

H&H GROUP MODERN SLAVERY STATEMENT 2021

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Biostime

Swisse

Zesty Paws

solid gold

dodie

GOOD GOAT

AURELIA
LONDON

cbi

ENTITY STRUCTURE, OPERATIONS AND SUPPLY CHAINS

This Statement covers Health and Happiness (H&H) International Holdings Limited (“H&H Group” or the “Group”) and all the fully owned entities listed in Appendix A to this statement.

H&H Group is a global health and nutrition company, publicly listed on the Hong Kong Stock Exchange (HKEx) since 2010. Dynamic, courageous and ambitious in our mission to make people healthier and happier, the Group strives to inspire wellness while contributing positively to the needs of society and the planet. The Group has three business segments – Baby, Adult and Pet Nutrition and Care – supporting whole-family health and happiness, with premium consumer brands providing nutrition and wellness solutions backed by science. Our brands include Biostime, Swisse, Zesty Paws, Solid Gold, Dodie, Good Goût, Aurelia London and CBII. These brands sell products including infant milk formula; infant and children’s meals, fruit pouches, biscuits and other snacks; pregnancy and post-partum supplementation; probiotics; vitamins, minerals and supplements; sports nutrition; baby nappies, dummies and other accessories; mothers’ breastmilk pumps; skincare and beauty products; CBD oils and lifestyle products, such as candles; and dog and cat nutrition and supplements.

OUR WORLDWIDE PRESENCE AND EMPLOYEES

The Group is globally headquartered in Hong Kong SAR, and has been listed on the Hong Kong Stock Exchange (HKEx) since 2010. We directly employ 3,315 team members located across 15 countries – Australia, New Zealand, China, Singapore, India, Thailand, Malaysia, Indonesia, Switzerland, France, Italy, the Netherlands, Ireland, the United Kingdom and the United States.



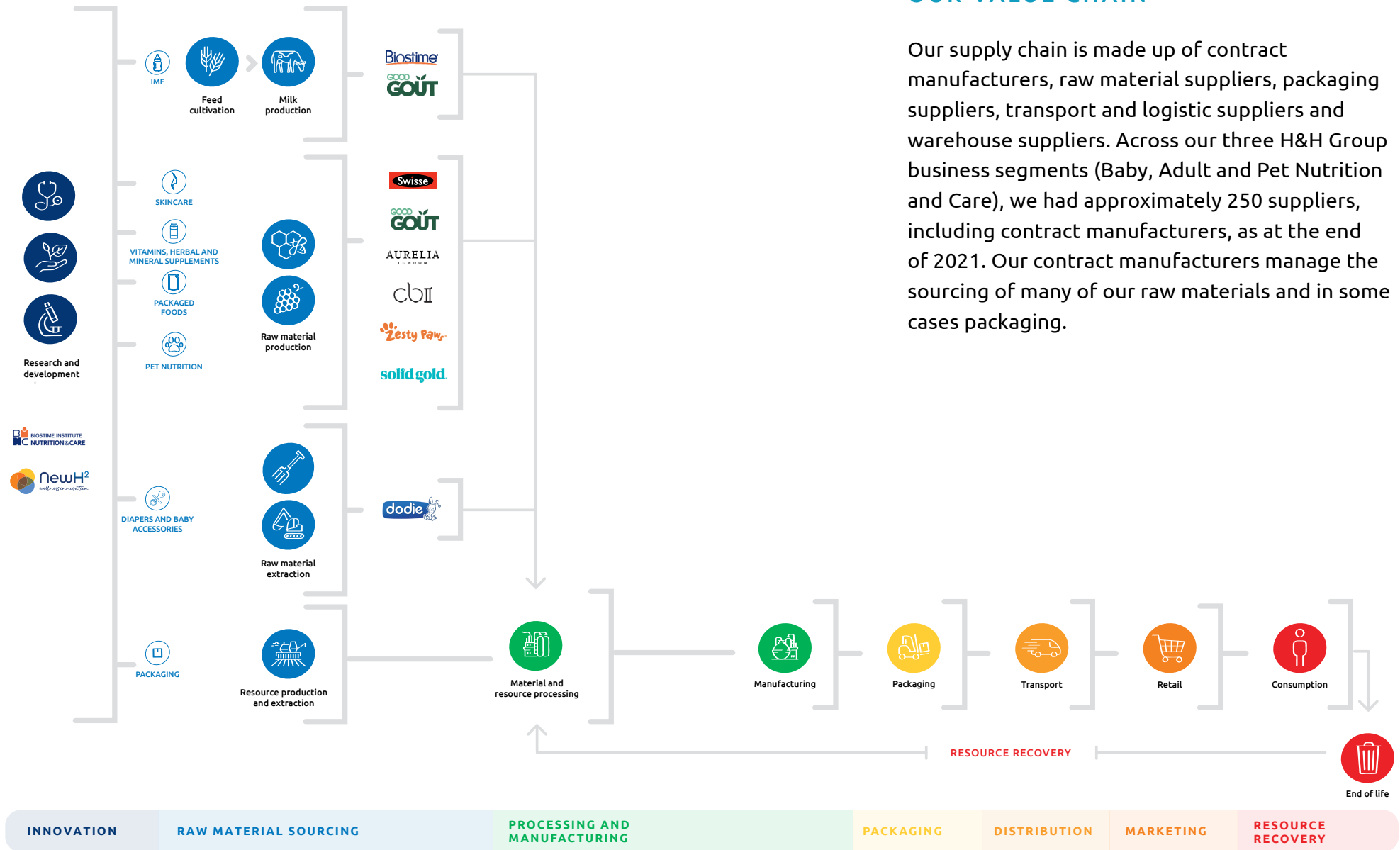
	United States	Europe	Mainland China	Asia excluding mainland China	Australia and New Zealand
Sites	3	9	84	5	4
EMPLOYMENT TYPE					
Percentage of total global employees employees in the region	0.8%	7.4%	81.4%	2.2%	8.1%
Permanent	87.5%	92.2%	99.8%	92.4%	88.8%
Temporary/contract	12.5%	7.8%	0.2%	7.6%	11.2%
Full-time	100%	97.1%	100%	100%	88%
Part-time	0%	2.9%	0%	0%	12%
NEW TEAM MEMBERS					
Number of new team members	6	66	600	37	71
Female	50%	62%	42%	71%	66%
Male	50%	38%	58%	29%	34%

**Employment data as at 31 December 2021. Please note this data does not include our Zesty Paws brand, which we acquired in late October 2021.*

3,315
TOTAL TEAM MEMBERS

OUR VALUE CHAIN

Our supply chain is made up of contract manufacturers, raw material suppliers, packaging suppliers, transport and logistic suppliers and warehouse suppliers. Across our three H&H Group business segments (Baby, Adult and Pet Nutrition and Care), we had approximately 250 suppliers, including contract manufacturers, as at the end of 2021. Our contract manufacturers manage the sourcing of many of our raw materials and in some cases packaging.



MODERN SLAVERY RISKS IN THE GROUP'S OPERATIONS AND SUPPLY CHAINS

Honouring Human Rights and Fairness is one of our four sustainability impact areas – others include the Advancing the Story of Good Health, Reducing our Footprint on the Planet, and Supporting Good Governance. We protect human rights as the foundation of health and happiness, and believe we cannot deliver on our mission without first ensuring individuals touched by our business are granted basic rights and fundamental freedoms to which all human beings are entitled.

As members of the United Nations (UN) Global Compact, we recognise the commitment we've made to the 10 principles including the UN Guiding Principles on Business and Human Rights. The process of materiality and mapping to the UN Sustainable Development Goals (SDGs) identified 'Goal 8 - Decent Work and Economic

Growth' as one of our eight focus SDGs that we can have an impact on. Millions of people across the world still face human rights abuses every day and have significant challenges accessing their fundamental freedoms. We also know that human rights abuses exist in the industries and markets in which we operate – and may even at times in our own supply chain where we do not have full visibility or control. In implementing the UN Guiding Principles on Business and Human Rights, we have a clear responsibility to identify where these risks occur, find any abuses, stop them, and prevent any future occurrences.

Our infant formula and supplement products require the most stringent of quality and safety standards, due to the nature of the industries and the regulatory systems that protect the safety of consumers. For this

reason, ingredient sourcing is often niche and stretches all corners of the world. We recognise the challenges this brings in operating across different regulatory and risk environments, and have prioritised the governance of our supply chains to ensure our suppliers are operating responsibly and honouring human rights and fairness. The main risk lies in the ingredients which are sourced on our behalf by our contract manufacturers and of which we do not currently have full visibility.

ACTIONS WE'VE TAKEN TO REDUCE THE LIKELIHOOD OF MODERN SLAVERY

IDENTIFYING MATERIAL RISKS AND TOPICS

We engage our stakeholders annually as part of our materiality process, including interviews with internal and external stakeholders as well as through surveys and communications throughout the year. We also include desktop reviews on industry sustainability risks and research led insights from organisations such as The Sustainability Consortium of which we are a participant.

Our 2021 materiality assessment review highlighted the importance of modern slavery to our stakeholders with labour rights and modern slavery, supply chain governance, and ethics, integrity and trust all landing in the top quadrant of our materiality matrix. This demonstrates the importance to both our internal and external stakeholders, as well as the significance of impact of these topics.

Our Board has ultimate responsibility for the risk management framework and are taken through our materiality process, provide feedback or further areas for exploration and validate our final set of material topics.

H&H GROUP SUPPLIER CODE OF CONDUCT

Our standards and expectations have been laid out in our Supplier Code of Conduct (CoC) that we launched in 2018 and which has a three-phase roll out plan with existing suppliers up until the end of 2022.

The CoC applies to all direct suppliers, including upstream supply chain, raw material suppliers, manufacturing and packaging suppliers. It stipulates that it is the responsibility of direct suppliers to disseminate to their supply base, to educate and exercise due diligence in implementing requirements equivalent or similar to those within the CoC.

Since its launch, we have made it mandatory that all new suppliers sign the CoC within the procurement process. Compliance with the policy is also required by our supply agreements and new supplier forms. Examples of the clauses we include in our standard template agreements are set out in Appendix B.

SUPPLY SYSTEMS DUE DILIGENCE / H&H SUSTAINABILITY ASSESSMENT

We have implemented a formal process for carrying out due diligence within our existing supply base across all our direct suppliers for any of our product producing brands and entities through the development of our H&H Sustainability Essentials Survey. The survey is tailored to the topics specifically identified as material for the industries we operate in, largely focused on The Sustainability Consortium's Thesis Industry hotspots for the following product categories:

- Vitamins and supplements;
- Dairy;
- Personal Care;
- Soup and Convenience meals;
- Diapers;
- Baby Accessories.

ACTIONS WE'VE TAKEN TO REDUCE THE LIKELIHOOD OF MODERN SLAVERY

B CORP JOURNEY

In the process of becoming B Corp certified, H&H has adopted guidance on benchmarks, standards and practices from the workers and community sections related to supply chains of the B Corporation Impact Assessment in line with our commitment to become a B Corp by 2025. The assessment covers topics such as freedom of association, collective bargaining, child labour, forced labour, migrant workers, wages, health and safety and diversity and inclusion as well as other environmental, social and governance practices.

WHISTLE-BLOWER SYSTEM

Our independently managed whistle blowing platform, 'HH Speak Up', has been on offer to both internal and external individuals as a channel for raising concerns confidentially since the beginning of 2019.

We have promoted our HH Speak Up channel with supply partners to ensure individuals touched by our business, including those working for our contractors and suppliers, have a channel to freely raise concerns regarding actual or suspected unethical, unlawful or undesirable conduct.

In 2019 we began publicly disclosing the number of cases raised through the HH Speak Up channel. We will continue to transparently share with our stakeholders any cases of suspected or actual breaches of either our internal or external policies and standards in our annual Sustainability Reports published on our H&H Group website here.

REPORTING

In our annual Sustainability Report we disclose the elements of our supply chain and our current performance in building supply chain transparency and governance into our systems.

We do this in line with both the Hong Kong Stock Exchange Appendix 27 requirements as well as the Global Reporting Initiative (GRI) standards 312 Human Rights Assessment and 414 Supplier Social Assessment.

We use international frameworks and indexes to identify where our risks lie in our supply chain and are benchmarked on several external indexes and assessments.

ACTIONS WE'VE TAKEN TO REDUCE THE LIKELIHOOD OF MODERN SLAVERY

2021 PROGRESS

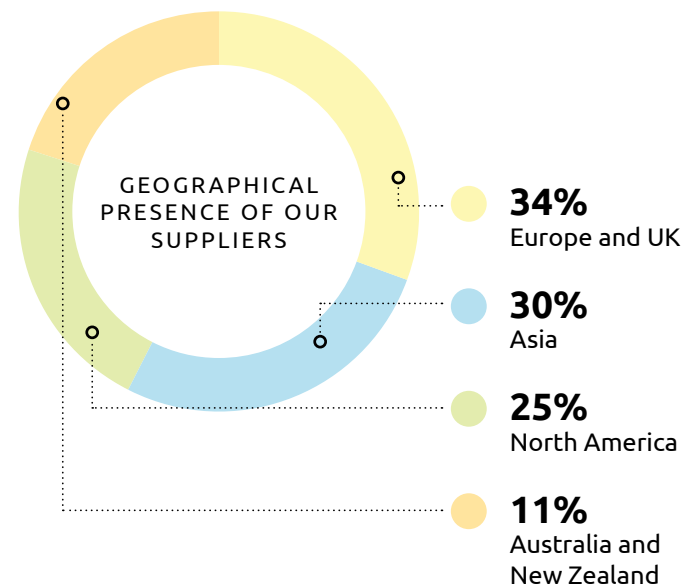
In 2021 we continued to progress on our journey to full transparency and governance over our complex supply chain across our portfolio of products, including:

- ✓ Supplier Code of Conduct roll out with our major contract manufacturers;
- ✓ Supply team member engagement and training on our Sustainability Assessment;
- ✓ Supplier sustainability performance management platform implemented;
- ✓ High-risk direct suppliers identified.

As at the end of 2021:

- We set supplier category sustainability targets and incorporated sustainability in supplier review and management systems;
- Among the 88% of our suppliers¹ which completed our sustainability assessment (the Sustainability Essentials survey):

- 46% received an ethical or social audit carried out by a third party;
- 100% have signed our Supplier Code of Conduct;
- 97% have confirmed their employees are free to join or form trade unions or worker organisations of their own choosing if permitted by law;
- We integrated social and environmental evaluation criteria into our audit analysis grids applied to our European contract manufacturers before engaging them.



EFFECTIVENESS OF OUR ACTIONS TO REDUCE THE LIKELIHOOD OF MODERN SLAVERY

Through internal assessments and regular reviews of the measures put in place, we have carefully considered our above multi-faceted approach – including stakeholder engagement, reporting and due diligence – to reducing the likelihood of modern slavery within our operations and supply chain. As such, we consider these combined actions appropriate and effective.

Our stated intention to become a B Corp by 2025 has set the tone for what suppliers and other partners can expect if they want to begin – or continue – working with us. It has also reiterated to our employees at all levels that our Group continues to follow our founding mission to make people healthier and happier, and the health and safety of people touched by our business is of vital importance.

CONSULTATION AND APPROVAL

This Statement is jointly submitted by H&H Group and the entities listed in Appendix A, which it controls. We have taken an integrated approach to addressing modern slavery risks and operate under a common set of governance policies and programs. There has been significant consultation and collaboration between our people to prepare this Statement, including within the Sustainability, People and Culture, Procurement, Legal and Group Communications functions. We have also communicated and explained our commitments and expectations regarding modern slavery more broadly within our business, and we intend to enhance that communication even more in the future.

This Statement was approved for and on behalf of the Group by the Board of Directors of Health and Happiness (H&H) International Holdings Limited on 22 March 2022.



LAETITIA GARNIER
GROUP CEO & EXECUTIVE DIRECTOR

This statement was amended on 22 July 2022 to include the following additional entities: Biostime Healthy Australia Pty Ltd, Biostime Healthy Australia Holdings Pty Ltd and Biostime Healthy Australia Investment Pty Ltd.

APPENDIX A – LIST OF H&H GROUP ENTITIES INCLUDED IN THIS STATEMENT

AUSTRALIA & NEW ZEALAND	LOCATION OF INCORPORATION
Farmland Dairy Pty Ltd	Australia
SW Translink Packaging Pty Ltd	Australia
Swisse Wellness Pty Ltd (Australia)	Australia
Swisse Wellness Group Pty Ltd	Australia
SWG Holdco Pty Ltd	Australia
S W International Pty Ltd	Australia
SW Production Holdings Pty Ltd	Australia
Health and Happiness (H&H) Australia Pty Ltd	Australia
Biostime Healthy Australia Pty Ltd	Australia
Biostime Healthy Australia Holdings Pty Ltd	Australia
Biostime Healthy Australia Investment Pty Ltd	Australia
Swisse Wellness Pty Ltd (New Zealand)	New Zealand
CHINA	
Biostime (Changsha) Nutrition Foods Limited	China
Biostime (Guangzhou) Health Products Limited	China
Dodie Baby Products Inc. (Guangzhou)	China
Guangzhou Biostime Institute of Nutrition and Care	China
Guangzhou Hapai Information Technology Co., Ltd	China
Guangzhou Mama100 E-commerce Limited	China
Health and Happiness (H&H) China Limited	China
Swisse Wellness (Guangzhou) Limited	China
Health and Happiness (H&H) Hainan Nutrition Products Limited	China
Health and Happiness (H&H) Hong Kong Limited	Hong Kong SAR
Swisse China Limited	Hong Kong SAR
New H2 Limited	Hong Kong SAR
Health and Happiness (H&H) Taiwan Limited	Taiwan

ASIA (EX. CHINA)	LOCATION OF INCORPORATION
Health and Happiness (H&H) Malaysia Sdn Bhd	Malaysia
Health and Happiness (H&H) Trading India Private Limited	India
PT Health and Happiness Indonesia	Indonesia
Health and Happiness (H&H) Singapore PTE. LIMITED	Singapore
Health and Happiness (H&H) (Thailand) Co., Ltd.	Thailand
H&H Group DMCC	United Arab Emirates
EUROPE	
Biostime Institute for Nutrition and Care	Switzerland
BBB	France
Health and Happiness France Holding	France
Biostime Pharma	France
Laboratoires Polive	France
Health and Happiness (H&H) Research Limited (Ireland)	Ireland
Health and Happiness (H&H) Italy S.R.L	Italy
Health and Happiness (H&H) Netherlands B.V.	The Netherlands
Swisse Wellness Gmbh	Switzerland
Aurelia Skincare Limited	United Kingdom
Health and Happiness (H&H) UK Limited	United Kingdom
NORTH AMERICA	
Solid Gold Pet, LLC	United States of America
Zesty Paws, LLC	United States of America

APPENDIX B – SAMPLE CLAUSES

Sample clause in Supply Agreements and other long form agreements:

1. *Business Ethics* Legislation means any laws, regulations, rules, international treaty signed by any government authority or stock exchange rules applicable to the Company in relation to:
 - (a) labour, immigration and prohibition of illegal work (including but not limited to the use of child labour, or forced or compulsory labour);
 - (b) environment protection and sustainable development;
 - (c) fundamental human rights;
 - (d) animal welfare;
 - (e) occupational health and safety;
 - (f) trade, import and export licenses and customs;
 - (g) financial criminal offences, including but not limited to corruption, fraud, theft, misuse of corporate funds, counterfeiting, forgery and the use of forgeries;
 - (h) anti-money laundering;
 - (i) embargos, drugs and weapons trafficking, terrorism; and
 - (j) regulation of competition.
2. Ethics, Environmental and Social Responsibility
 - 2.1 The Supplier acknowledges that it has been made aware of, and agrees to act consistently with, H&H Group's commitments in the area of ethics and sustainable development, to advance the story of good health, reduce our footprint on the planet and honour human rights and fairness as set out in our Supplier Code of Conduct and posted on the website <https://hh.global/our-impact>.

- 2.2 The Supplier represents and warrants to H&H Group that:
 - (a) for a period of 5 years immediately preceding the date of this Agreement it has complied with the *Business Ethics Legislation*; and
 - (b) it will comply with the *Business Ethics Legislation* during the Term.
- 2.3 The Supplier must:
 - (a) ensure that its employees, suppliers and subcontractors comply with this clause in connection with [insert what is being provide under the relevant agreement, i.e. Services or Products or broadly speaking this Agreement]; and
 - (b) notify H&H Group immediately in writing of any and all violations of this clause, providing full details of each such violation.
- 2.4 If H&H Group reasonably believes that any requirement of this clause may have been breached, H&H Group may require the Supplier to provide, and the Supplier must provide, evidence that it has rectified the breach and is currently in compliance with the requirements of this clause. If the Supplier fails to provide such evidence and/or H&H Group reasonably believes that the Supplier is still in breach of this clause, H&H Group may:
 - (a) request the Supplier to provide, and the Supplier must provide, all reasonable assistance to facilitate the undertaking of any audit by an independent auditor appointed by H&H Group to verify compliance with this clause; or
 - (b) suspend or terminate this Agreement in accordance with clause [insert] for breach of this clause.

Sample clause in short form/short term agreements:

3. Ethics, Environmental and Social Responsibility
 - 3.1 The Company acknowledges that it has been made aware of, and agrees not to act inconsistently with, H&H Group's commitments in the area of ethics and sustainable development, to advance the story of good health, reduce our footprint on the planet and honour human rights and fairness as set out in our Supplier Code of Conduct and posted on the website <https://hh.global/our-impact>.
 - 3.2 The Company represents and warrants to H&H Group that it will:
 - (a) comply with any laws, regulations, rules or international treaty signed by any government authority applicable to the Company in relation to corporate social responsibility;
 - (b) ensure that its employees, suppliers and subcontractors comply with this clause in connection with [insert what is being provide under the relevant agreement, i.e. Services or Products or broadly speaking this Agreement]; and
 - (c) notify H&H Group immediately in writing of any and all violations of this clause, providing full details of each such violation.

