

# 2.1

## SOURCING RESPONSIBLY

### Improving Animal Welfare

We are committed to sourcing responsibly and gradually adding more products to our Own Brand range that meet globally recognised sustainability and animal welfare standards at affordable prices. As we continue this journey, we collaborate with our suppliers, farmers, fisheries, vets, scientists, animal welfare NGOs and international certification bodies to improve animal welfare.



We offer customers sustainable and better chicken through the Better Chicken Programme's implemented measures  
IKEA Hong Kong

## Offering more choice of cage-free eggs

At DFI, we take animal welfare seriously and have been selling 100% cage-free and free-range eggs under our exclusive Meadows brand since its launch in 2021. As of 2023, we have successfully launched six SKUs of cage-free and free-range eggs in our stores.

Eggs are an essential low-cost protein for millions of our customers across the region. We understand this makes eggs an especially price-sensitive everyday food item and have worked to make our cage-free eggs affordable for more of our customers. To achieve this, we partner with animal welfare organisations, including the Humane Society International (HSI) and our suppliers, to improve the welfare of laying hens producing eggs for our Meadows brand cage-free and free-range eggs.

Collaborating with HSI, we developed strict DFI prerequisites for our cage-free eggs in conjunction with industry standard production audits and certifications. Today, all Meadows cage-free egg suppliers follow these DFI-recognised certification standards.

We have taken further steps to increase the choice of cage-free eggs in our stores. Through Wellcome Hong Kong's partnership with KIN in 2023, an innovative local food company sourcing eggs from sustainable farms that do not use hormones or antibiotics, we launched KIN cage-free eggs and KIN organic free-range eggs. Furthermore, 11 restaurants at IKEA in Hong Kong, Macau and Taiwan use cage-free eggs in their food outlets.

Going forward, we will continue working with our suppliers and partners to promote animal welfare and positively impact the communities we serve.



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## Better chicken for healthier humans

IKEA Hong Kong is committed to offering customers a variety of more sustainable and healthier food options at its Swedish food markets, restaurants and bistros in the city. As part of this promise, IKEA Hong Kong joined the Better Chicken Programme in April 2023. This global initiative focuses on animal welfare at supplier farms to ensure broiler chickens are raised sustainably, resulting in better quality chicken, healthier people and a reduced environmental impact.

To enhance the social environment for chickens, supplier farms do not use broiler cages or multi-tiered cage systems. They must maintain optimal humidity, ventilation and temperature levels to prevent discomfort. In addition, suppliers work with a poultry veterinarian to develop a health plan to regularly check their flocks' condition, ensuring no hormones are used and eliminating the routine use of antibiotics. The programme also addresses

sustainable animal agriculture issues by sourcing feed that does not contribute to deforestation and climate change. Farms must also create a waste management plan to maximise the value of poultry manure while minimising its environmental impact. By implementing these measures, IKEA Hong Kong is able to offer customers more sustainable and better chicken.



## More MSC-certified sustainable seafood

Meadows has expanded its sustainable seafood range, offering more Marine Stewardship Council (MSC) certified products across its canned seafood lines. The MSC blue tick shows the product is caught from a fishery that adheres to standards set to help conserve seafood stocks and protect ocean ecosystems. With more than a third of the world's seafood stocks currently over-fished, science-based MSC certification affirms we are helping to sustain resources for future generations and the livelihoods of communities that depend on the ocean's resources.

The MSC certification standard ensures the fishery has minimised its impact on the ecosystem and that tuna

stocks are healthy and well-managed. This includes taking measures to ensure as little harm as possible to other marine species, including dolphins, turtles and seabirds.



Meadows broadened its sustainable seafood range with more MSC-certified products in frozen and canned selections.

## Supporting conservation and animal wellbeing

Guardian Singapore is collaborating with the Mandai Wildlife Group to support conservation projects across Southeast Asia and bring awareness to sustainable palm oil farming. We have also adopted Satria, a male Sumatran orangutan, the youngest son of Ah Meng, an icon of the Singapore Zoo.

In 2023, Guardian launched this initiative in conjunction with the introduction of the Eco-Garden product range, our pioneering health and beauty product line that uses sustainably sourced ingredients, including sustainable palm oil.

Partial proceeds from the collection of 10 cents for plastic bags at Guardian will support the Mandai Wildlife Group's conservation projects, which include species management and habitat protection in collaboration with partners in the region.

DESIGNED TO FEEL BETTER  
為你 追求更好

BEAUTY ACCESSORIES  
美妝工具系列

VEGAN BRUSHES  
純素化妝掃

ESSENTIAL mannings

Own Brand Health and Beauty products conduct no animal testing and comply with local standard Mannings and Guardian

## No animal testing on Own Brand Health and Beauty products unless required by national regulations

We are committed to prioritising the safety and quality of our Own Brand Health and Beauty products above all else.

At DFI, we do not conduct animal testing on our finished products, unless it is mandated by national regulations.

Also, we continuously endeavour to enhance the formulations of our products, ensuring that each and every one of our Own Brand Health and Beauty products comply with local standards and safety requirements.

# 2.2

## SOURCING RESPONSIBLY Improving Human Welfare

People are at the heart of everything we do. We employ around 213,000 team members, and our businesses touch the lives of millions across the region. To improve the quality of life for more people, we strive to promote healthy lifestyles, equality, inclusion, and sustainability in all areas of our operations for customers, team members and our communities.



Health Choice Campaign  
Wellcome Hong Kong

## Mannings offers AI Wellness Scan

We are committed to providing innovative healthcare solutions that meet our communities' evolving needs. To this end, Mannings launched the AI Wellness Scan in Hong Kong in September 2023 to raise awareness of active health management and disease prevention. This facial scan is a non-invasive solution that measures customers' key vital signs, such as heart rate, oxygen saturation and stress level, in just 30 seconds.

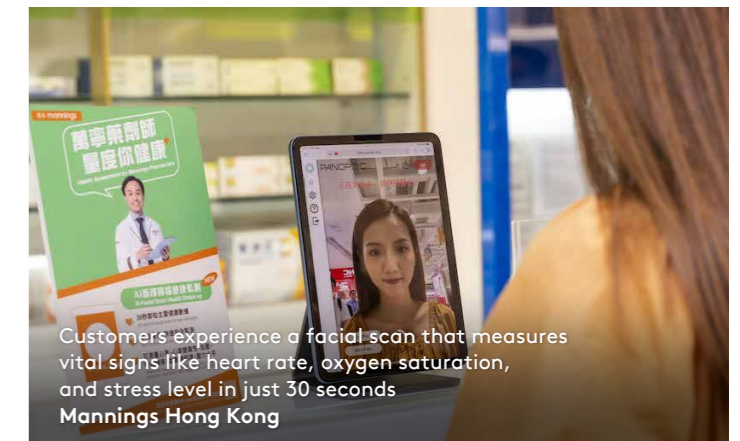
Recognising the growing need for more accessible preventive healthcare, we launched this new solution to

help people better manage their personal health. Supported by The Hong Kong University of Science and Technology, the AI Wellness Scan reaches more than 90% accuracy in clinical trials.

Available at seven Mannings in-store pharmacies and corporate wellness events, nearly 3,000 wellness scans were conducted in the four months following its launch, with our team of professional pharmacists and dietitians providing personalised health consultation based on the scan results.



AI Wellness Scan launched in September 2023  
Mannings Hong Kong



## Innovative pharmacy service piloted in Hong Kong

Mannings launched the PharmaCare programme in March 2023. A first-in-sector employee benefits programme, it offers professional pharmacist consultations and medication services for minor ailments, helping to alleviate pressure on public healthcare. We initially rolled out the programme to Mannings Hong Kong as a pilot, and subsequently more broadly to Mannings Macau as well as HKBN.

PharmaCare provides in-programme employees, as well as their immediate family members and domestic helpers, with convenient access to professional pharmacist consultation and medication services for minor ailments, such as colds and flu, allergies, aches and pains, gastrointestinal conditions, women's health concerns, minor skin conditions, eye conditions, and oral health. PharmaCare can also, upon request, issue a pharmacist's

note for employees to apply for sick leave. The programme saw more than 9,000 visits following its launch in 2023.



Mannings launched the PharmaCare programme in 2023  
(Philip Chiu, Head of Professional Service)

## IKEA supports social entrepreneurship in Indonesia

To improve everyday life for vulnerable communities, we established the Instellar and IKEA Social Entrepreneurship Accelerator (I-SEA), a programme co-created by IKEA Social Entrepreneurship, IKEA Indonesia, IKEA Supply and our local implementation partner Instellar. I-SEA is a two-year business acceleration programme that supports the growth of social enterprises already working to increase equality, inclusion, and sustainability in the region, to help them increase their impact.

Commencing in 2022, the first cohort completed the I-SEA programme in June 2023 successfully supporting 10 innovative social enterprises in providing jobs and delivering goods or services to address local needs. In late 2023, we are welcoming a second cohort to the I-SEA programme, supporting an additional 10 social enterprises working in circularity and sustainable agriculture to create a better everyday life for marginalised local communities.



The Instellar and IKEA Social Entrepreneurship Accelerator provides business support, networking opportunities and access to funding

## Wellcome offers more healthy choices

Wellcome is committed to delivering quality and value and responding to changing customer needs. Since the onset of the pandemic, our customers have become increasingly health aware and more health conscious when

choosing food. We now cater to more dietary requirements and are able to offer our customers over 1,000 items of food classed as low fat, sugar-free, gluten-free or no hormones added.



Over 1,000 food products classed as low fat, sugar-free, gluten-free or no hormones added Wellcome Hong Kong



Wellcome caters to different dietary requirements of our customers

# 2.3

## SOURCING RESPONSIBLY Improving Land Welfare

We recognise the considerable impact that climate change can have on our food systems and the urgent need to conserve wildlife, soil quality and forests. As a major retailer, we have an important role in improving land welfare. We will continue to review our packaging and sourcing practices to find more sustainable materials and products while supporting organisations working to conserve the environment.



Nathan Lam, Pharmacist is educating customer to protect the environment through responsible medicine disposal  
Mannings Hong Kong

### Sourcing more sustainable products and packaging

We are dedicated to sourcing responsibly, expanding our choice of sustainable products, and using sustainable ingredients and packaging materials for our diverse range of products across our banners. We place a strong emphasis on promoting ethical and fair trade practices throughout our supply chain. In doing so, we aim to ensure that our products are not only of high quality but also contribute positively to the well-being of the planet and the communities we serve.

Since October 2022, 7-Eleven Hong Kong has switched to using 100% Arabica coffee beans, certified by the Rainforest Alliance, an esteemed international organisation dedicated to promoting sustainable agriculture and forestry practices.

7-Eleven Singapore also embraced Rainforest Alliance-certified 100% Arabica beans in its 7CAFÉ coffee in 2023 and prioritised responsible sourcing by introducing FSC-certified cups and lids for 7CAFÉ hot coffee.

Meadows launched our first line of Own Brand recycled aluminium cookware in December 2023, offering saucepans made from at least 90% recycled aluminium.

Also, we transitioned 42% of our Own Brand paper products to FSC-certified sources during 2023. We aim to maintain this momentum, committing to use 100% FSC-certified paper for Own Brand products by 2028.



### Promoting safe disposal of unused medicines

Mannings Hong Kong collaborated with an NGO, Junior Chamber International Tai Ping Shan (JCITPS), on a campaign to promote the safe disposal of unwanted or out-of-date medicines. When disposed of improperly, unused medicines could contaminate soil, water and the wider environment, increasing the risk of drug resistance in the community if they accidentally enter the food chain.

The month-long "Safe Disposal of Unused Medicines" campaign saw 26 Mannings in-store pharmacies providing complimentary collection services, and successfully preventing over 1.18 million pills and capsules from improper disposal.

In addition, Mannings pharmacists joined hands with JCITPS to organise 13 talks for 3,300 students between April and June 2023 to raise awareness about the proper handling of unused medicines and reducing their potential impact on the environment.

### yuu Rewards donation to promote environmental protection

yuu Rewards partnered with Foodlink, the Conservancy Association and the Conservancy Association Centre for Heritage to enable members to make donations to NGOs working with people in need, promoting environmental protection and safeguarding cultural heritage in Hong Kong. The yuu App provides an easy platform to reach our customers and encourage charitable donations. We also triple yuu Members' donations on the 8th of each month. In 2023, yuu and our members donated 176,499,644 points to reduce hunger and 13,684,007 points to protect the environment, equivalent to \$950,918 to the three charity organisations.

