product quality and safety
- Customer service
- Information security and personal data protection
- Solid waste management
- Corporate governance
- Intellectual property rights protection
- Anti-competitive conduct
- Water conservation
- Employment and employee benefits

The Group has taken appropriate measures to address the prioritized topics identified in the material analysis. These will be further explained in the Report, combined with the discussions and recommendations of the focus group. As always, the Group will continue to establish diverse channels to communicate our ESG strategies in an open, honest and accurate manner.

Although the following topics were considered to be of lesser importance to the Group or its stakeholders, the basic management of these areas will nonetheless be accounted for in the Report:

- Energy management
- Fair recruitment
- Comprehensive training
- Use of materials
- Community engagement
- Exhaust gas and carbon dioxide emissions
- Procurement and supply chain management
- Climate change

Vinda's Governance Philosophy



Top 3 Material Topics	Vinda's Efforts
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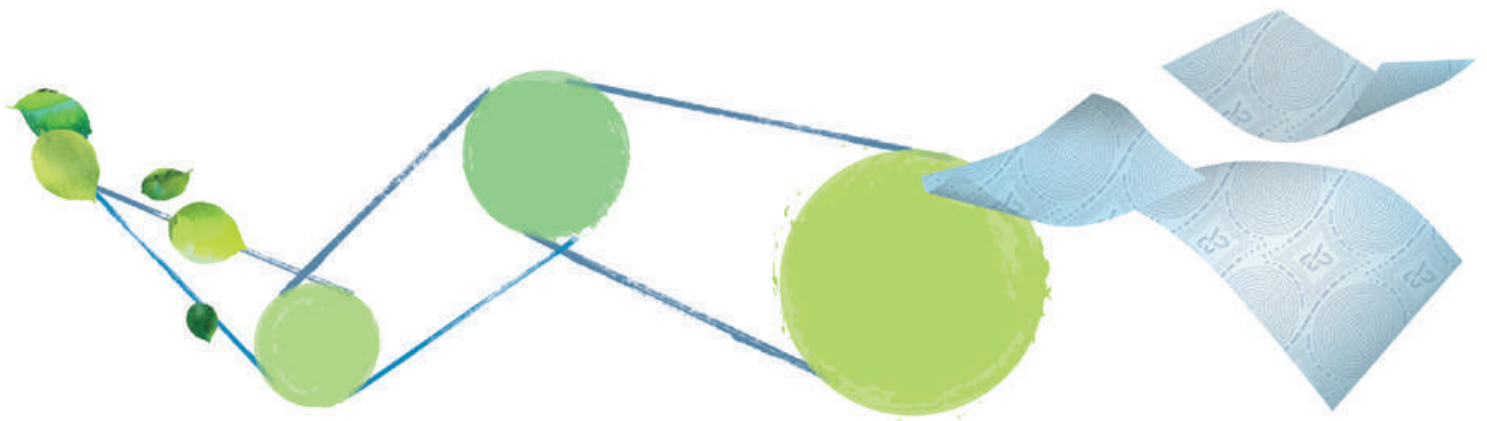
SAFETY FIRST

- We continued to facilitate the informatization process on the Group's security work. We encouraged the employees in mainland China, Chinese Taiwan and Malaysia to report potential unsafe situation and potential risk factors through the safety mobile applications to increase their engagement and enhance their awareness in occupational safety.
- To order to improve the enthusiasm of employees to participate in safety work and enhance their safety skills and awareness, the Company has carried out many different forms of safety activities.
- In order to achieve zero death accidents and reduce lost time accidents, the Company organised regular safety analysis and communication to analyze safety work suggestions of various departments. The results will be fed back to the Company's management through safety analysis meeting and weekly report meeting of the Company.

Responding to Stakeholders' Concerns

We identified the ESG topics considered important by stakeholders through the survey, so as to understand their concerns and expectations, as well as set priorities and actionable plans. Based on the outcome of the materiality analysis conducted in 2022, we have concluded that the top three priorities are: safety first, product quality and safety and customer service.

The table below summarizes the top three material topics that stakeholders are most concerned about, and our efforts to address them. For detailed information on other ESG topics of the Group during the Year, please refer to the corresponding section of the Report.



Vinda's Governance Philosophy

Top 3 Material Topics

Vinda's Efforts



PRODUCT QUALITY AND SAFETY

- Safety tests must be implemented in the early stage of new product development. The tests include but are not limited to toxicological tests such as skin irritation tests, vaginal mucosal irritation tests, skin hypersensitivity tests, as well as tests for formaldehyde, fluorescent whitening agents, mobile fluorescent substances, acrylamide, and chloropropanol and other unsafe ingredients that have been identified by domestic and international standards.
- The Group has set internal monitoring standards for various products, which will have more monitoring items and stricter monitoring indicators than national/industry standards.
- All Vinda factories are certified in ISO 9001 Quality Management Systems. Some factories have passed GMP, BRC, ISO 22000 Food Safety Management System and other customer-specific certifications. In addition to our internal monitor of products from time to time, our products are regularly sent to national testing institutes for quality testing.



Top 3 Material Topics

Vinda's Efforts



CUSTOMER SERVICE

- The customer satisfaction survey will be carried out nation-wide at least once annually to collect customer feedback on areas such as product quality, performance, packaging and advertising, so as to fully understand and analyse their needs and expectations.
- We have set up a specialised consumer complaint management system to collect all consumer complaints including those consumer complaints and grievances online and offline covering all channels, classify such complaints and grievances according to their level of significance, handle them in a closed loop system in time under corresponding process in a timely manner and regularly access data and analytics and propose improvement plans.





VINDA

Puts People
First

Vinda Puts People First

Employees are the most valuable and essential asset of Vinda. We strive to create a harmonious “Family Culture” working environment. Vinda respects its employees’ value, advocates fairness and equity and offers employees with fair promotion opportunities. Vinda focuses on unleashing the potential of its employees, and provides comprehensive and professional training and development programs. Vinda attaches great importance to employees’ interests and welfare by continuously optimising the remuneration system and offering attractive salaries and benefits. Not only does Vinda set up a broad platform for employees’ career development, but it also cares for employees from their life and growth with a family-like bond.

Employment and Employee Benefits

Vinda is committed to nurturing talent attraction pool, and realising the positive interaction between “talent leading industry (人才引领产业)” and “gathering talents with industry (产业聚集人才)” by recruiting employees in compliance with regulations and laws through a series of benefits.

The Group strictly abides by the employment and labour laws of various jurisdictions. To protect the rights of employees, the Company also has a comprehensive set of systems and policies covering areas such as remuneration management, benefits management, performance management, leave and business trip management and benefits for contracted employees. These regulations stipulate the payments to employees for remuneration, paid leave, statutory social insurance such as pensions, expenses for medical, unemployment, work injury or maternity fees, housing provident funds, personal accident insurance as well as other benefits such as the provision of “high temperature subsidies” as required by local governments in specific regions. With the digital application, employees can be informed of the latest policies on compensation, retirement and employee benefits through online and offline methods, such as employee handbook or talk with intelligent customer service (24 hours per day) at any time. No major employment-related breaches were detected during the Year.



Mainland China

We strictly comply with all national and local laws, such as the Labour Law of the People’s Republic of China, Labour Contract Law of the People’s Republic of China, Labour Union Law of the People’s Republic of China and Employment Promotion Law of the People’s Republic of China. The implementation of our employment policies and the establishment of labour unions are in accordance with these laws. The Group also complies with the Law of the People’s Republic of China on the Protection of Minors to prevent the illegal employment of child labour and forced labour.

We protect the legal rights and interests of female employees in strict compliance with relevant laws and regulations, such as the Law on the Protection of Women’s Rights and Interests and Rules on the Labour Protection of Female Employees. In addition to the provision of maternity leave, breastfeeding leave, annual gynaecological check-ups and a health protection plan for female employees, nursing rooms are also provided for mothers at our workplaces.

As a company originated from the Guangdong-Hong Kong-Macao Greater Bay Area, in recent years, Vinda engaged more professionals from the Greater Bay Area by offering a series of supporting measures such as housing subsidies, child admission and spouse employment consultation.



Vinda Puts People First

Chinese Taiwan

We strictly abide by the Labour Standards Act, the Employment Service Law and other laws and regulations, and standardize the recruitment of talents according to the standard procedures set out in the Recruitment Management System. We adhere to the principles of fair, impartial and open recruitment. Discrimination in employment is prohibited on the basis of race, class, language, ideology, religion, party affiliation, native place, birthplace, gender, sexual orientation, age (excluding age for illegal employment of minors from different localities), marriage, appearance, facial features, physical and mental disorders, zodiac sign, blood type or previous trade union membership, and we strive to provide equal employment opportunities for all job seekers.

We strictly abide by the Act of Gender Equality in Employment and have formulated the Sexual Harassment Preventive Measures (Grievance and Disciplinary



Procedures) to strengthen the protection of the rights and interests of female employees and prevent gender discrimination and sexual harassment in the workplace. In order to ensure that employees can balance their family care responsibilities and workplace work at the same time, employees may ask for family care leave in accordance with the Measures on Leave for Employees when they are required to take care of their family members by themselves in case of vaccinations, serious illness or other serious accidents.

At the same time, we believe that a diverse work environment can stimulate the potential of the team. We provide a bilingual environment for foreign employees in the factory and provide necessary support of their lives, and establish a diverse employee feedback platform (for example, employer-employee meetings, foreign communication meetings, employee mailboxes, etc.), listen to and respond to the needs and suggestions of employees, and promote Vinda to pay attention to the diversity of work environment and sustainable development in accordance with the Code of Conduct.

We pay great attention to the development and well-being of our employees. In accordance with the standard procedures and norms of the Vinda Cadre Management Measures (《維達幹部管理辦法》), the objective criteria of the work experience, personal

ability, educational qualifications, performance and other aspects of the promotion post will be submitted by the direct superiors in June or December every year. In addition, in accordance with the Regulations on Employee Welfare (《職工福利金條例》) and the Administrative Measures of the Employee Welfare Committee (《職工福利委員會管理辦法》), we provide staff subsidies in many areas, including marriage, children's education, emergency relief, continuing education, etc.



Malaysia

In addition to the mandatory employment benefits stipulated in the national Employment Act, we offer additional benefits such as extended maternity and paternity leave, flexible work arrangements for female staff during menstrual periods, dental care as well as the extension of inpatient and outpatient services to our employees' spouses and children. To ensure the work environment is the best for our female employees, we continue to provide nursing rooms and training rooms. At the same time, during the COVID-19 outbreak, we also conducted self-care activities in Southeast Asia, such as online fitness classes, chef challenges, mental health assistance programmes, and online gaming competitions to keep interacting with colleagues.

Vinda respects work-life balance and promotes flexible working hours and a 3-2 work pattern. Flexible working hours help employees achieve work-life balance and have plenty of time for personal matters and family. In the 3-2 workplace model, employees only need to work in the office every Monday, Tuesday and Thursday, with the flexibility to work from home on Wednesday and Friday. In addition, employees must retire in the year in which they reach the state pension age in the region.

Vinda Puts People First

NUMBER OF EMPLOYEES	2022		2021	
	Pax	Percentage	Pax	Percentage
BY GENDER				
Male	6,852	56.6%	6,521	55.8%
Female	5,260	43.4%	5,158	44.2%
BY AGE GROUP				
Below 30	2,719	22.4%	2,692	23.05%
30-50	8,792	72.6%	8,482	72.63%
Above 50	601	5.0%	505	4.32%
BY GEOGRAPHICAL REGION				
Mainland China	10,157	83.9%	9,878	84.6%
North Asia	376	3.1%	379	3.2%
Southeast Asia	1,579	13.0%	1,422	12.2%
BY EMPLOYEE CATEGORY				
Senior executive	91	0.7%	86	0.7%
Middle management	2,019	16.7%	1,922	16.5%
General staff	10,002	82.6%	9,671	82.8%

Employee Turnover Rate ⁸	2022		2021	
	Pax	Percentage	Pax	Percentage
By gender				
Male	1,414	17.1%	1,544	19.2%
Female	818	13.5%	981	16.0%
By age group				
Below 30	952	22.8%	1,093	25.5%
30-50	1,176	12.2%	1,309	13.9%
Above 50	104	19.6%	123	26.5%
By geographical region				
Mainland China	1,704	14.4%	2,121	17.7%
North Asia	88	19.0%	68	15.2%
Southeast Asia	440	21.8%	336	17.8%

⁸ Employee turnover rate: number of departures divided by the sum of number of employees at the beginning of the period and number of new joiners during the period.

Vinda Puts People First

Diversity and Equal Opportunities

Vinda abides by the principles of fairness, impartiality and openness in all stages of employment, providing equal opportunities in recruitment, selection, training and promotion without discrimination in employment based on age, gender, marital or parental status, disability, nationality, religion, race, political views, social background or sexual orientation.

Based on the standards set out in "Recruitment Management System", Vinda publishes recruitment information on recruitment websites, internal job advertisements or referral programs, and will offer interview opportunities and selects talents based on objective criteria such as academic qualifications, work experience and personal skills. Vinda's recruitment process is highly transparent and flexible, and does not exclude past job seekers, former employees and external resources to find suitable candidates. Vinda regularly organises internal training courses and encourages employees to actively participate in such courses to achieve individual growth and keep abreast of the times to enhance their personal skills.

Board of Directors Composition

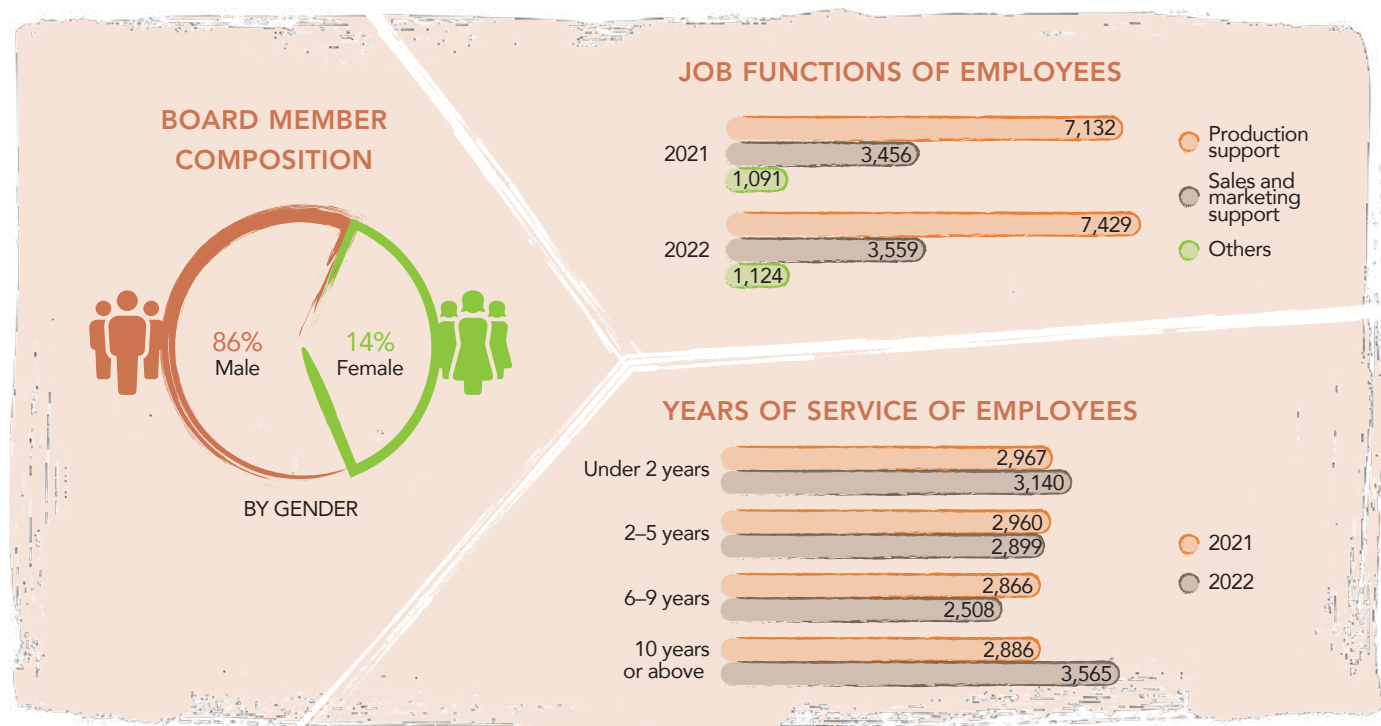
As of 31 December 2022, our Board comprised of 14 Directors (including 2 alternate Directors).

Employees will undertake annual performance evaluations to review their annual performance, demonstrate their talents, and obtain promotion opportunities. Vinda fully recognises the conventions and ethnic beliefs of the countries or regions in which it operates, follows local laws, regulations and policies, treats all employees with respect and equality, listens to different voices and takes different needs into account, so as to promote a diverse work environment.

In addition to occupational equality, Vinda advocates gender equality and earnestly protects the rights and interests of female employees in terms of company policy and corporate culture. In the aspect of promotion, Vinda upholds the philosophy of talent first and ability first, and supports and encourages female employees to strive for promotion. Currently, female employees accounts for a significant proportion of senior executives. Vinda has made it a five-year sustainable development target to maintain a balanced gender ratio among our employees. The Group has maintained a male-female ratio of 55:45 for the past three years and 57:43 for the reporting year. Vinda will continue to strive to maintain a balanced gender ratio in the future.

Employee Composition

As of 31 December 2022, we had a total of 12,112 full-time⁹ employees.



⁹ Since different countries or regions have different definitions of "permanent" and "contract", this Report adopts the same statistical method as in the past. Anyone who signs an employment contract with Vinda is defined as formal full-time employee.

Vinda Puts People First

Prohibition of Child Labour and Forced Labour

Vinda strictly abides by the relevant laws prohibiting child labour or forced labour, the Company's employment principles and management system strictly prohibit the employment of child labour or forced labour in business operations. If such violations are found, the Group will take the necessary steps in accordance with the law to eliminate the violations. The Company has preventive measures in place for child labour or forced labour. In the event of child labour and any illegal employment or forced labour, the Company will set up a task force to investigate and handle the matter in accordance with the relevant policies, terminate the employment relationship immediately in case of child labour, investigate the cause of misemployment, and take effective measures to prevent the recurrence of similar incidents.



The human resources department also uses code of conduct training to promote the inadmissibility of child labour and the need to comply with applicable national or regional laws on the minimum working age and international standards. In order to avoid the employment of child labour, the human resources departments in each region strictly follow the guidelines for the examination of employment files, check the identity documents of the employees, and will not hire those who are not in compliance with the employment age permitted by local laws. In addition, in order to ensure that employees work on a voluntary basis, the Company

has established an employee appeal channel and management mechanism to listen to the opinions and feelings of employees, actively respond to any appeals of employees, and take the safety of employees as the basis.

Talents Cultivation and Retention

Vinda continues to improve its talent development system. In order to further deepen the cooperation between universities and enterprises in the joint cultivation of talents and to cultivate more high quality applied talents for the construction and development of enterprises, Vinda has reached joint cultivation agreements with universities to vigorously promote the cultivation of talents in various fields. These measures ensure that the talent pool is well resourced and that the Company's overall development is facilitated.

Comprehensive Training

Vinda focuses on promoting employee engagement, development and talent management, while effectively addressing occupational health and safety. Employee skills training and personal development continue to improve employee performance. Over the years, the in-house training and development provided by Vinda has become an important element of sustainable business development. Vinda believes that professionals are the key to business success and therefore investing in staff training and development not only enables the Company to have a highly skilled workforce but also to grow stronger.

Vinda is proactive in talent development and designs tailor-made training programs for different levels of employees. Since 2011, we have been providing Management Trainee Program for undergraduate students and Senior Management Programs for managers. At present, we have trained up to 100 professionals and junior executives, established a talent cultivation chain from graduates to middle and senior management, injected diversified talents into the Company, and successfully received high praise in talent training and recruitment.

As of 31 December 2022, over 160,000 training hours were provided to 89.6% of regular employees of Vinda.

Vinda Puts People First



Mainland China

In order to build a talent team, we have developed a series of internal training systems, such as the Training Management System (培訓管理制度), Internal Trainers Management Regulations (內部培訓師管理辦法) and Measures for the Administration of Vinda Cadres (維達幹部管理辦法). We continue to implement the Talent Management Cycle Plan to develop more targeted and systematic training methods through comprehensive assessment and exploration of employees' strengths and potentials. We provide individual development plans for our employees to enhance and develop in a targeted manner. For key employees in the e-commerce team, we implement the "E-Commerce New Manager Training Camp (電商新經理人訓練營)" to help them realize the metamorphosis from managing themselves to managing the team and improve their leadership skills in all aspects; for managers in the HR sequence, we implement the "HR Empowerment Training Camp (HR賦能訓練營)" to achieve overall improvement of HR professional ability through competition instead of practice, and strengthen the cross-regional communication and collaboration of the HR team.

In order to encourage employees to continuously learn and improve their abilities, Vinda has set up a "quality month" to provide comprehensive training for all frontline production staff, from theoretical knowledge to inspection skills, with the participation of all staff in a team to enhance team cohesion, personal quality awareness and inspection skills. In 2022, the production teams operated the business with an aim to "reinforce the foundation (夯實基礎)". The contests of theoretical knowledge of quality were held vigorously, which reflected frontline production employees' mastery of standards and the level of inspection skills that can not be underestimated. Ultimately, the overall level of the frontline production employees can be improved, and the three no principles of "not accepting substandard products, not manufacturing substandard products, and not delivering substandard products" are further promoted.

In 2022, a total of 139,601.4 training hours were provided to 9,134 participants in Mainland China.



Vinda Puts People First



Southeast Asia

We are focused on upskilling our employees from Southeast countries like Malaysia, Singapore, Vietnam, the Philippines, and Cambodia. 2022 has been a year with multiple learning initiatives & programs that includes self-leadership, functional and technical skills.

Vinda Manufacturing Academy, a self-learning platform, continues to develop our production team capabilities and in 2022 the technical experts continued to design and developed 22 new modules for learning. To boost the learning culture among the production team, Vinda has introduced a rewards program to award production employees who successfully completed all the learning paths with good results.

The annual training calendar was designed to upskill associates' competencies and we encouraged all associates to register according to their development needs. Technical or functional skills development needs were the main priority and we ensured to provide the relevant training to associates. Selected conferences and networking sessions were coordinated for associates to have updated information on the respective industry or scope of role/job.

The learning & development team worked very closely with all heads of departments to develop skills set database. The objective of this initiative was to have an overview of the organization's competencies and it has contributed to further actions on performing training needs analysis.

Special learning strategies were introduced according to the TNA results we developed, such as Marketing Excellence Project and Digital Marketing Training for focus groups. These programs have significantly supported the focus group to achieve the learning objectives.

We have also finalized a leadership program for people managers and this program is purely focused to upskill the competencies to manage self, team & performance. Overall statistics of 2022's learning performance would be 19,820.8 hours of training provided to 1,471 participants of Vinda SEA.



Chinese Taiwan

In order to establish a continuous and systematic human resource development system and a learning organization, we conduct regular training needs analysis and evaluation every year to produce annual training plans to equip employees with professional abilities and qualities that are in line with the Company's strategic objectives and to promote management progress. At the same time, employees can also propose internal and external training needs in accordance with the Training Management Measures, which include workshops, project practice, experience sharing, online courses, seminars, etc.

In 2022, we conducted leadership workshops for our management team to jointly set management goals and directions; we also conducted "Excellence in Leadership (卓越領導學)" training to enhance managers' abilities in team leadership, task achievement, and talent cultivation. Product knowledge training for our sales team was also carried out to enhance their product expertise; we conducted the Rising Star Program (新星計劃) for new employees to understand the organizational culture and enhance their adaptation; at the same time, we organised quarterly book reading sessions to establish a self-learning culture and promote communication and sharing.

In 2022, a total of 3,770.0 hours of training were provided to 251 participants in Chinese Taiwan.



Vinda Puts People First

TOTAL NUMBER OF EMPLOYEES TRAINED ¹⁰	2022		2021	
	Pax	Percentage	Pax	Percentage
BY GENDER				
Male	5,980	87.3%	6,023	92.4%
Female	4,876	92.7%	4,707	91.3%
BY EMPLOYEE CATEGORY				
Senior executive	28	30.8%	63	73.3%
Middle management	1,468	72.7%	1,657	86.2%
General staff	9,360	93.6%	9,010	93.2%
Total number of employees trained	10,856	89.6%	10,730	91.9%
Total training hours	163,192	N/A	251,137	N/A

Average Training Hours	2022
Average Training hours per employee ¹¹	13.5
By gender	
Male	15.1
Female	11.3
By employee category	
Senior executive	4.3
Middle management	11.5
General staff	14.0

Talent Retention and Development Opportunities

Vinda regularly organises and reviews the performance of our employees and plan their career development together with their abilities and wishes. We also attract, retain and reward talented people through various means, including a long-term incentive program for senior management or a short-term incentive bonus for all employees. When vacancies arise, we will review our internal talent pool and prioritise the right people to move up the career ladder. If the results of the talent review match the job responsibilities, we will give priority to internal transfers so that employees can grow with the Company.

We promote continuous learning by organizing training programs to enhance employees' abilities, knowledge, skills and mindset based on professionalism. Blue-collar workers and skilled workers are especially important to Vinda's production line. Therefore, Vinda has developed a dual-pathway arrangement for core professionals, deliberately providing dual career paths for teams engaged in technical and e-commerce design, to develop and expand the talent pool for the Company. In addition, through a series of activities such as skill competitions, performance evaluation, and the evaluation of highly skilled personnel, Vinda encourages a large number of skilled and complex talents to complete their promotion, and encourages employees to continuously "get self-improvement (自主增值)" to help Vinda's sustainable development.

¹⁰ Percentage of employees trained: total number of trained employees in this category divided by total number of employees in this category.

¹¹ Average Training hours per employee: total training hours in this category divided by total number of employees in this category.

Vinda Puts People First

Employee Activities

In addition to meeting the needs of our employees, we are committed to promoting a number of activities for employees to participate online and offline in order to create a happy and beneficial working environment for employees.



Mainland China

In 2022, the trade union of Vinda held a skill competition. 26 labour skill competitions were held in the unit of division of labour during two months, with the number of participants reaching 1,500. The participants covered all functional departments and production frontline staff in an all-round way from electrician, machinery, production, sales business, brand promotion, quality control, logistics, design, human resources, office software, R&D. Such competitions made staff more dedicated to their duties, helped forging craftsmen spirit, constantly improved their skill level, and promoted the development of individuals and companies. All contests in this competition were more elaborate than the previous ones. For example, the Super Chef Competition of the

Administrative Department created dishes and pastries cooked with tangerine peel in Xinhui district, Jiangmen City under the theme of the specialty of tangerine peel in Xinhui district where we operate in, and their skill is by no means inferior to that of a restaurant's chef. For another example, the Electrical Integration Skills Competition of the Technical Department also used high-end instruments for evaluation and scoring for the first time, which fully reflected the technical ability of the players. Located in the Greater Bay Area of Guangdong, Hong Kong and Macao, there are opportunities and challenges. We should always stay hungry and foolish for new knowledge and developments and forge labour model spirit and craftsman spirit by participation in labour skill competition.



In addition, in order to improve the employees' health awareness, Vinda China launched the "Enjoy Health and Fitness Progress (健康享瘦进阶)" weight loss contest throughout the factory, and also offered fat loss diet in the canteen. It was hoped that through activities, the employees from North China will gain health and enjoy the happiness and sense of achievement of weight loss. With a total weight loss of 285 catty, everyone was strictly self-disciplined in the process of activities. Everyone not only took a step forward to health, but also became more confident, and increased health awareness. Eventually, they can work and live in a happier, healthier and more confident way.

Vinda Puts People First



Chinese Taiwan

In order to appreciate the hard work and efforts of our employees, we will organise birthday parties for all birthday stars of the current month and all of them can feel the heartfelt blessings from their colleagues and supervisors together, and also unite the team cohesion through the birthday celebration to enhance the employees' sense of belonging to the Company. In addition, in order to reward the employees for their hard work in the past year, and to appreciate the employees for their efforts and contributions, Kaohsiung factory held an annual end-of-the-year evening party in January. In addition to incenting and thanking colleagues with delicacies and performances, it also held awards for excellent employees, and united the team cohesion through group recreational and cultural activities. All colleagues gathered together with joy to promote mutual communication and cohesion.

Vinda Taiwan celebrated Christmas with its employees, and the Company specially prepared delicious dishes for sharing with its colleagues to celebrate this special festival, so that the whole office space was full of joyful and warm festival atmosphere.



Malaysia

At Vinda employees' well-being, health and safety are very important. Our employees are engaged throughout the year with some amazing activities. In 2022, we started off with our Mental Health Week, driving positive mental health and creating a more conducive working environment, and then organized a health-cervical cancer webinar. To serve as general guidance to employees especially female employees how this condition can be managed through making the right lifestyle changes while increasing awareness of cancer symptoms so that we can take control of our health.

In March, we also carried out our recycling week to teach employees the importance of it and also cultivate this habit throughout Vinda. In April, we also did not forget Earth Day, we encouraged employees to take small steps towards a greener workplace and world. In July, to celebrate Vinda Wellness we organized Yoga Classes for the employees. Driving positive mental health and creating a more conducive working environment. The end of August marks the arrival of our Merdeka Day. Throughout this month, it was important that Vinda celebrated patriotism and bring our associates closer together as a family. In line with that, Vinda has had multiple activities to celebrate the spirit of independence. Not only have we had Merdeka-themed candle-making classes, but we've also had yoga classes to ensure that our associates get to practice a healthy lifestyle and enjoy the celebrations. Besides that, we've also been donating our products to multiple food banks to support our local community in rebuilding itself! The act of coming together regardless of our backgrounds, race and religion is truly the spirit of Merdeka and Vinda.

Apart from engagement activities celebrated throughout the year, we also have other small celebrations that are carried out in the office for employees. To appreciate our employees, we also have employee milestone gift boxes that are presented to associates that have a promotion, recently got married and as well as welcoming a newborn into their lives. In addition to that, employees who have worked in Vinda for a long time are recognised through the long service awards programme.

Vinda Puts People First

During the Year, Vinda employees participated in over 25 activities, and the following is a summary of the activities:

Nature of Activities Employee Activities

Parental activity	The Fifth Summer Camp for Employees' Children
Interest group	Vinda Trade Union 2022 Employee Talent Competition Roping Handicraftsman (巧手編繩活動) Speech Contest on the Preparation and Welcome 20th CPC National Congress (喜迎二十大徵文演講比賽) The 5th Vinda Employee Photography Exhibition
Physical and mental health	2022 "Nurturing the mindset · Empowering the body" Vinda Staff Decompression Event (2022年「潤心·賦能」維達職工減壓活動) Health Webinar on Cervical Cancer Weight loss Contest Maintain a good mentality and coexist with stress – Mental Health Experiences Event
Caring activities	Summer Cooling (夏日送清涼活動) Cooling to employees (為員工送清涼活動) Greetings to employees who battled epidemic (慰問戰疫員工)
Promotion of Environmental Protection	World Earth Day Recycling Week
Team Activities	Annual Year-end Dinner Party Outdoor Walking Recording for Employees (職工戶外健步打卡活動)



Nature of Activities Employee Activities

Physical Activities	2022 Vinda Strikes (維達好球) Staff Ball Games Competition Vinda Health Activities – Yoga Course The 9th Fire Fighting Fun Games in 2022
Festival Celebrations	Malaysia Independence Day Birthday Celebration Indian Rice Painting Competition Christmas Dinner Mid-Autumn Festival Activities 2022 Employees' Garden Games for Celebrating the National Day

Safety First

Occupational Health and Safety Protection

We are committed to promoting our staff's physical and mental health and wellbeing, with the goal of "zero workplace accidents". To achieve "zero workplace accidents", we strictly abide by the national safety laws and regulations and continuously improve the safety management system of the Company based on work compliance and standardisation. Accordingly, we organised and carried out various safety and occupational health efforts, and formulated the safety work priorities and strengthened the effectiveness of the work implementation on the basis of the work development. In addition, through stability management and fixed controlling programme, we endeavour to create a safe work environment for our staff.

In addition, the Administration Department (行政管理中心) has established a Group-wide process to collect safety reports from



all factories and regularly evaluates the basic safety data of each site. Workplace safety indicators include but are not limited to the data and statuses of safety incidents and near-misses, safety and occupational health trainings, safety inspections, hazard assessments, emergency drills, etc.

Vinda Puts People First



Mainland China

We rigorously abide by the Production Safety Law of the People's Republic of China and Fire Prevention Law of the People's Republic of China. The Potential Safety Risk Check and Management System (《安全隱患排查與治理管理制度》) of the Company is prepared according to the latest Production Safety Law of the People's Republic of China, which formulated the types, forms and requirements for safety inspection, and clarified the standards of handling potential risks to regulate the Company's work of checking and handling potential safety risks.

During the Year, we continued to follow the special safety inspections such as "Special Inspection on Safety and Interlock Parts of Equipment", "Risks Identification in People's Action Restricted Areas" organised in the previous year, and followed up corresponding rectification, so as to enhance the control over safety accident and eliminate similar potential hazards. To improve the Company's safety accident management, we carried out accident risk point assessment and implemented safety supervision to continuously strengthen safety accident control with accident risk control as the core safety work. We eliminated similar potential hazards through targeted potential dangers investigation of similar safety accidents and accident risk comparison, which enhanced the effectiveness and comprehensiveness of accident control work. During the Year, we have detected 16,346 potential safety risks and formulated rectification measures to improve the safety of the operation site.

In 2022, we revised the Safety Management System for Fire Operation (《動火作業安全管理制度》), Safety Management System for Work at Height (《高處作業安全管理制度》) and Safety Management System for Work in Confined Space (《有限空間作業安全管理制度》) in accordance with relevant regulations so as to improve the safety control of high-risk operations and prevent safety accidents caused by high-risk operations. At the same time, in the fourth quarter, we carried out the special safety action of "focus on execution and implementation" to ensure the effective execution

and implementation of various safety work requirements. During the Year, we continued to promote the safety work through the promotion of our V-Safety mobile application so as to encourage all staff to participate in safety work. Over 98,000 safety observations were submitted by employees, representing an increase of 27% over last year.

During the Year, we continued to promote the digitalisation and informationisation of the safety work. Features of "V-safety" information platform has been expanded to include information on personnel, disposal and procurement of goods and materials and safety suggestions. We also held the fifth season of Safety Heroes to promote the functions of safety informatisation.

In order to strengthen the Group's grasp of the safety work of each factory, and establish the safety work communication and learning channel among factories, we organised the safety departments of each factory to convene quarterly safety work analysis meeting and interim safety work communication meeting in 2022. In this way, we analysed the current situation of safety work on a regular basis, arranged the work for the next stage, promoted the communication and learning of safety work experience among factories, and stimulated the improvement and promotion of safety work in factories. During the Year, we organised 1,862 safety training sessions.

We organised various safety theme activities, such as Intriguing Safety Knowledge Competition and Fire Prevention Contest, and special safety trainings.

	Safety training hours	Number of participants
Mainland China	23,685	5,710

Vinda Puts People First



Chinese Taiwan

We comply with all relevant regulations including the Occupational Safety and Health Law, Fire Prevention Law, Construction Law and Environment Protection Law. We have established a safety and health committee and continued to improve and review the effectiveness of safety and health management on a regular basis through the ISO 45001 Occupational Health and Safety Management System certification. With dynamic management and "V-safety" mobile app, we encouraged employees to report the unsafe situation and minimised the risk of occupational accidents.

	Safety training hours	Number of participants
Chinese Taiwan	464.15	106



Malaysia

We comply with local safety and health laws and regulations, such as the Occupational Safety Health Act 1994 and Factories and Machinery Act 1967. We also implemented a behavioural safety and unsafe condition reporting mechanism via mobile app to enhance employees' involvement and engagement in safety and health. Safety and health committee meetings are held on a quarterly basis and serve as a platform for important safety and health discussions among management and employee representatives.

Our factories in Malaysia passed the inspection by the Department of Occupational Safety and Health Malaysia and have been rated Grade A by the local governmental department of occupational safety and health for four consecutive years. Our commitment to safety has also been recognised for five consecutive years with a Gold Class award by the Malaysian Society of Occupational Safety and Health (MSOSH), a non-governmental safety organisation. Our factories in Malaysia have been certified in the OHSAS 18001 Occupational Health and Safety Management System since 2015. In 2022, these factories additionally achieved their ISO 45001 Occupational Health and Safety Management System certifications.

During the Year, two sessions of ISO 45001 related training were arranged for a total of 41 managers, executives and engineers to participate; and a total of 1,284 participants completed safety related training modules in Vinda Manufacturing Academy (VMA).

	Safety training hours	Number of participants
Malaysia	4,467	1,462

Vinda Puts People First

Vinda's work-related accidents in the past two years

	Group	
	2022	2021
LTA (Lost-Time Accident) (case)	28	20
DLA (Lost-Day from Accident) (day)	2,378	2,044

Region 2022	Lost time accident (case)	Lost-Day from accident
Mainland China	23	2,213
Chinese Taiwan	1	30
Malaysia	4	135
	28	2,378

The data of work-related fatalities in the past three years is as follows:

Work-Related Fatalities	2022	2021	2020
Total cases of work-related fatalities	1	0	0
Rate of fatalities as a result of work-related injury (per hundred workers) ¹²	0.0083	0	0

Vinda fully performs the responsibility of safety production, reviews the related working procedures, and immediately develops corrective measures for the safety gaps identified on the occurrence or potential incidents, so as to promote a safe working environment.

Corrective Actions in 2022

- 1) Work with relevant team members to promote the comprehensive troubleshooting and management of hidden dangers, identify hazards and establish action plans (including engineering control where applicable) with the objective to reduce risk and improve safety at workplace;
- 2) Rectify the inherent hidden hazards of equipment and facilities, improve safety reliability, implement equipment inspection responsibility, and discover and eliminate the hidden hazards as early as possible;
- 3) Stipulate the operating standards to carry out the field operation training on the standardised operation process and strictly implement the mechanism of re-employment after passing the training and examination;
- 4) Carry out the safety month theme activities to deepen the staff's safety awareness, improve the staff's risk identification ability and create a positive and independent safety atmosphere.

Employees' Health and Prevention Measures

We updated our prevention measures in a timely way to abide by the COVID-19 prevention policies of respective governments. With the relaxation of the pandemic prevention and control policy, our daily production and operation have returned to normal, but we still closely monitored the health of our employees, encouraged them to pay attention to their physical condition, and constantly reminded them of their personal hygiene. Face masks are provided and hand sanitisers are available at strategic locations and everyone entering the factories are encouraged to wear a face mask at all times. The Company also made effective use of technology and instant messaging for swift communication. We provided clear guidelines, maintained close and consistent communication channel and shared safety and health recommendations.

¹² Rate of fatalities as a result of work-related injury: number of fatalities as a result of work-related injury / number of workers * 100.



VINDA'S Professional Manufacturing



高效节能

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Value Chain and Climate Change



Our Value Chain

From product design to production, transportation, storage, and of course to the consumer, we incorporate the idea of sustainable development in all aspects along the value chain, taking into account its impact on the environment and society, as well as the impact of climate change on the entire value chain.

Climate Change

China has put forward the “carbon peaks, carbon neutrality and dual carbon goals” in September 2020 to respond to the increasingly serious climate change challenges. Carbon neutrality has become an important goal in China’s green and low-carbon development field. With the growth in people’s living standard and the enhancement of consumers’ safety and hygiene awareness, the demand for disposable paper products increases rapidly. At the same time, COVID-19 pandemic and plastic ban policy have greatly affected the consumption habits of Chinese consumers, resulting in a large

increase in the demand for disposable paper products such as disposable sanitary products, paper straws and paper cups. Under the pressure of carbon peaks and carbon neutrality from disposable paper products industry in PRC, we are committed to analysing the potential threats of climate change risks to each production stage in the value chain. To enhance our sustainability disclosures, we continued to summarise our climate related risks and responses with reference to the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD), focusing on four core elements: “Governance”, “Strategy”, “Risk Management” and “Indicators and Targets”.

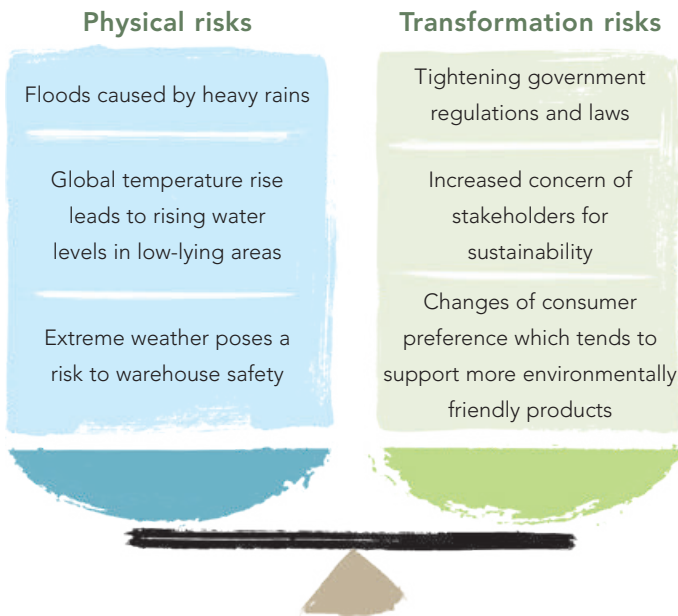
Governance

Under the leadership of the Board, six major committees (Audit Committee, Remuneration Committee, Nomination Committee, Risk Management Committee, Executive Committee and Strategic Development Committee) regularly supervise and review the Group’s overall strategy, risk control, financial position, corporate governance, sustainable development and other matters. For more information on our sustainability governance, please refer to “Section 3 – Vinda’s Governance Philosophy” in this Report.

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Strategy

The following are the physical and transformation risks identified by the Group:



The Group has formulated the following preventive and contingency measures to address the key potential threats of physical and transformation risks at each production stage.

- Emergency Management of the Supply Chain**
 Floods caused by heavy rains poses a threat to our routes of transport and the timeliness of raw material supply and delivery. In addition, climate change has raised the global temperature of the planet, causing water levels in low-lying areas to rise, affecting the sustainability of important raw material growing areas and thus posing a threat to the supply of our existing material suppliers. As a result, the Company has established applicable procurement standards and a list of alternative suppliers in case of any emergency. We avoid purchasing from a single supplier or a single area (except for specific materials required by the customer) and try to keep the supply of goods on hand to prevent disruptions or other adverse effects on the supply chain.

- Warehouse Structure**
 Extreme weather brings excessive rainfall, which poses a risk to the safety of our warehouses, such as the long-term corrosion of roofing sheets and screws. A sudden increase in the number of days of heavy and continuous rainfall can aggravate the corrosion and lead to roof leaks on rainy days, increasing the risk of water damage to stored materials. Therefore, regular inspection and maintenance is necessary to ensure that the roofs of our warehouses are in good condition. During the Year, in order to strengthen the storage management of hazardous wastes and achieve standardised placement, Xinhui factory built a hazardous waste warehouse to share the pressure of the original one and Liaoning factory set up an integrated waste storage area where the slurry and sludge are concentrated in the indoor silo to realize automatic recovery, centralised storage, unified clearing and transportation and reduce manual input.
- Container Storage**
 Heavy rainfall may cause overflow conditions in storage areas for scheduled waste. To cope with such risks, containers will be positioned outside scheduled waste storage areas and within the designated sheltered areas and rooms.
- Beyond compliance**
 Compliance with basic requirements alone is no longer enough to cope with tightening government regulations and increasing public expectations for carbon reduction in the business sector, hence Vinda is committed to developing internal codes of practice that go beyond basic compliance requirements. On top of strict compliance with local environment-related laws and regulations, such as the Notice of the State Council on the Issuance of the Action Plan for Achieving Carbon Peaks by 2030 (《國發[2021]23號國務院關於印發2030年前碳達峰行動方案的通知》), the Technical Guidelines for Self-Monitoring of Pollutant Discharging Units – General Rule (HJ 819-2017) (《HJ 819-2017排污單位自行監測技術指南總則》), and the Technical Guidelines for Self-Monitoring of Pollutant Discharging Units – Papermaking Industry (HJ 821-2017) (《HJ 821-2017排污單位自行監測技術指南造紙工業》) in mainland China, as well as the Environmental Quality Act 1974 (《1974年環境質量法》) and its 2012 amendments and the Environmental Quality (Industrial Effluent) Regulations 2009 (《2009年環境質量(工業廢水)規例》) in Malaysia, Vinda also refers to a number of International Organisation for Standardisation

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(ISO) standards for environmental management, including ISO 14064 Greenhouse Gas (《ISO 14064溫室氣體》), ISO 14001 Environmental Management System Requirements and Guidelines for Use (《ISO 14001環境管理體系要求及使用指南》), ISO 50001 Management System Requirements (《ISO 50001管理體系要求》) and ISO 9001 Management System Requirements (《ISO 9001管理體系要求》). Besides, in view of the Exchange's forecast of mandatory implementation of TCFD-compliant climate-related disclosures in 2025, Vinda published its climate-related "Governance", "Strategy", "Risk Management" and "Indicators and Targets" in the first year in accordance with the TCFD recommendations in order to adapt to the new regulations as early as possible, thereby maintaining Vinda's competitiveness and leading edge in the industry.

- *Soil Protection*
The healthy soil can make the trees hold onto the soil. We built new waste staging areas and intercepting drains to reduce the soil pollution caused by waste (including SAP) leakage.

- *Investment in Climate Change Mitigation*
In addition to the aforementioned climate change plans, the Company actively invests resources in the improvement of facilities or technologies to minimise greenhouse gas emissions, thereby mitigating the effects of climate change. Examples include reducing energy consumption through investments in new technology to indirectly reduce greenhouse gas emissions, as well as the purchase and upgrade of dust removal equipment to reduce environmental pollution.

Vinda is the first fast-moving goods company in Hong Kong to raise green loans and successfully obtain the Green Finance Pre-Issuance Stage Certificate issued by the Hong Kong Quality Assurance Agency. 100% of the Group's pulp is procured from controllable forest land. All of our product packaging are made from recyclable materials. In addition, Vinda aims to require its top twenty raw and auxiliary material suppliers (excluding wood pulp suppliers) to achieve the ISO 14001 Environmental Management Systems certification on or before 2025, particularly plastic and carton suppliers.

Product Packaging Material Consumption	Unit	2022	2021
Paper – total consumption volume	Tons	108,204	120,132
Paper – consumption intensity	Tons/per HKD 10,000 sales	0.056	0.064
Plastic – total consumption volume	Tons	32,085	40,515
Plastic – consumption intensity	Tons/per HKD 10,000 sales	0.017	0.022

Risk management

The management regularly assesses the physical and transformation risks brought about by climate change. For physical risks, each of the Group's factories identifies potential hazards by analysing the risks specific to the location and past incidents, and formulates appropriate emergency measures to keep production and operations running under these conditions. Emergency drills are conducted at least once a year by the relevant departments to ensure that all relevant employees are familiar with the implementation of these emergency plans.

Indicators and Targets

In 2020, the Group set environmental targets related to energy management, carbon emissions, solid waste and packaging management, water resources, sustainable procurement and supply chain. For details of our targets, please refer to the "Vinda's Five-year Sustainable Development Targets from 2021 to 2025" under "Section 3 – Sustainable Development Direction" in the Report.

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Stage 1: Design and new products development

The Environment and Natural Resources

In Stage 1 (design and development of products), we place emphasis on selecting environmentally friendly, safe and healthy materials, making good use of natural resources and reducing environmental pollution.

i) *Products with Safe and Environmentally Friendly Ingredients*

- *No Additives in Baby Diapers*

Diaper products not only touch a baby's skin but also have an impact on the environment around them. To protect the baby's skin and the natural environment, we consider the suitability of ingredients in the development of baby diapers and strictly follow the evaluation of raw materials with reference to safety regulatory requirement in European Union. Drypers baby diapers are produced without the addition of fragrance, skin lotion, rubber/latex, and are free from chlorine elements. In addition, products in the Skinature by Drypers are laboratory tested to be free of the 26 allergens defined by the European Union Cosmetic Regulation (REGULATION (EC) No 1223/2009) and therefore suitable for sensitive skin.

- *Toluene-free Ink and Water-based Ink*

We ensure that all inks used in the non-woven fabric components, knitted components and PEF backing layers of our diapers do not contain toluene. Toluene is a solvent in ink that can cause liver and kidney damage and is banned in the food industry. Therefore, we ensure that any product in direct contact with the baby's skin is not exposed to this solvent. Meanwhile, during the production process, we also ensure that the production team does not touch or inhale toluene. Drypers Wee Wee Dry and Drypers Drypantz, our baby diaper products launched in 2021, also use toluene-free ink in the production process. Moreover, all of our shipping cartons use water-based ink to minimise the negative impact to environment.

- *Healthier and Greener Feminine Care Products*

We innovatively used plant-based layer in Libresse plant extraction sanitary napkins in the Chinese market so as to reduce plastic content. Vinda's moist flushable tissue is made from plant-derived fibres and reusable, washable menstrual pants were launched in the Malaysian market. We also worked with our suppliers to give priority to renewable materials and other environmentally friendly certified ingredients in accordance with low-carbon and green supply chain standards.

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ii) Packaging Materials can be Recycled or Reused

We reduced the use of plastic materials in polybags of baby diapers and feminine care products as follows:

- In 2019, *Drypers DryPantz/Drypers Classic* – 8% less plastic consumption on polybag materials compared with the previous generation; *Drypers Classicpantz* – 18% less plastic consumption on polybag materials compared with the previous generation; *Libresse Night TwinPack/MultiPack* – 60% less plastic consumption on polybags compared with the previous generation.
- In 2020, the Company introduced 500ml refill pouches that reduced the use of plastic in *Drypers Baby Care* products; compared with the 750ml bottle packaging, the refill pouches reduce plastic consumption by 75%. This product provides consumers with an environmentally friendly alternative.
- In 2021, we continued to use 3% recycled plastic in promotional transparent packaging for feminine care products.
- In the second half of 2021, we introduced the *Drypers Wee Wee Dry Mega Pack*, which used 7% less plastic consumption on polybag materials compared with the previous generation.
- In 2022, XL and XXL polybags of the *Drypers Wee Wee Dry Mega Pack* further reduced plastic consumption by 7%.
- In October 2022, relaunched of *Touch* baby diaper with polybag using 15% recycle content and carton with 95% recycle content.



iii) Product Design

We are committed to reducing the carbon footprint of our products by product design at the beginning. For example:

- 2012: *Drypers Wee Wee Dry* – Improved product design to reduce material wastage of non-woven fabrics by up to 16%.
- 2016: *Drypers Wee Wee Dry* – Improved supply chain and core design to reduce raw material use by 15%, lower energy consumption by 6% and reduce carbon footprint by 19%.
- 2016: *Drypers DryPantz* – Improved product design on medium, large and extra-large product sizes to reduce material wastage of non-woven fabric in the back sheet by up to 12% while maintaining consumers' perception of their product performance experience.
- 2020: *Drypers Wee Wee Dry* and *Drypers DryPantz* – brands embarked on a carbon footprint assessment conducted by SIRIM, a premier industrial research and technology organization in Malaysia. Our voluntary participation in this assessment aims to track the effectiveness of our GHG emission reduction and GHG removal measures.



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- 2021: TENA Proskin AIO, TENA Lady local production, Libresse liners V-Fresh and Libresse Towels completed the carbon footprint assessment conducted by SIRIM. The carbon footprint of the upgraded TENA Proskin AIO products remains unchanged compared to the 2011 model; the carbon emission level of the TENA Lady local products is the same as that of the European production product, and local transport can reduce carbon emissions more effectively than shipping from Europe; the carbon emission level of the upgraded Libresse liners V-Fresh feminine care products remains unchanged compared to the 2011 model; and both performance and functionality of Libresse Towels 2021 model have improved compared to the 2011 model with carbon emissions remain unchanged.
- 2022: Relunched of Touch baby open diaper with product biobased content of 43% and baby pants diaper at 30%.

iv) Promotion to Consumers about Environmental Protection



One less plastic solution!
Reuse this bag as a trash bag. Wrap it around with its handle to store your trash.
Gunakan semula beg ini sebagai beg sampah.
Bungkuskan bersama dengan pemegangnya untuk menyimpan sampah anda.

"One Less Plastic Solution"

Since 2018 in Malaysia, we have been encouraging consumers to reuse the polybags of our products as garbage bags instead of using new ones. This aims to reduce the consumption of single-use plastics and ultimately, reduce the amount of plastic waste ending up in landfills. All new product releases including feminine care and incontinence care products will continue to carry relevant educational information to help the world save one more plastic bag. "One Less Plastic Solution" have applied to both Drypers Wee Wee Dry (baby open diapers) and Drypers Drypantz (pants diaper) series products which were launched during the Year.



- *Products to help shape future mindsets on sustainability*
Diaper designs can help parents, babies and their toddler siblings to interact and bond. With that in mind, we have designed attractive diaper back sheets to serve as an educational conversation piece between parents and children. From the previous year, the baby diaper products of the Skinature by Drypers range have been designed with motifs of endangered animals, such as seals, turtles, whales, polar bears, koalas, etc., allowing parents to easily lead their children on a journey of environmental discovery and awareness from the comfort of their homes.
- *Reducing consumer waste and resource consumption*
Tork incorporates the concept of sustainable development into every product, with smart product designs to reduce waste and in turn, help companies to reduce costs and improve efficiency. Restrooms fulfilled by Tork are equipped with Tork SmartOne® toilet paper dispensers that effectively reduce tissue consumption by up to 40%. In addition to reducing paper consumption that makes the dispensers easier to maintain and reduces the cost of maintenance, the system of dispensing only one sheet at a time also improves hygiene and lowers the risk of infection in public restrooms.

New Product Development

As a manufacturing enterprise, Vinda constantly develops new products according to market needs. The Group has established a "New Product Development Procedure" and other related documents to standardise the process of new product development and design, along with the responsibilities of relevant departments. Products and services designed and developed must conform to the overall brand plan, be adapted to market needs, satisfy customer requirements and comply with relevant laws and regulations. We have our own research and development teams in Mainland China, Malaysia and Chinese Taiwan. The team includes master's degree, higher education and PhD graduates across broad disciplines such as chemistry, engineering, materials, food safety and quality, bio-industrial science, engineering, chemical engineering, etc.



In the early stages of new product development, safety tests are

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also required, which include but not limited to toxicological tests such as skin irritation tests, vaginal mucosal irritation tests, skin hypersensitivity tests, as well as tests of formaldehyde, fluorescent whitening agents, transportable fluorescent substances, acrylamide, chloropropanol and other ingredients. We set regulatory standards for the internal operation of enterprises that are higher than national or industry standards. All Vinda factories have a dedicated quality management department to monitor the manufacturing process and ensure that our products fulfil these quality standards. All our factories have passed ISO 9001 quality management system, ISO14001 environmental management and other enterprise operation management system certification. We also work with qualified third-parties to conduct additional quality tests on product samples every year. All products are regularly sent to national testing centres for quality testing to comply with our quality standards.

Protection of Intellectual Property Rights

Vinda values the protection of intellectual property rights. Through measures such as system optimisation, patents application and infringement battles, Vinda has fully leveraged the tools for protecting intellectual property rights that promote brand building process and innovation of the Group, enhance the creation, usage and management standards of intellectual property rights. To strengthen the protection of the Group's intellectual property rights, Vinda has established an integrated intellectual property rights management system that comprises a "Technology Innovation Patent Management System", "Trademark and Patent Management System" and "Intellectual Property Reward System" based on relevant national laws and regulations and with reference to the actual situation of the Company.

An intellectual property department has been established with clearly defined responsibilities, while entitlements and remuneration related to intellectual property generated during the work period are also specified. When a case related to intellectual property rights comes to our attention, different actions are taken to manage it based on the circumstances surrounding the case. This may include legal action or the filing of an administrative complaint against the alleged infringer. During the reporting period, there was no violation of intellectual property rights.

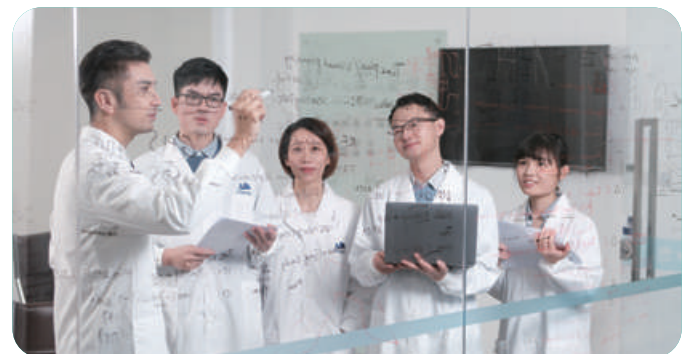
All products of the Group with new packaging and new technology have obtained copyright registration or patent protection. We encourage innovation and new technology development among employees, ensure the proper application of intellectual property rights, and improve the competitiveness and profitability of the Group. Employees are also required to keep confidential any patented technology information they have access to during and after their employment. As of 31 December 2022, the Group had 395 patents and 1,107 trademarks, with the total registered intellectual property rights of 1,502.



Network Security

In the booming era of information technology, network applications not only bring us convenience and efficiency but also the issue of network security.

In order to protect the information and privacy security of consumers and us, Vinda is committed to building a network security system and has adopted various system upgrade measures to enhance security and avoid attacks from external networks. These include protection through firewalls, antivirus walls and Web Application Firewalls (WAF), antivirus software, security patch updates, multiple mail gateway protection, as well as the use of advanced threat management systems to discover and detect security threats.





Stage 2: Procurement

Green procurement

Being a manufacturer of hygiene products, wood-based pulp is a key raw material in Vinda's daily operation. All wood pulp in Vinda's products come from renewable forest resources. Vinda is committed to using only wood pulp from environmentally friendly and sustainable forest resources. Priority is placed on using wood pulp certified by recognised forest management certification systems. Our sourcing department strictly controls and requires pulp suppliers to provide valid certificates for fibre products and documents for the traceability of raw wood. In 2022, all of Vinda's procured wood pulp came from controllable forest land. These are the principles that Vinda insists on for the procurement of wood pulp.

Our preference is to source from chemical suppliers who can provide us with a Material Safety Data Sheet (MSDS). We only purchase appropriate chemicals that comply with respective local laws and regulations in order to pursue a greener and healthier development path.



Mainland China

In 2022, all chemical suppliers have MSDS certificates to ensure their products meet the Group's quality requirements. Vinda has widely used a 'wet strengthening' chemical agent with lower DCP/MCPD/ECH content to meet the latest requirements of the Safety Assessment Management System for Household Paper and Paper Products, Chemicals and Raw Materials (GBT36420). Similarly, we have adopted a water-based stripping agent to replace the use of traditional, oil-based stripping chemicals; this complies with the requirements of the U.S. Food and Drug Administration (FDA), the German Federal Institute for Risk Assessment (Bfr), and the National Food Safety Standard of the PRC on Food Contact Materials and the Use of Additives for Products, GB 9685 regulations. The new water-based stripping chemical agent is biodegradable, less volatile and has a lower impact on the environment and human health.

Vinda collaborated with chemical suppliers to jointly develop a new type of felt cleaning agent in our tissue machines. This innovation is already in use at Vinda factories and accounts for 99.8% of the Group's use of felt cleaning agents, in turn effectively improving the continuous production efficiency – and reducing the energy consumption – of our tissue machines.

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Chinese Taiwan

In 2022, all our chemical suppliers are required to provide a Safety Data Sheet (SDS) for safety. In addition to the regulatory requirements under the Regulations for the Labelling and Hazard Communication of Hazardous Chemicals, chemicals management also complies with regulatory requirements under the Hazardous Chemicals Assessment and Hierarchical Management Measure, as well as the Registration Measure for Information on New Chemical Substances and Existing Chemical Substances. To ensure proper chemical management, protect the safety of employees and reduce the risk of environmental hazards, the Company also provides appropriate protective equipment and regularly arranges trainings for employees on the use of chemicals and organic solvents.

In Chinese Taiwan, we continued to strengthen the management of suppliers to effectively control the source of chemicals for procurement by possessing a complete list of chemicals, labelling and safety data sheets and implementing category-based controls corresponding to the potential hazard levels of chemicals. At the same time, our suppliers must sign and adopt internationally recognised standards and management systems covering supplier codes of conduct, quality, product safety, environment, chemicals and cleanliness control. During the Year, approximately 60% of suppliers have passed the verification of ISO 14001 environmental management system, and all suppliers have signed our supplier standards and anti-commercial bribery agreements.



Malaysia

All chemical suppliers are required to provide a Safety Data Sheet (SDS) for safety and health assessment and extended to environmental impact assessment since 2020. New chemical suppliers are assessed before being listed as approved chemical suppliers. Chemical suppliers are required to comply with the Occupational Safety and Health (Classification, Packaging and SDS of Hazardous Chemicals) Regulations 2013.



Vinda's Professional Manufacturing

Supply Chain Management

We have dedicated departments in various locations to manage supplier relations and related sourcing activities. Establishing long-term partnerships with suppliers supports the stability and reliability of our operations.

As of 31 December 2022, the number of active material suppliers¹³ for each region where Vinda has manufacturing operations are:

Number of active material suppliers	2022	2021
Mainland China and Hong Kong	406	380
Malaysia	39	33
Chinese Taiwan	33	20
Other Regions in Asia	30	27
Europe	12	16
North/South America	8	21
Total	528	497

Vinda strengthens the inspection on the chemical use of each factory to ensure that there is no leakage and the chemical use meets the safety requirements. In case of leakage or other emergencies, we will take measures according to the Emergency Preparedness and Response Plan for Chemical Leakage (《化學品洩漏應急準備與響應預案》) and Emergency Preparedness and Response Plan for Strong Corrosive Chemical Accidents (《強腐蝕性化學品事故應急準備與響應預案》). Waste chemicals and chemical containers

will be packed by corresponding department with "Dangerous Chemicals" label and placed at the designated collection area. Then, the administrative or environmental protection department will appoint the qualified institutions to handle them, and the keep record accordingly. Vinda has set up emergency preparedness and response procedures including chemical leakage management, regular chemical leakage training and drills.

Management Measures of Chemical Leakage:

- Purchase from approved list of chemicals only
- Provide Safety Data Sheets at strategic locations
- Provide leakage kits at strategic locations and provide trainings for relevant staff to control leakage
- EPR trainings on leakage



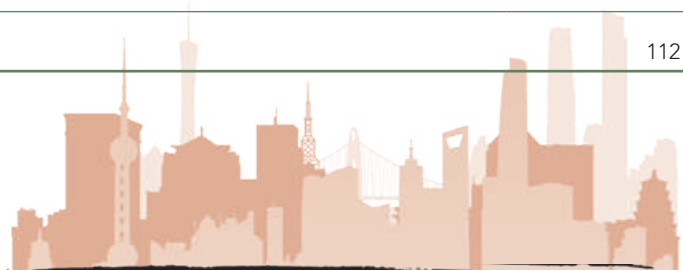
¹³ Material suppliers generally refer to suppliers who provide Vinda with raw materials (such as wood pulp, chemicals) and subcontracting and processing services for the production of end products. Active material suppliers refer to material suppliers who have provided services/materials to the Group during the statistical year.

Vinda's Professional Manufacturing

As of 31 December 2022, the number of chemical suppliers for each region where Vinda has manufacturing operations are:

Number of chemical suppliers	2022
Mainland China and Hong Kong	58
Malaysia	33
Chinese Taiwan	12
Other Regions in Asia	7
Europe	2
North/South America	0
Total	112

When the Group is identifying a new supplier, the quality control department will evaluate the quality, environment and occupational safety management system at the potential supplier's production site based on Vinda's "Supplier Factory Facilities Assessment Regulations (供應商工廠設施評估規定)". Assessment items include the potential supplier's factory environmental standards, risk assessment, manufacturing emissions, hazardous solid waste treatment, occupational health and safety risk assessment, on-site safety management, employee health examination and fire inspection report, etc. All new suppliers have completed all Vinda assessments and satisfied these evaluation requirements.



Mainland China

When choosing material suppliers, we strictly follow our "Materials Purchasing Management System" and "Supplier Management Standards" to only select suppliers that meet Vinda's development guidelines. Since 2018, we have introduced a Supplier Incentive and Elimination Mechanism program to stimulate healthy competition through a bidding process: this helps to continuously enhance the overall performance and service of our suppliers and improve our supply costs. We launched a "Scheme to Strengthen On-site Management of Domestic Suppliers" in 2017 and "Pest Management Requirements for Suppliers" in 2018 to continuously reinforce the management capabilities of our suppliers. Vinda also requires all suppliers to strictly comply with all relevant national environmental protection and social policies. We assess the performance of our suppliers on a regular basis. Assessment scoring systems are designed to meet the specific needs of each Vinda factory, ensuring that our suppliers meet our strict quality and service standards. In 2022, the average performance evaluation scores of Vinda's suppliers in mainland China were 93.57 (out of 110).

Vinda's Professional Manufacturing

Chinese Taiwan and Malaysia



We select material suppliers in accordance with our "Supplier Management Standards" and assess the performance of suppliers on a regular basis. In 2022, the average performance evaluation scores of Vinda suppliers in Chinese Taiwan and Malaysia were 5.71 and 5.95 (out of 6) respectively.

These evaluation scores reflect a supplier's performance in terms of delivery of materials, adherence to supply schedules, administration, and the quality of packaging and materials supplied. Administration refers to a supplier's ability to provide documentation about the quality of materials and their environmental, health and safety (EHS) impact.

Suppliers are strongly recommended to comply with standards in six main areas: code of conduct, quality, product safety, environment, chemicals and cleanliness control, and to ideally adopt internationally recognized standards and management systems. As of 31 December 2022, all suppliers have signed our supplier standards.

Suppliers' Environmental and Social Responsibility Risks

To support the identification of suppliers' environmental and social responsibility risks, Vinda has been gradually adding information about our suppliers' environmental performance, social responsibility initiatives, as well as their environmental certifications and qualifications into the Group's Supplier Relationship Management (SRM) system.

Vinda factories are strongly encouraged to purchase materials from local suppliers. As of 31 December 2022, the ratio of local companies supplying to Vinda is steadily increasing and currently comprises 96%, 49% and 50% of the overall share of supply to Vinda in Mainland China, Chinese Taiwan and Malaysia respectively.

Commitment to reducing their environmental impact is one of the key criteria in Vinda's selection of material and service suppliers.



As of 31 December 2022, all our wood pulp comes from sustainably managed forests or suppliers with recognised forest management system certifications.

Our target by 2025 is for our top twenty raw and auxiliary material suppliers (excluding wood pulp suppliers) based on purchasing volume to achieve the ISO 14001 Environmental Management Systems certification.

Vinda's Supply Chain Management during the Pandemic

During the pandemic, lockdown measures in many countries have added unforeseen variables to business operations, and the global demand for hygiene products – including products to prevent the spread of the coronavirus – has put a lot of pressure on the transportation and supply chain. Vinda has minimized the impact of transportation uncertainty and maintained a stable supply of raw materials by keeping track of suppliers' capacity and upstream raw material supply, adopting a multiple source procurement strategy, increasing the proportion of local supply and raising safety inventory levels. The close collaboration between Vinda manufacturing units across different countries was also instrumental in securing a balanced raw material supply.

Vinda's Professional Manufacturing



Stage 3: Production

Product Responsibility

Product quality, functionality, performance and safety are the cornerstones for customer and consumer satisfaction. As such, different product specifications are formulated to meet differentiated market needs and requirements, and trainings are organised to strengthen employees' product awareness. This provides consumers with confidence in our products at all times and offers them our best hygiene care.

Quality as a Priority

The Group refers to government departments and their official websites (environmental management departments, market regulatory authorities, etc.), media (newspapers, periodicals, Internet, etc.), consulting companies, industry associations, customers and other sources to fully comprehend and comply with all regulatory requirements. The Group did not violate any laws or regulations related to product quality during the year of 2022, also we did not have any recall cases concerning serious quality problems or health and safety problems.

Product Quality Management

We understand that the Company's reputation and stakeholders' confidence will be affected by the quality of our products, and it has always been Vinda's mission to provide consumers with high quality products and services. Therefore, Vinda has a rigorous management

plan to consistently maintain high quality product: from raw material inspection, manufacturing inspection and final product inspection, to hygiene standards for operators and production sites. All products are subject to the Company's standards that are higher than the national standards when internal quality checks are carried out to ensure to meet current national standards of Mainland China (e.g. GB 15979, GB/T 20810, GB/T 20808, etc.) before the products are being released. In the early stages of all new product development, safety tests are required, which include but not limited to skin irritation tests, vaginal mucosal irritation tests, skin hypersensitivity tests, as well as tests for formaldehyde, mobile fluorescent substances, etc. All products are subject to random inspections by national and local regulatory authorities. In addition, all products are also regularly sent to national testing centres for quality testing to comply with our quality standards.

In Chinese Taiwan, all products are subject to the local provisions of the Commodity Labeling Act (商品標示法) and the product standards of CNS 13073 and CNS 15152, inspect and ensure that the urine intake of diapers complies with the standards, and there is no non-compliance with applicable laws and regulations related to the quality and safety of products or services in the Year.

Vinda's Professional Manufacturing

Environment Management

Energy management

We actively promote environmental management to make all links of the Company's production line meet the requirements of environmental protection standards and regulations in terms of environmental management. We have formulated and implemented a series of environmental management related management plans such as Environmental Management Plan for Workshop Temperature Reduction and Noise Reduction (《車間降溫降噪環境管理方案》), Management Plan for Steam Pipeline Energy Conservation Transformation (《蒸汽管道節能改造管理方案》), and Environmental Management Plan for Ultra-low Emission Transformation of Boiler Flue Gas (《鍋爐煙氣超低排放改造環境管理方案》). At present, the

main energy sources used for production in Vinda are electricity, coal, natural gas and purchased steam, etc. An energy management system is in place covering these main energy sources and related production equipment. Some of our production sites are equipped with an intelligent Energy Monitoring System (EMS) to collect and monitor real-time operational data such as start-up rates, production capacity, etc. In addition, we select appropriate and effective energy sources based on the situational requirements of each factory, establish a complete management system and improve the monitoring of energy consumption. We will analyse and summarise these data every month to fully understand the energy consumption used in operation, and continuously optimise the system to achieve low-carbon and efficient production.



Vinda's Professional Manufacturing

ENERGY CONSUMPTION

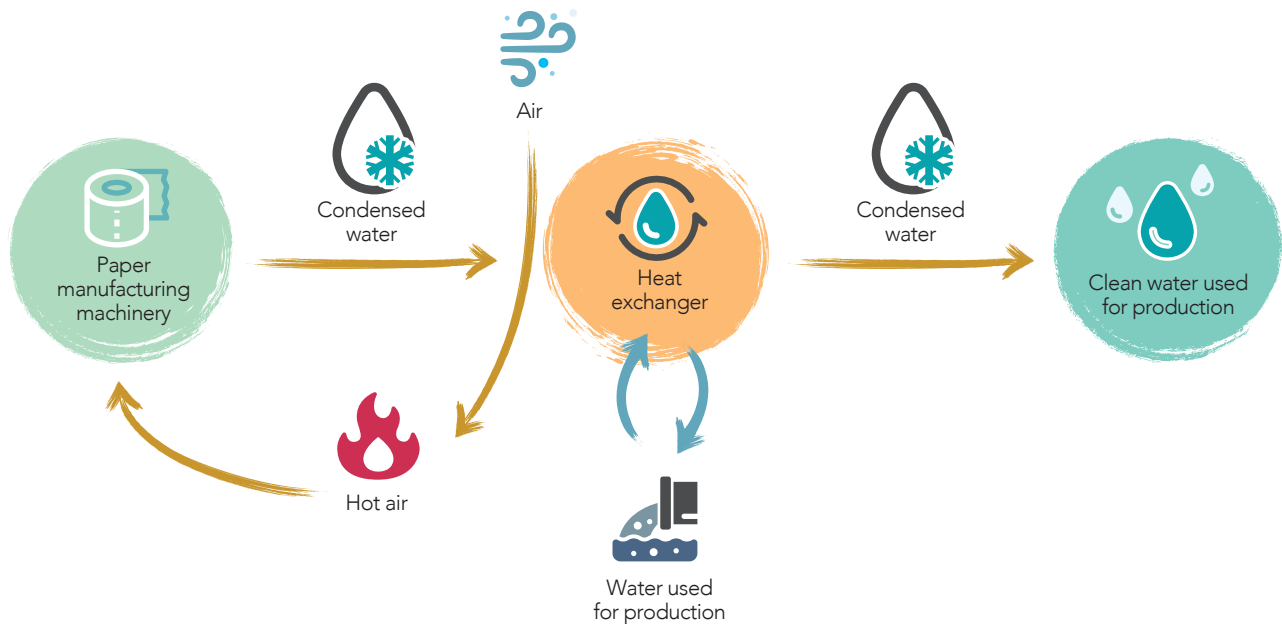
2022		2021
928,607,145 kWh	Electricity	899,154,569 kWh
178,786 ton	Coal	174,596 ton
31,049,233 m ³	Natural gas (for production)	24,430,406 m ³
844,528 ton	Purchased steam	913,193 ton
15.24 ton	Diesel oil for stationary equipment	11.66 ton
96.86 ton	Diesel oil for factory-owned vehicles	85.93 ton
47.76 ton	Gasoline for factory-owned vehicles	65.81 ton
90,485 m ³	Natural gas (for canteens)	58,697 m ³
35.75 ton	Liquefied petroleum gas (for canteens)	49.80 ton
0.20 ton of standard coal/ten thousand revenue (HKD)	Energy consumption intensity	0.21 ton of standard coal/ten thousand revenue (HKD)
0.22 ton of standard coal/ten thousand revenue (HKD)	Energy consumption intensity for tissue	0.23 ton of standard coal/ten thousand revenue (HKD)
0.03 ton of standard coal/ten thousand revenue (HKD)	Energy consumption intensity for personal care	0.03 ton of standard coal/ten thousand revenue (HKD)

Vinda's Professional Manufacturing

To improve energy efficiency while reducing carbon emissions, Vinda strives to avoid and minimise climate changes throughout our business processes. To improve energy efficiency and reduce energy consumption, the Group actively adopts new equipment and develops new technologies. Greenhouse gas emissions will be reduced by reducing consumption or waste. We will continue to promote resource conservation initiatives such as the reuse of retained steam during the papermaking process and the successful reuse of water from the condensation process from the recycling of hot air from the papermaking machine.

To achieve the sustainable development goals of the Group, we have formulated key energy consumption performance indicators to be regularly reviewed and controlled for each production site. We have also set up an incentive system within the Group to reward teams with outstanding performance on energy efficiency and reduction of energy consumption.

In 2022, we continued to implement the following projects to reduce greenhouse gas emissions.



Energy saving measures in 2022	Energy savings performance
China Xinhui – paper machine hood, reduce fan speed, design new energy-saving hood for replacement	Accumulative annual savings of 750 million kWh
China Shandong – paper machine vacuum pump power saving renovation project, magnetic levitation turbine vacuum pump to replace water ring vacuum pump	52.9% reduction in electricity consumption per ton of paper
China Zhejiang – Papermaking Plant 2 Long-fiber Pulper Enhancing Pulping Efficiency	Accumulative annual electricity savings of 850 million kWh

Vinda's Professional Manufacturing

In addition to initiatives in our factories, the Group has implemented energy saving measures in office areas and aims to roll-out such solutions across all operational premises. These include replacing fluorescent lights with more energy efficient LED lights, setting automated air-conditioning temperatures and operating times, using automatic on/off sensor lights, installing heat-reflecting window films, etc. The following are the energy saving measures in offices in 2022;

Energy saving measures in offices in 2022	
Energy saving awareness	Advocate the healthy lifestyle of "Green Office, Low-carbon Life" and lighting use way of "People Go, Lamp Off"
Electricity energy saving	In the daytime, the energy consumption for lighting shall be minimised, and the phenomenon of permanent lighting shall be avoided. The indoor air conditioning temperature in summer is set within a reasonable range according to regional climate. Turn off the fan equipment and lights when it is not in use.
Water saving	Make reasonable use of water resources, switch off the water tap after use, close the water dripping faucet in time, and report to the relevant department immediately for repair if there is water leakage of the faucet, water pipe, toilet, etc.
Office supplies saving	Transfer data through Internet as much as possible to save various office consumables
Paper saving	Reduce the number of repeated printing and copying, use of printing paper on both sides to reduce waste of paper

For details of our targets in energy consumption reduction, please refer to "Vinda's Five-year Sustainable Development Targets from 2021 to 2025" under "Section 3 – Sustainable Development Direction" in the Report.

Exhaust Gas and Carbon Dioxide Emission

We recognise that carbon emissions and air pollution associated with industrial waste are the main causes of climate change. Vinda abides by the laws related to emissions and other environmental pollution, including the "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution" in

Mainland China, "Air Pollution Control Act" in Chinese Taiwan and "Environmental Quality Act" in Malaysia, etc. There were no major violations related to exhaust gas emissions during the Year.

Vinda's Professional Manufacturing

Heat is an important source of energy in the papermaking process. Based on the situational requirements of each location, the Group's tissue production sites adopt a heating source in this order of preference: centralized heating, steam boiler or coal-fired boiler. Among the top ten paper production bases of the Group, three plants in Zhejiang, Jiangmen and Shandong adopt central heating from the park. There are four plants in Guangdong, Beijing, Sichuan and Liaoning that use natural gas boilers for heating. The rest of three in Hubei, Xinhui and Yangjiang have adopted advanced desulfurization and denitrification waste gas treatment technology, so that the flue gas can reach ultra-low emission standards.

Our three-level emissions management system closely monitors the real-time data of waste gas emissions of boilers at our factories and ensures that emission levels are lower than the national and local standards, such as GB13271-2014 "Emission Standard of Air Pollutants for Boilers" and GB16297-1996 "Integrated Emission Standard of Air Pollutants", etc.

In addition to production emissions, we also pay attention to the air pollution caused by the exhaust emissions of vehicles and strive to reduce vehicle emissions when appropriate to minimise the vehicle emissions. For example, electric stackers are a prioritised choice when considering the replacement of our diesel-powered stacker and employees are asked to plan business trips in an efficient way to reduce the mileage and fuel consumption of official vehicles, hence reducing exhaust emissions. For details of our targets in carbon emission reduction, please refer to "Vinda's Five-year Sustainable Development Targets from 2021 to 2025" under "Section 3 – Sustainable Development Direction" in the Report.

LEVEL 1

We monitor and upload real-time emissions data around the clock through an online monitoring system installed at emission points to which local environmental authorities have access;

LEVEL 2

We set up environmental protection departments at each production base to control the emissions of sulphur dioxide (SO₂), dust, and nitrogen oxides (NO_x); the boiler departments operate in strict accordance with the regulations, and keep track of the status of the bituminous coal stocks, as well as the operation and monitoring of boilers;

LEVEL 3

The environmental protection bureau where each production base is located conducts quarterly supervisions and inspections, or engages a qualified independent third party for inspection and testing.

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EXHAUST GAS EMISSION ¹⁴	Unit	2022	2021
Nitrogen oxides (NO _x)	ton	203.20	131.35
Nitrogen oxides (NO _x) emission intensity	kg/ten thousand revenue (HKD)	0.10	0.07
Sulphur dioxide (SO ₂)	ton	56.36	51.54
Sulphur dioxide (SO ₂) emission intensity	kg/ten thousand revenue (HKD)	0.03	0.03

CARBON DIOXIDE EMISSION	Unit	2022	2021
Direct emission ¹⁵ (Scope 1)	ton	435,052	398,250
Energy indirect emission (Scope 2)	ton	785,003	822,243
Total emission	ton	1,220,055	1,220,493
Total emission intensity	kg/ten thousand revenue (HKD)	0.63	0.65

Developing industry carbon neutrality standards

Developing industry standards in combination with all sectors to achieve carbon neutrality Vinda believes that carbon neutrality standards are an indispensable foundation for achieving carbon neutrality technical standards. However, the three most authoritative product carbon footprint standards in the world are PAS 2050, GHG Protocol and ISO 14067. However, different international standards have different rules for product carbon footprint accounting, and none of these international standards provide in-depth discussions on product carbon footprint accounting for any specific industry. In view of this, Vinda has been actively working with various organisations to develop a carbon neutrality evaluation and implementation standard for disposable paper products that is in line with the level of industrial development in China. The standard can be used as a reference for companies in developing their own carbon neutrality pathways. Vinda has worked with several universities to research and draft carbon neutrality valuation and implementation guidelines for domestic paper manufacturers and disposable paper products, clarifying relevant concepts, identifying accounting elements, and specifying system boundaries and quantification methods.

Vinda took its own production plant as the trial base, and through many surveys and calculations, and with reference to several international and national standards and policy documents, finally prepared and released the two standards of Evaluation Guideline of Disposable Paper Products Carbon Neutrality (《一次性紙製品碳中和評價指南》) and the Implementation Guideline of Disposable Paper Products Manufacturer Carbon Neutrality (《一次性紙製品生產企業碳中和實施指南》) in conjunction with Fudan University, South China University of Technology, Nanchang University and other universities and institutions, as well as SGS, Guangdong Paper Association and so on, which was the first in the industry.

¹⁴ Since motor vehicles and other sources of emissions are not significant in Vinda's operations, the data only covers emissions from boilers.

¹⁵ Direct GHG emissions include: stationary combustion of coals, natural gas, liquefied petroleum gas, diesel oil, acetylene; mobile combustion of diesel oil and petrol used in transportation; fugitive emissions from air conditioners/refrigerators/coolers/water dispensers/refrigerants used in business vehicles (R134A, R410A, R32, etc.), carbon dioxide fire extinguishers, heptafluoropropane fire extinguishers, septic tanks, sewage treatment plants, high-voltage transformer circuit breakers, WD-40 rust inhibitors. Scope of data covered the regions in Mainland China, Chinese Taiwan and Malaysia.

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The Evaluation Guideline of Disposable Paper Products Carbon Neutrality (《一次性紙製品碳中和評價指南》) and the Implementation Guideline of Disposable Paper Products Manufacturer Carbon Neutrality (《一次性紙製品生產企業碳中和實施指南》) mainly outline the core principles and implementation process of disposable paper products, and establish a unified and scientific system boundary and accounting method system evaluation according to the material characteristics and production characteristics of paper products.

Based on the life cycle assessment method, the Evaluation Guideline of Disposable Paper Products Carbon Neutrality (《一次性紙製品碳中和評價指南》) focuses on solving the controversial issues such as carbon saving of disposable paper products, energy recovery of waste disposal and impact of land use change, and set out the below eight accounting elements;

- I. Change in land carbon savings
- II. Carbon savings of disposable paper products
- III. Greenhouse gas emissions from disposable paper production equipment and processes
- IV. Greenhouse gas emissions from other raw materials/services related to production
- V. Greenhouse gas emissions related to electricity and heat purchased
- VI. Greenhouse gas emissions related to transportation
- VII. Greenhouse gas emissions associated with the disposal of product waste
- VIII. Carbon emissions avoided

In addition, the Implementation Guideline of Disposable Paper Products Manufacturer Carbon Neutrality (《一次性紙製品生產企業碳中和實施指南》) focuses on distinguishing the specificity of paper making enterprises in carbon neutrality evaluation, and determining the main greenhouse gas emission sources and system boundaries: Scope 1, Scope 2, Scope 3, carbon saving and system boundaries. The greenhouse gases covered by both standards are carbon dioxide, methane, and nitrous oxide.

Both standards are issued on 18 November 2022 and effective from 1 January 2023 after passing the Organisation Standards Management Measures of Guangdong Paper Industry Association (《廣東省造紙行業協會團體標準管理辦法》) and the expert review procedures and approval procedures. We believe that these two standards will help the disposable paper product industry to establish a complete technical system of carbon neutrality evaluation in the future. It is beneficial to the disposable paper product industry to carry out carbon neutrality evaluation, guide and standardise enterprises to reduce carbon emissions, and provide carbon neutrality accounting standard templates for other industries. Vinda expects to adopt these two standards to solve the problem that the paper industry in China does not have specific standards for achieving net carbon zero and to calculate the carbon footprint through standards, which can help enterprises to find opportunities in the operation process, reduce carbon emissions at all stages and achieve carbon neutrality.

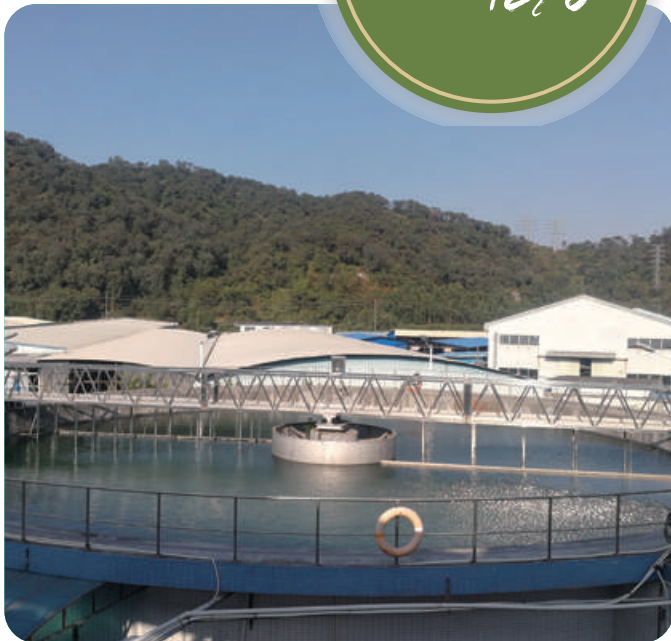
Water Conservation

Sewage Discharge

Vinda strictly abides by all regulations relating to sewage discharge, including the Technical Guidelines for Self-Monitoring of Pollutant Discharging Units – General Rules (HJ 819-2017), the Technical Guidelines for Self-Monitoring of Pollutant Discharging Units – Papermaking industry (HJ 821-2017), and the Integrated Wastewater Discharge Standard (GB8978-1996) in Mainland China, as well as “Environmental Quality Act 1974” in Malaysia, its 2012 Amendments and the Environment Quality (Industrial Effluent) Regulations 2009. There were no major non-compliance incidents related to sewage discharge during the Year. In addition, Vinda’s papermaking factories in Mainland China adopt a sewage treatment model tailored to the specific needs of each district. Factories that discharge sewage directly through urban sewage pipe network must comply with national or local regulations and standards. Centralised sewage treatment companies in the industrial park are directly included in the centralised sewage treatment system. All Vinda production bases across different locations also strictly comply with the environmental protection policy of “Three Simultaneous Actions” during the initial construction period; these actions specify simultaneous design, simultaneous construction and simultaneous inspection of environmental facilities and infrastructure.

Vinda's Professional Manufacturing

Local governments of every district advocate centralising the sewage systems and streamlining wastewater discharge standards in industrial parks. Currently, seven of our Chinese factories in Jiangmen, Hubei, Zhejiang, Liaoning, Shandong, Sichuan and Yangjiang have included sewage discharge into their local industrial park sewage treatment systems. For factories not included in the centralised sewage treatment of industrial parks, we have implemented a three-tier monitoring system for the external discharge of sewage to monitor the environmental indicators of sewage discharge in real time and ensure that the discharge meets the standards¹⁶. The selection of our papermaking equipment also takes into account the importance of the water balance system in light of sewage and water recycling rate. The production process uses recycled water as much as possible, and the water recycling rate has reached over 98%.



Our measures to reduce sewage:

1. Regularly inspect the drainage pipes in the factory area and observe whether there is water leakage in the sewage pipes.
2. The biochemical outflow water is recycled to the reclaimed water device through the lifting pump of the filter tank. After being treated in the reclaimed water device, it is reused by the production workshop to reduce the outflow water volume and tap water consumption of the water treatment workshop.
3. Optimise the white water treatment process of papermaking machine, increase the internal circulation frequency of white water, reduce the consumption of tap water, and reduce the discharge of wastewater.

Treatment of Wastewater and Water Recycling Rate

We also take into account the importance of the water balance system in the selection of our papermaking equipment. The production process uses recycled water as much as practicable, and the water recycling rate has reached over 98%.

Ink is one of the most important substances to be handled in factory sewage and involves the discharge of liquid waste from the ink cleaning process. The liquid waste is discharged after being concentrated and reaching the required standard; after the sewage is concentrated, the concentrated liquid waste is only one-fifth of the volume of the cleaning liquid, thus reducing both the total discharge volume and the discharge volume of hazardous waste. In addition, ink waste (SW417) is processed to form a "dry cake" with a significantly reduced volume compared with untreated ink waste, in turn reducing the impact of factory emissions on water sources. We had no issue in sourcing water that is fit for our purpose during the Year.

¹⁶ Compliance with the local discharge standard, such as Beijing Municipal Standard "DB11307-2013 Comprehensive Standard for Discharge of Water Pollutant (《DB11307-2013 水污染物綜合排放標準》)", Guangdong Provincial Standard "DB44/26-2001 Regulatory Standard for Discharge Limits of Water Pollutants (《DB44/26-2001 水污染物排放限值的標準規定》)".

Vinda's Professional Manufacturing

LEVEL 1

We monitor and upload real-time discharge data around the clock through an online monitoring system installed at sewage discharge points to which local environmental authorities have access.

LEVEL 2

We have established an environmental protection division at each production base to collect data such as suspended solids (SS), biochemical oxygen demand (BOD) and pH level, and examine the sewage discharge and exhaust gas emissions on a daily basis.

LEVEL 3

The local environmental authorities conduct regular monitoring and inspections on the condition of production bases on a quarterly basis.

Reduction in Water Use

Vinda highly understands that resource conservation is not only about energy management, but as a producer, the management of natural resources of water is also very important. We constantly strive to promote the concept of "saving water" and adopt various strategies to reduce water consumption as part of our operational management. In addition, if any waste of water is discovered during these inspections, the relevant management personnel will correct the relevant facilities and behaviour.

The following are the water saving strategies adopted by the Group:

1. Upgrade production equipment
2. Implement and enforce administrative measures to save water
3. Recycle water for cooling towers
4. Reuse recycled cooling water during plant production and testing of fire pump water
5. Install faucet with sensor
6. The responsible department shall regularly check the water equipment
7. Repair leaking equipment in time and rapidly

In 2022, in order to increase the use of renewable energy, the Group continue to implement the following projects to reduce water use:

Measures	Effect
Liaoning Factory – By replacing the reclaimed water filter element, the biochemical effluent from the water treatment workshop is recycled to the reclaimed water unit through the filter tank lifting pump, and the produced water from the reclaimed water unit is reused to the tap water in the production workshop	Reducing the external displacement of the water treatment workshop, and the water produced by the reclaimed water reuse device is used in the production workshop, reducing the consumption of tap water in the production workshop
Chinese Taiwan – Investigation of water leakage in Administrative Building and rehabilitation and rectification works	The water consumption in 2022 recorded a significant decrease compared with that in 2021

Vinda's Professional Manufacturing

For details of our targets in water consumption reduction and water recycling, please refer to "Vinda's Five-year Sustainable Development Targets from 2021 to 2025" under "Section 3 – Sustainable Development Direction" in the Report.

WATER CONSUMPTION	Unit	2022	2021
Water consumption (Tap water)	m ³	9,729,768	9,207,911
Water consumption (Underground water)	m ³	945,756	949,036
Water consumption (Surface water)	m ³	1,206,586	1,288,125
TOTAL CONSUMPTION	m ³	11,882,110	11,445,072
Water consumption intensity	ton/ten thousand revenue (HKD)	6.12	6.13

Solid Waste Management

Operating units in all regions strictly comply with relevant local laws and regulations, including but not limited to General Standard for Pollution Control on Storage and Landfill of Solid Wastes (GB18599-2020) (《GB18599-2020 – 一般固體廢棄物貯存和填埋污染控標準》), Identification Standards for Hazardous Waste – General Rules (《國家危險廢物鑑別標準通則》) and National Catalogue of Hazardous Wastes (《國家危險廢物名錄》) in Mainland China, the Waste Disposal Act and the Standards for Defining Hazardous Waste in Chinese Taiwan, the Environmental Quality (Scheduled Wastes) Regulation 2005 and Solid Waste and Public Cleansing Management Act 2007 in Malaysia, etc. No major violations related to waste discharge were found during the Year.

Vinda attaches great importance to waste management and all facilities, in addition to wastes reduced at source, comply with the ISO 14001 Environmental Management System and related regulations for the effective management of waste classification and disposal procedures. The Company is committed to waste sorting, collecting recyclable waste throughout the manufacturing process and selecting certified recycling suppliers for disposal; Non-recyclable wastes (such as domestic waste, etc.) shall be disposed of by the designated general contractor. Our finished products are packed in recycled materials. In order to avoid damage to the environment, each factory will store hazardous wastes in the designated supervised place, and the hazardous wastes will be uniformly handed over to the company with hazardous wastes disposal qualification.

For details of our targets in solid waste reduction, please refer to "Vinda's Five-year Sustainable Development Targets from 2021 to 2025" under "Section 3 – Sustainable Development Direction" in the Report.

Waste Emission	Unit	2022	2021
Solid waste recycled	ton	86,158	80,501
Non-hazardous waste produced	ton	91,861	87,702
Regulated hazardous waste produced	ton	215	208
Hazardous waste Emission intensity	kg/ten thousand revenue (HKD)	0.11	0.11
Non-hazardous waste emission intensity	kg/ten thousand revenue (HKD)	47.31	46.89

Vinda's Professional Manufacturing



Stage 4: Sales and Services

Customer Service

Quality and customer satisfaction are a high priority for Vinda. In order to meet customers' demands, in accordance with our "Customer Opinion Handling Procedures (顧客意見處理程序)", we have established a consumer complaint platform that is integrated with an automated database and easy information access via mobile devices for frontline sales staff. We have a unified service hotline that is manned by designated service staff in every region. This offers consumers the convenience of providing feedback on the Company's product quality and sales service, while allowing the Group to gain timely insights to consumer needs and requirements. In addition, we also conduct consumer satisfaction surveys on a regular basis and take timely corrective measures to continuously drive improvements and enhance customer satisfaction.

At the same time, procedures for handling complaints, compensation, returns and even product recall have been established. Once a delivered product is found to have serious quality problem or health and safety hazards, a recall procedure will be initiated immediately, so as to recall the defective products as soon as possible. The Group had no recall case related to serious quality problem or health and safety issues in 2022.

Mainland China

We value all feedback and complaints from customers and consumers. Any complaints are rigorously evaluated, while regular feedback summaries are prepared and used as the basis about product improvement. In 2022, the number of customer complaints for dry tissue products in mainland China was 0.89 for every 1,000 tons of tissue products sold. The complaint rate for wet wipe products was 1.74 (calculated per 1,000 tons) and that for personal care products (incontinence and feminine care) was 0.17 (calculated per million pieces).

All consumer complaints are responsibly handled by the Company in accordance with relevant regulations under the Product Quality Law of the People's Republic of China (中華人民共和國產品質量法) and the Law of the People's Republic of China on Protection of Consumer Rights and Interests (中華人民共和國消費者權益保護法). We pay close attention to quality control at every stage, with monitoring based on required inspection frequencies, quality checks and product quality standards to ensure that finished products are of the highest quality. In the rare and unlikely event of a product recall, Vinda will adhere to the protocols described in the Company's "Notification and Revocation Control Procedure" to execute a timely recall of any defective products. This procedure ensures that any defective or potentially unsafe products discovered after delivery or use may be recalled in an efficient manner.

Vinda's Professional Manufacturing



Chinese Taiwan

To provide customers the best shopping experience, consumers can provide feedback on product quality through a toll-free service hotline. We handle consumer complaints in accordance with the "Consumer Complaints Handling Guidelines (消費者客訴處理準則)" with a view to continuously improve product quality. The complaint rate for the year for personal care products (incontinence care) was 0.12 (calculated per million pieces).

Meanwhile, to reduce consumer complaints of Vinda Taiwan, we strengthen employees' quality awareness and quality management capabilities by publishing monthly quality performance and quality education updates and organizing quality trainings every year.

In addition, we also improve product features to better meet consumers' usage needs, by collaborating with suppliers to improve the performance of raw materials in these products.



Malaysia

The complaint rate for personal care products (incontinence care, feminine care such as sanitary napkins, and baby diapers etc.) in 2022 was 0.171 per million pieces. Consumer complaint cases are logged and managed by the consumer care department in accordance with the Company's "Product Complaint Management Procedures" and escalated to the quality department as required. The team registers complaints and feedback relating to consumer experiences in the "Consumer Care Information System (消費者維護資訊系統)", and holds regular review meetings with production, quality assurance and other relevant departments to understand the root cause of any quality issues or negative consumer experiences. This enables the Group to drive continuous improvements and provide consumers with clear responses to their feedback.

Labelling and Advertising Management

To provide the most accurate product information, the quality control department is responsible for monitoring the update of laws and regulations related to product labelling, determining their applicability, adding them to our product regulatory lists if applicable and sending them to relevant departments of the Company for review. These regulations include: GB/T 191 Packaging – Pictorial Markings for Goods Handling, JJF1070 Rules of Metrological Testing for Net Quantity of Products in Prepackages with Fixed Content, GB 12904 Bar Code for Commodity – Retail Commodity Numbering and Bar Code Marking, GB 5296.3 Instruction for Use of Consumer Products – General Labelling for Cosmetics, Product Quality Law of the People's Republic of China (Amendment) as well as the GB 38598 General Requirement for Label and Instruction Book of Disinfection. We established labelling management systems such as Product Packaging Identification Regulations (產品包裝標識標注規定), Product Production Batch Number Identification Regulations (產品生產批號標注規定), etc.

Likewise, advertising should contain accurate descriptions of our products and are not misleading to our customers. The quality control and intellectual property departments are responsible to ensure that promotional content and product claims are accurate and in compliance with the Advertising Law of the People's Republic of China and the Law of the People's Republic of China on the Protection of Consumer Rights and Interests. These departments update the national laws and regulations to be adhered to in a timely way.



Vinda's Professional Manufacturing

Information Security and Personal Data Protection

Information technology is a significant sales driver for our business, while information security and management of personal data are of great importance. We are highly vigilant in this area to uphold Vinda's reputation and maintain the trust of our customers. Vinda processes a reasonable amount of personal data and customer information as part of its business, we strictly comply with local laws and regulations governing the use and processing of personal and confidential data. All information must be collected in accordance with the law and used only for hiring purposes or for the expressed purpose stated when such information was collected. The Group has also developed an information privacy protection policy to guide employees in the handling of personal data and regulate the use, collection and disclosure of information. Vinda strictly abides by the relevant laws and regulations for the protection and leakage of personal data¹⁷, and handles sensitive and personal data carefully.

In order to ensure the information and privacy security of consumers and the Group, Vinda is dedicated to establishing a cyber-security system. We have established an information technology security department and adopted different measures to prevent external cyber-attack, including protecting our system by firewall, anti-virus wall and Web Application Firewall, updating anti-virus software and security patches, multiple mail gates as well as discovering and detecting security threats using advanced threat management system.



The Group's employees are expected to act in accordance with our "Code of Conduct" in the fair and lawful collection and handling of the personal information of our consumers, employees and vendors, and to ensure that personal information is not accidentally accessed, processed, erased, lost or used without authorization. If access confidential information that is beyond the level of the employee's position to access, approval from an authorised, senior staff is required. Unless required by law, personal data shall not be disclosed to any unauthorised person under any circumstances. Any unauthorised or incidental access, processing, elimination, loss or transfer of personal data to a third party is considered illegal. The Group will not tolerate any illegal and improper behavior by any individual, and all suspected or confirmed incidents must be reported to law enforcement agencies. Employees confirmed to have committed such wrongdoings will be dismissed. The Group reserves all rights to take legal action against any party for any loss resulting from the unauthorised disclosure, collection or use of customer information. During the reporting period, there were no confirmed complaints of infringement of consumers' privacy. During the reporting period, there was no leakage, theft or loss of customers' data.



¹⁷ Defined as personal information that includes but is not limited to name, phone number, address, identification document, passport number, photo, education background, employment record, salary information, details of close relatives, spouse, work related health issues, etc.

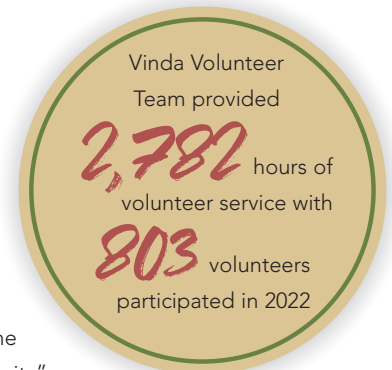


Vinda Delivers Love

As a socially responsible organization, Vinda Group believes it is beneficial to the Company also to the society where we operate that establishing meaningful relationships with neighboring communities and creating mutual values. Therefore, we always adhere to the philosophy of "Home Care" and is persistent to care and participate in the community welfare activities to contribute to and benefit the community. Through Vinda Volunteers Team (spontaneously organised by employees) and Vinda Charity Foundation, we actively support community welfare initiatives in several areas such as education, elderly services, home safety and critical illness aid, etc. Meanwhile, to continue to contain the spread of COVID-19 pandemic, the Group continued to expand the efforts of anti-pandemic public welfare this year, to provide help to persons who are in need with funds, practices and materials, ensuring the safety and well-being of the community.

Vinda Volunteer Team

In Mainland China, Vinda Volunteer Team provided 2,782 hours of volunteer service with 803 volunteers participated in 2022. We actively respond to the call of superior volunteer organization. Upholding the idea of "Volunteer Team is the Good Partner of the Community", we support to carry out various activities of the community. During the past six years, Vinda have continued to send volunteers to be on duty at the volunteer service station of Guifeng Mountain (圭峰山), to deliver volunteer service idea to the public and provide guidance of travelling, help with charity sale and deal with residents' difficulties. The volunteer service included but not limited to: pay visits to vulnerable groups and deliver materials to



Vinda engages in voluntary service with a goal to provide a total of 8,000 volunteer hours between 2021 and 2025.

them, offer cares to them, improve the household living condition and offer psychological counselling; maintain the order of activities, offer order maintenance and venue setting services for general trade union of the district; anti-pandemic work, including COVID-19 testing, on-site order maintenance for vaccination injecting, data registration and input and consultation. It is worth mentioning that Vinda Volunteer Team has sent over 300 people to participate various anti-pandemic volunteer services with a total of near 1,700 service hours during the Year, and was awarded "Excellent Anti-pandemic Volunteer Service Organization of Xinhui District in 2022 (2022年新會區優秀防疫志願服務組織)" by superior organization.

Vinda Delivers Love

In addition, Vinda China actively responded to the 13th "Poverty Alleviation Day of Guangdong (廣東扶貧濟困日)" and donated RMB10,000 to lift the unstable households of Xinhui District out of poverty and support the revitalization of economically weak villages and old revolutionary based areas of Xinhui District. Meanwhile, Vinda Paper (China) Company Limited has supported the event organised by Jiangmen Municipal People's Government, Xinhui District People's Government (新會區人民政府) and Xinhui District Branch of Red Cross Society of China (新會區紅十字會) – "Love to Thousands of Families (博愛送萬家)" and donated 47 bags of cored toilet paper and 112 boxes of softpack tissue to low income households and people in difficulty.

In Chinese Taiwan, we also continue to care for disadvantaged groups and donates materials to the community. We extend our warm care to social welfare organizations such as United Way (聯合勸募協會), Taiwan Fund for Children and Families (家庭扶助基金會) and Disability Welfare Center (身障福利中心). Upholding the spirit of caring the community and giving back to the society so as to perpetuate the cycle of good will. Through open and honest dialogue and interaction with the community, we gave back diapers of RMB33,422 to the residents who have babies in the community and donated nutritious lunch rice fees of RMB7,920 to Vinda Xinhui Seniors Association (維新里老人會) in local community. Meanwhile, to improve environmental protection to a greater extent, we assist communities to carry out environmental activities. In 2022, we cooperated with communities to recycle waste paper and empty drinking cans amount to more than 2,830KG, to reduce their impacts on the environment in daily life. We believe these efforts can help us to establish good long-term interaction relationship with the community effectively.

In Malaysia, giving back to the community was still in progress. We donated 100 cartons of Baby diapers and 100 cartons of Adult diapers to Malaysia Yayasan AlManjie DC Food Bank to help the flood victims in Sabah. 1,200 families were impacted by the flood and Vinda provided flood relief efforts by providing aid to the underprivileged groups impacted by the incident. We aided and cared for the underprivileged by donating materials in the Lembaga Pelawat Rumah Kanak-Kanak Tengku Budriah by donating 166

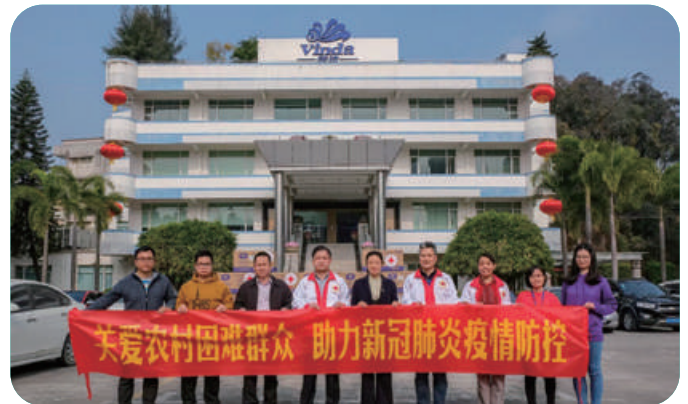
cartons of baby diapers for the use of children's homes with 35 kids who would need our assistance. We also officially handed over two sanitary water closets and five sets of toilets to Samaky High School, a rural school located in Anlong Samnar Village, Cambodia.

Vinda Charity Foundation

We have long supported underprivileged students, elderly and severely ill patients under the Vinda Charity Foundation for years.



Nucleic acid tests support for Eastern School in February 2022



Vinda Delivers Love

Vinda Charity Foundation is deeply aware that China's aging problem is getting serious with many problems. Therefore, we have understood and cared about the needs and concerns of the elderly for many years with view to provide comprehensive help to them. Since 2013, Vinda has opened 12 "The Same Old Place with Vinda" to provide meal allowances to the elderly who are in need. The total subsidised meals amounted to 68,000 annually. The recipients

total subsidised meals amounted to **68,000** annually



are mainly low income, disabled or extremely poor elders for other reasons. Meanwhile, we have carried out "Warmth to the Home" program to visit people who are in need, gave them consolation gifts and emotional support and counselling. Before this Spring Festival, we visited 581 low income and underprivileged elderly who are older than 75 years old, and gave them rice, cured meat and toilet paper to let them have a warm new year. We also donated to the renovate Social Welfare Center of Shuangshui Town (雙水鎮社會福利中心) due to the fact that the glazed tiles of the center fell off and the building was exposed because of disrepair. Therefore, the elderly who live in the center no longer fear that they would be hit by the tiles at any time.

Vinda believe that children is the most important human capital for the country in the future, therefore we actively uphold the basic morality. The Vinda "You Are the Best Education Fund" still provided assistance to 41 underprivileged students to further their studies. The accumulative number of students who have received assistance from Vinda in the past nine years has reached 110. The students who have received financial assistance were also encouraged to volunteer their service in return and in the spirit of "Giving Love", these students have contributed 1,255 of voluntary service hours in 2022. Since the start of the project in 2014, the students who have received financial assistance have contributed an accumulative 9,344 of voluntary service hours. Many students who graduated and have started working also proactively donate to the Vinda education fund every year, fulfilling the cycle of this "Inheritance of Love" in action. During the Year, we also responded to "Sound of Love (愛有聲)" by donating funds to Jiangmen Disabled Persons' Federation for purchasing auditory testing equipment to help children with hearing impairment to get early precise diagnosis and support them to get recovered.



Besides, since the establishment of Beichen Primary School (北辰小學) (the paired school of Vinda (Zhejiang) Company Limited (維達(浙江)有限公司)) in 2017, Vinda Volunteer Team visited the school on every "Children's Day" for condolence and blessing. Meanwhile, to show our cares to the students, Vinda Volunteer Team also actively gave new school supplies and consolation money to outstanding students who are from underprivileged families for their smooth study process and keeping the ability to learn.

Vinda Delivers Love

Upholding the attitude of “What’s Taken From the Society is Used for the Society (取之於社會、用之於社會)”, Vinda Taiwan gave back to the society step by step, continued to show cares to the vulnerable groups, and donated materials of approximately RMB23,430 to social welfare organizations such as the “Taiwan Fund for Children and Families”, “Huashan Social Welfare Foundation” and “Eden Social Welfare Foundation”.



Community Education

Libresse is the top brand in feminine care industry and aims to promote health and hygiene knowledge to a wide range of customers and consumers. The brand attaches great importance to the destigmatization around women’ health, allowing young women to confidently live a dignified and equally life, and get rid of the embarrassment of menstruation and the “V-Zone” intimate area.

In January, Libresse officially handed over two sanitary water closets and five sets of toilets to Samaky High School, a rural school located in Anlong Samnar Village, Cambodia. Sample kits and period education booklets were also donated to 300 students and teachers to help educate them about menstrual health care. This outreach program by Libresse not only aims to allow young school girls to live safer and healthier lives so they can focus on their education, but also serves as Libresse’s effort to address the educational gap and sanitation problems among young schoolgirls in the country.

In March, the University Putra Malaysia (UPM) successfully organised a wonderful initiative Women Awareness Campaign: Discovering Her-story! Libresse was invited and got to be a part of this enlightening campaign. In this three-day campaign, a panel of speakers which included respected professors and lecturers in the medical faculty were invited to share their knowledge on women’s health. This initiative saw 100 UPM students from all over their colleges, also took part in quizzes and received Libresse products as a reward.



We donated 53 cartons of Baby diapers, and 50 cartons of Feminine pads for usage of those in underprivileged communities to the Malaysian Red Crescent for the underprivileged community. We also collaborated with Peduli Merah (NGO supporting period poverty) and distributed 10,000 packs of sanitary pads to the disadvantaged communities together with the Libresse crew sharing menstrual hygiene management education.

Pandemic Assistance Action

Vinda, focusing on its advantages, uses its hygiene expertise and industry strengths to help local communities fight the pandemic, which reflects the Chinese people’s spirit of “When disaster struck, help came from all sides (一方有難，八方支援)”.

Vinda China has repeatedly respond to the calls of local governments to provide pandemic assistance to various places. We actively donated pandemic prevention hygiene supplies and were able to relieve burden of those who were trapped by the pandemic through these actions. We have assisted anti-pandemic activities, including: donated RMB8,588.97 and 130 packs of cored toilet paper to “COVID-19 Pandemic Assistance of Dawu County, Xiaogan City (孝感市大悟縣新冠疫情援助)” (founded by Federation of Industry and Commerce of Xiaonan District (孝南區工商聯)); donated 20,000 facial masks to the schools (organizations) administrated by

Vinda Delivers Love



Education Bureau of Jiangmen City (江門市教育局); donated 2,502 packs of toilet paper to Huicheng Sub-District Office, Xinhui District (新會區會城街道辦事處); donated 1,200 packs of pull-out tissue to Mouzhou Town, Xinhui District (新會區牟州鎮人民政府); donated 30 boxes of pull-out tissue to Resident Committee of Chengdong Community of Huicheng Sub-District of Xinhui District (新會區會城街道城東社區居民委員會); donated 155 boxes of pull-out tissue to Heshan City (鶴山市) to support their pandemic prevention work; donated RMB100,000 to Xinhui District, which is used by Xinhui District COVID-19 Prevention and Control Headquarter (新會區新冠肺炎疫情防控制揮部) for their pandemic prevention work; and loaded with 50 boxes of instant noodles, 50 boxes of mineral water, 20 boxes of ham, 20 boxes of Vinda disinfectant wet wipes and 20 boxes of Vinda tissue to the intersection of Laiwu East Expressway (萊蕪東高速路口), to show our respect to the anti-pandemic personnel. We hope to help those people who are trapped by the pandemic through donating money and materials.



Besides, as the largest comprehensive hospital in Xinhui District, the People's Hospital of Xinhui District (新會區人民醫院) is the key unit for fever clinic, and is responsible for medical treatment, teaching, scientific research, prevention and health care, pandemic prevention and control. During the pandemic, there were greater pressure from transporting patient with fever. To reduce such pressure, Vinda purchased and donated a 4-seat + 1-bed electric truck and a 11-seat electric truck, according to the actual needs of the hospital. Previously, Xinhui's medical system has never used professional medical transport electric truck. The use of electric trucks has undoubtedly brought a lot of benefits during the pandemic. They are used for the treatment and referral of patients with fever, reducing their contacts with the outside world and safeguarding the closed-loop management.

In Hong Kong, Vinda has actively responded to the call of Liaison Office of Central People' Government in the Hong Kong Special Administrative Region. Utilizing its industrial advantages, during the 5th wave of outbreak of pandemic in early 2022, it quickly deployed anti-pandemic and hygiene care materials to donate through three channels, fully supported Hong Kong to combat the pandemic and solidify the frontline of anti-pandemic, including donating RMB50,000 to purchase anti-pandemic materials and donating 120,000 pieces of disinfectant wet wipes. Meanwhile, to support the frontline anti-pandemic work, Vinda distributed Tempo anti-bacteria wet wipes and materials of HK\$480,000 to the frontline staffs and visiting patients of Tin Shui Wai Hospital and Tseung Kwan O Hospital, to deliver positive energy and show respect to the frontline anti-pandemic workers. Besides, Vinda donated approximately 2,500 boxes of Vinda disinfectant wet wipes and Tempo anti-bacteria wet wipes to Hong Kong Association of Gerontology and Christian Family Service Center etc.

Since the outbreak of COVID-19, Vinda has actively fulfilled its social responsibility, responded to the various demands for materials in combating pandemic, brought the strengths and gave play to the industry expertise, to support the COVID-19 prevention and control in various places. During the past two years, Vinda has donated several batches of anti-bacteria wet wipes, adult diapers and feminine care products etc. to Hubei, Zhejiang, Xi'an and Henan. Vinda continues to uphold the philosophy of "Healthy Lifestyle Starts with Vinda" and dedicate to its promise of "Secured Quality, Secured Quantity, and Stable Supply" to fully safeguard the people's demands for hygiene products.



Our Commitment

While developing its business, Vinda always innovates and improves constantly and incorporates sustainability and ESG into relevant policies, to integrate the philosophy of sustainability into the entire value chain to improve core business and realize green management. In respect of environmental protection, we will continue to spare no effort to reduce the influence on global climate. We will take into account the impacts of every production stage on environment and society, we will achieve Vinda's Five-year Sustainable Development Targets. We will invest resources in renewable energy and energy conservation and carbon reduction, to contribute to the environment and society. In addition, in daily management, we work with employees to respond to environmental recycling, to reduce waste and advocate on cherishing water and energy conservation and carbon reduction. Vinda's office waste recycling activity is one of our sustainability activities. To remind everyone to reduce, reuse and recycle waste, we strategically place recycling bins, which is part of Vinda's values.

In order to maintain sustainability and improve the quality of products, Vinda continues to use environmental-friendly materials to provide quality daily necessities to the market and give back to the communities constantly, to create long-term sustainable value for stakeholders. Vinda will continue to improve product design and simplify packaging with the concept of sustainability, and practice civil education and promote the concept of sustainability by organizing various education and sharing activities.



APPENDIX

Index of the Exchange's ESG Reporting Guide to the Report Section

ESG Reporting Guide	Description	Section of The Report
Corporate Governance	<p>I. Disclosure of the supervision on the Board's ESG issues;</p> <p>II. The Board's ESG management approach and strategy, including the process of evaluating, prioritising and managing material ESG-related issues (including risks to the issuer's businesses); and</p> <p>III. Description of how the Board reviews the progress based on ESG-related goals and an explanation of how they relate to the issuer's businesses.</p>	<p>Section 1 Statement of the Board and ESG Working Group</p>
A. Environmental		
Aspect A1: Emissions		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Section 5 Stage 3: Production – Environment Management
KPI A1.1	The types of emissions and respective emissions data.	Section 5 Stage 3: Production – Environment Management
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Section 5 Stage 3: Production – Environment Management
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Section 5 Stage 3: Production – Environment Management
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Section 5 Stage 3: Production – Environment Management
KPI A1.5	Description of the emission target(s) set and steps taken to achieve them.	Section 3 Sustainable Development Direction; Section 5 Stage 3: Production – Environment Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Section 3 Sustainable Development Direction; Section 5 Stage 3: Production – Environment Management

APPENDIX 1

Index of the Exchange's ESG Reporting Guide to the Report Section

ESG Reporting Guide	Description	Section of The Report
Aspect A2: Use of Resources		
General Disclosures	Policies on the efficient use of resources, including energy, water and other raw materials.	Section 5 Stage 3: Production – Environment Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Section 5 Stage 3: Production – Environment Management
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Section 5 Stage 3: Production – Environment Management
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Section 3 Sustainable Development Direction; Section 5 Stage 3: Production – Environment Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Section 3 Sustainable Development Direction; Section 5 Stage 3: Production – Environment Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Section 5 Value Chain and Climate Change
Aspect A3: The Environment and Natural Resources		
General Disclosures	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Section 5 Stage 3: Production – Environment Management
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Section 5 Stage 3: Production – Environment Management
Aspects A4: Climate Change		
General Disclosures	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Section 5 Value Chain and Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Section 5 Value Chain and Climate Change

APPENDIX 1

Index of the Exchange's ESG Reporting Guide to the Report Section

ESG Reporting Guide	Description	Section of The Report
B. Society		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Section 4 Employment and Employee Benefits Diversity and Equal Opportunities Prohibition of Child Labour and Forced Labour Talents Cultivation and Retention
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Section 4 Employment and Employee Benefits
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Section 4 Employment and Employee Benefits
Aspect B2: Health and Safety		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Section 4 Safety First
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Section 4 Safety First
KPI B2.2	Lost days due to work injury.	Section 4 Safety First
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Section 4 Safety First
Aspect B3: Development and Training		
General Disclosures	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Section 4 Talents Cultivation and Retention
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Section 4 Talents Cultivation and Retention
KPI B3.2	The average training hours completed per employee by gender and employee category.	Section 4 Talents Cultivation and Retention

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ESG Reporting Guide	Description	Section of The Report
Aspect B4: Labour Standards		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Section 4 Prohibition of Child Labour and Forced Labour
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Section 4 Prohibition of Child Labour and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Section 4 Prohibition of Child Labour and Forced Labour
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosures	Policies on managing environmental and social risks of the supply chain.	Section 5 Stage 2: Procurement
KPI B5.1	Number of suppliers by geographical region.	Section 5 Stage 2: Procurement
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Section 5 Stage 2: Procurement
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Section 5 Stage 2: Procurement
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Section 5 Stage 2: Procurement
Aspect B6: Product Responsibility		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Section 5 Stage 3: Production – Product Responsibility Stage 4: Sales and Services
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Section 5 Stage 4: Sales and Services – Customer Service
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Section 5 Stage 4: Sales and Services – Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Section 5 Stage 1: Design and Development of New Products – Protection of Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Section 5 Stage 3: Production – Product Responsibility Stage 4: Sales and Services – Customer Service
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Section 5 Stage 4: Sales and Services – Information Security and Personal Data Protection

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ESG Reporting Guide	Description	Section of The Report
Aspect B7: Anti-corruption		
General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Section 3 Sustainability Governance – Anti-Corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Section 3 Sustainability Governance – Anti-Corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Section 3 Sustainability Governance – Anti-Corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Section 3 Sustainability Governance – Anti-Corruption
Community		
Aspect B8: Community Investment		
General Disclosures	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Section 6 Vinda Volunteer Team Vinda Charity Foundation Community Education Additional COVID-19 Relief Donations of Hygiene Products to Prevent the Spread of COVID-19
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Section 6 Vinda Volunteer Team Vinda Charity Foundation Community Education Additional COVID-19 Relief Donations of Hygiene Products to Prevent the Spread of COVID-19
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Section 6 Vinda Volunteer Team Vinda Charity Foundation Community Education Additional COVID-19 Relief Donations of Hygiene Products to Prevent the Spread of COVID-19