

FOOD EMPIRE



Building Resilience & Trust

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Rating: 5/5



MacCoffee once again triumphed at the Product of the Year 2021 National Award. Food Empire scoops The Enterprise Award this year for its pioneering spirit in establishing itself in emerging markets and successfully building its MacCoffee 3-in-1 instant mix brand into a household name.



See what's Brewing



★★★★★
Rating: 5/5



★★★★★
Rating: 5/5



★★★★★
Rating: 5/5



★★★★★
Rating: 5/5



★★★★★
Rating: 5/5

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BOARD STATEMENT

The Board of Directors (the “Board”) is pleased to present the Sustainability Report of Food Empire Holdings Limited (“Food Empire” or together with its subsidiaries, “the Group”) for the financial year ended 31 December 2021 (“FY2021”).

FY2021 was a year of resilience and adaptation for Food Empire and its stakeholders. The Food Empire management took measures to combat a challenging operating environment with record high freight prices, supply chain disruptions, and inflation among a barrage of issues that had to be managed. Despite the challenges brought about by the ongoing pandemic, the Group’s stellar performance in achieving the highest ever revenue recorded is a testament to the Group’s resilience and effort in these trying times as economies globally continue to seek an end to the pandemic. Under these challenging circumstances, the safety of all Food Empire employees worldwide remained a key management focus of the Group.

The armed conflict between Russia and Ukraine has sent markets into turmoil and further disrupted the supply chain globally. While it is too early to assess the true impact of the armed conflict, business conditions are expected to remain uncertain and will be challenging for the foreseeable term. Nevertheless, the Board is confident that Food Empire’s businesses will remain sustainable.

The Board is collectively responsible for the long-term success of the company, and that includes the setting of strategic objectives that are focused on sustainability. Additionally, the Board has the ultimate responsibility for the issuer’s sustainability reporting. Consistent with its role, the Board has reviewed Food Empire’s five existing material sustainability matters and is of the opinion that these matters remain material to the Group in 2021. With our key stakeholders having an increased interest in “Water Consumption”, Food Empire has decided to include the aforementioned topic as an additional matter. The Board will continue to ensure that these material sustainability matters are appropriately monitored and managed and remains committed to working with management to drive sustainable growth and deliver long-term value for all our stakeholders.



FY2021
IN REVIEW



1,146

EMPLOYEES
IN VIETNAM AND
SINGAPORE



ZERO

CONFIRMED CASES
OF CORRUPTION AND
NON-COMPLIANCE
WITH ALL LAWS AND
REGULATIONS



ZERO

WORK-RELATED
FATALITIES IN ALL
OUR OPERATIONS



RECOGNISED IN

TOP 100

“MOST VALUABLE SINGAPOREAN BRANDS”

2021 ranking by Brand Finance, with an increase in estimated brand value from USD 81 million in 2020 to USD 86 million in 2021, achieving our all-time best ranking of 51st place



AWARDED

**“THE ENTERPRISE AWARD 2020/2021 UNDER
THE SINGAPORE BUSINESS AWARDS”**

The Enterprise Award under the Singapore Business Awards is one of the most prestigious business accolades in Singapore. This award is an endorsement of the Group's outstanding performance as a global brand during this pandemic.



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ABOUT

FOOD EMPIRE

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Our mission is to be a leading global food and beverage company providing quality products and services. We will achieve this goal as we have the people, the passion and the enterprising spirit to make a difference.

Sold in over
50
COUNTRIES

USD 320
MILLION
NET SALES
IN FY2021

8
MANUFACTURING
FACILITIES

>17
BRANDS

23
OFFICES
WORLDWIDE

A TRUSTED LEADER IN THE GLOBAL F&B MARKETS

Food Empire is a global branding and manufacturing company in the food and beverage (F&B) sector listed on the SGX Mainboard since April 2000.

Today, our quality products –which include instant beverage products, frozen convenience food and snack food– are exported to more than 50 countries around the world.

We operate 8 manufacturing facilities and 23 representative and liaison offices worldwide.

In 2021, Food Empire was awarded The Enterprise Award 2020/2021 under The Singapore Business Awards.

OUR AWARD-WINNING BRANDS

With an aim to further entrench our presence in existing markets and grow our global customer base, Food Empire is continually striving to improve our customers' experience through innovative and quality product offerings.

We currently offer over 17 brands that span a wide variety of beverages, including coffee, chocolate and tea; snacks, such as potato crisps; and premium quality frozen foods. Besides manufacturing and selling retail products, we also sell our raw ingredients to other food manufacturers. Our brands are localised to match the flavour of the local markets in which our products are sold.

Since our public listing in 2000, Food Empire has won numerous accolades and awards. MacCoffee –the Group's flagship brand– has been named by Enterprise Singapore (formerly known as IE Singapore) as one of "The Strongest Singapore Brands" and has consistently been ranked as the leading 3-in-1 instant coffee brand. In FY2021, MacCoffee earned the "Product of The Year 2021 National Award" and was also awarded the finest brand in the "Coffee with Milk, Sugar and Cream" category.

Food Empire has also been recognised by Enterprise Singapore as one of the "Most Valuable Singapore Brands" and was twice named by Forbes Magazine as one of the "Best under a Billion" companies in Asia. In FY2021, Food Empire ranked 51 in Brand Finance's Top 100 list of "Most Valuable Singaporean Brands", with an estimated brand value of USD 86million (FY2020: USD 81 million)¹. This was an improvement of 2 places from the prior ranking attained in 2020 and serves as a validation of the Group's continual efforts to improve our customer experience and brand equity.

INSTANT BEVERAGES

Bolt	MacCereal
Café PHO	MacChocolate
CaféRite	MacCoffee
FesAroma	MacFito
Hillway	NutriRite
Klassno	Petrovskaya Sloboda
MacTea	

SNACK FOOD

Kracks Chizzpa

FROZEN FINGER FOOD

OrienBites

COFFEE CAPSULES

Tazzanera

¹ The assessment by Brand Finance was made by estimating Food Empire's likely future revenues attributable to its respective brands, calculating the royalty rate that would be charged for the use of its brands assuming it was not already owned, and benchmarking this against other contestants.



SUSTAINABILITY

AT FOOD EMPIRE

OUR SUSTAINABILITY FOCUS

Our decision-making processes and business practices at Food Empire are guided by our sustainability ambitions surrounding Planet, Principles, and People. We are fully committed to all our stakeholders and will continue to conduct our activities with a focus on sustainability to serve our stakeholders' needs and interests the best we can.



PLANET

We care about our **PLANET**. We strive to reduce our environmental impact and safeguard a future for all generations to come.

OUR SUSTAINABILITY FOCUS



PRINCIPLES

We guide our purpose with **PRINCIPLES**. We are committed to conducting our business activities with the highest standards of integrity and accountability.



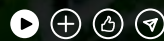
PEOPLE

We are passionate about **PEOPLE**. We place great emphasis on creating a safe and inclusive workplace for our employees, as well as serving quality products for our customers.

ECONOMIC RESILIENCE

Economic Resilience is one of Food Empire's key drivers in building value and success. Our strategy in becoming economically resilient is having the ability to swiftly mitigate and adapt to the evolving business environment. The Group continues to stay abreast of ever-changing consumer preferences by focusing on consistent product innovation.

Overall, our net sales stands at USD 320.1 million for FY2021 (FY2020: USD 273.0 million), recording our highest ever revenue in Group's history. For more information on our financial performance, please refer to our Annual Report.



ARMED CONFLICT BETWEEN RUSSIA AND UKRAINE

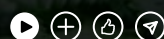
The armed conflict between Russia and Ukraine has sent markets into turmoil and disrupted supply chains globally. While it is too early to assess the true impact of the armed conflict, the situation could potentially threaten Food Empire's business outlook as the Russian and Ukrainian markets contributed approximately 45% of our total revenue in FY2021.

Specifically, the economic sanctions imposed on Russia has resulted in severe supply chain disruptions and currency exchange rate volatility. Backed by our past experience during the Russian Financial Crisis in the mid-2010s, Food Empire's management team has put in place measures to manage the exchange rate volatility arising from the conflict. Food Empire is also focusing on supply chain management to collaborate closely with our distributors, supermarkets, and key accounts to ensure smooth distribution of goods and services to our customers. Furthermore, Food Empire has adopted an anticipatory inventory management system and extended our sourcing of alternative supplies and critical materials to include Brazil, India, Malaysia and Vietnam since the start of the COVID-19 pandemic. To this end, a sub-committee was formed to keep in touch with our suppliers regularly. This set up has helped to minimise supply chain disruption during the Russian-Ukrainian armed conflict.

With regards to our current operational facilities, there has been no record of injuries to our employees and damages to equipment as a result of the armed conflict. Nevertheless, Food Empire will continue to monitor the situation and adapt our operations accordingly to minimize the financial and operational impacts posed to the Group.

Diversification has been one of our key business strategies to be resilient. Over the years, Food Empire has successfully extended our goods and services into different markets in Asia. In 2021, the revenue of Food Empire's South-East Asia market increased by 19.5% to US\$96.8 million (FY2020: US\$81.0 million). This was largely due to the strong demand from Vietnam market and the increased production output in our snack and food ingredient manufacturing facilities in Malaysia. In addition, the revenue of the Group's South Asia market increased by 140.8% to reach an all-time high of US\$17.4 million (FY2020: US\$7.2 million).

With the experience and capabilities of our management team, Food Empire is confident that we will be able to overcome the adverse environment resulting from the armed conflict.





STAKEHOLDER

ENGAGEMENT & MATERIALITY

KEY STAKEHOLDERS [GRI 102-40] [102-42] [102-43] [102-44]

Food Empire is committed to aligning our company to the interests of our stakeholders. As such, we build strong relationship with our stakeholders to better understand their needs and concerns by engaging with them on a frequent basis. An overview of our key stakeholders, their expectations and our channels of engagement is presented below.

SHAREHOLDERS

Key Interests:

- ▶ Financial and operational performance
- ▶ Good corporate governance
- ▶ Sustainability
- ▶ Transparency

Our response and engagement platforms:

- ▶ Cultivate a culture of transparent and timely communications
- ▶ Provide reliable and relevant information to investors through:
 - » Annual Report and Sustainability Report (Annual)
 - » Annual shareholder meeting (Annual)
 - » Announcements and circulars (Regular)
 - » Investor relations channel (Active)
 - » Investor presentations, roadshows, dialogue sessions (Regular)
 - » Quarterly reports (Quarterly)



REGULATORS

Key Interests:

- ▶ Compliance to relevant laws and regulations
- ▶ Contributions to economic and social development
- ▶ Environmental impacts of operations

Our response and engagement platforms:

- ▶ Comply with all applicable environmental and socio-economic regulations
- ▶ Contribute to the local economy through local employment and tax payments to the government
- ▶ Implement safe distancing practices in the workplace
- ▶ Engage regulators through:
 - » Annual Report and Sustainability Report (Annual)
 - » Industry sector participation channels (Ad hoc)
 - » Participation in conferences, meetings and discussions
 - » Site visits and audits/ checks



EMPLOYEES

Key Interests:

- ▶ Equal opportunities and non-discrimination
- ▶ Health, safety and wellbeing
- ▶ Job satisfaction
- ▶ Remuneration
- ▶ Training and development

Our response and engagement platforms:

- ▶ Establish a fair and diverse working environment
- ▶ Provide competitive remuneration and employment benefits
- ▶ Engage employees through annual performance appraisals, employee engagement surveys
- ▶ Provision of trainings and volunteering opportunities
- ▶ Implement new workplace arrangements to enhance safety
- ▶ Avoid COVID-19 related layoffs where feasible
- ▶ Engage employees through:
 - » Company events and activities (Regular)
 - » Control self-assessment for Senior Management (Regular)
 - » Human resource channel (Active)
 - » Staff appraisal (Regular)
 - » Surveys and interviews (Ad hoc)
 - » Training and development programs (Regular)
 - » Volunteer community activities (Ad hoc)





CUSTOMERS

Key Interests:

- ▶ Business ethics and sustainable practices
- ▶ Food safety and hygiene
- ▶ Innovation
- ▶ Product quality and nutritional value
- ▶ Responsible marketing and labelling

Our response and engagement platforms:

- ▶ Continue to deliver quality products
- ▶ Engage customers through:
 - » Annual Report and Sustainability Report (Annual)
 - » Consumer enquiries channel (Active)
 - » Marketing and labelling of products (Active)
 - » Mass media and social media (Regular)
 - » Point of sale (Active)
 - » Surveys and market research (Ad hoc)



FINANCIERS

Key Interests:

- ▶ Financial and operational performance
- ▶ Good corporate governance
- ▶ Sustainability of Food Empire
- ▶ Timely repayment of loan principal and interest

Our response and engagement platforms:

- ▶ Cultivate a culture of transparent and timely communications
- ▶ Provide reliable and relevant information to financiers through:
 - » Annual Report and Sustainability Report (Annual)
 - » Direct communication, meetings and discussion (Annual)
 - » Announcements and circulars (Regular)



SUPPLIERS AND BUSINESS PARTNERS

Key Interests:

- ▶ Business ethics and sustainable practices
- ▶ Long-term business relationship with Food Empire
- ▶ Financial and operational performance
- ▶ Sustainability

Our response and engagement platforms:

- ▶ Close collaboration with our suppliers to achieve a long, sustainable relationship
- ▶ Regular communications and meeting with suppliers
- ▶ Conducting supplier audits annually
- ▶ Engage suppliers through:
 - » Annual Report and Sustainability Report (Annual)
 - » Direct communication, meetings and discussion (Regular)
 - » Evaluation and monitoring (Ad hoc)
 - » Joint initiatives and programmes (Ad hoc)
 - » Site visits and audits/checks (Ad hoc)
 - » Survey (Ad hoc)



COMMUNITY

Key Interests:

- ▶ Contribution to economic and social development
- ▶ Environmental impact of operations
- ▶ Local employment

Our response and engagement platforms:

- ▶ Supporting local communities through corporate sustainability programmes
- ▶ Engage community through:
 - » Annual Report and Sustainability Report (Annual)
 - » Corporate social responsibility initiatives (Ad hoc)
 - » Sponsorship and philanthropy (Ad hoc)

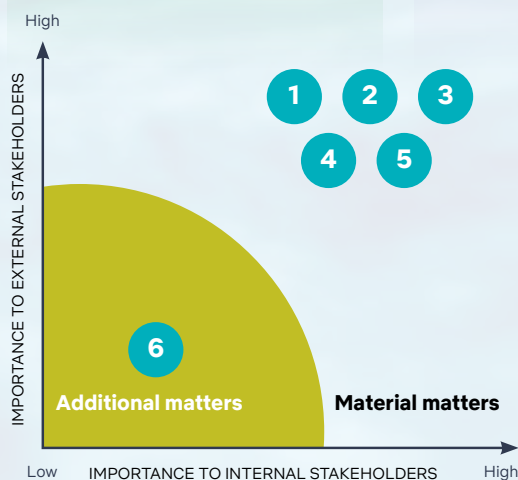
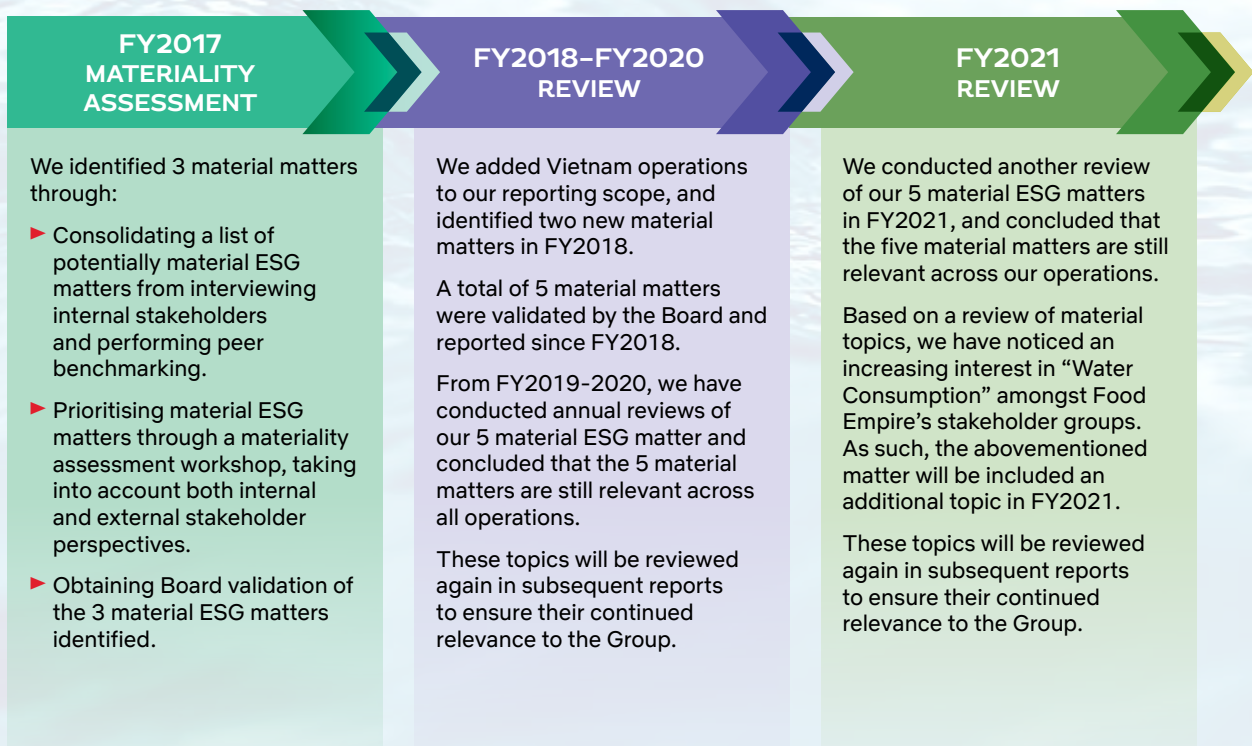




MATERIALITY ASSESSMENT [GRI 102-46] [102-47]

Food Empire identified a list of sustainability material matters based on a material assessment conducted in 2017. The material matters identified were ranked based on the impacts on the company’s operations. By ranking the sustainability matters, it provides efficient allocation of resources, where more resources can be prioritised to the material matters that are more critical to the business. Material matters were then reviewed annually to ensure that these matters will continue to be relevant to Food Empire’s business operations. In FY2021, we reviewed these sustainability matters and concluded that they remain relevant for the year even in the context of COVID-19. A new topic, “Water Consumption” has been included as an additional topic in FY2021 to address the growing interest of our stakeholders.

The figure below illustrates our materiality assessment process and the five material sustainability matters, and one additional matter identified through the assessment.



Material Topics Mapped To GRI Disclosures		
No.	Sustainability Matters	Relevant GRI Standards Topics
1	Energy Consumption and Greenhouse Gas (GHG) Emission	GRI 302: Energy GRI 305: Emissions
2	Consumer Health and Safety	GRI 416: Customer Health and Safety GRI 417: Marketing and Labeling
3	Anti-corruption	GRI 102: Ethics and Integrity GRI 205: Anti-Corruption
4	Occupational health and safety	GRI 403: Occupational Health and Safety
5	Employment practices	GRI 401: Employment GRI 404: Training and Education
Additional Topic Mapped To GRI Disclosures		
6	Water Consumption	GRI 303-5: Water and Effluents

PRINCIPLES

Food Empire believes that upholding high standards of corporate governance is of paramount importance to our continued success and is a key enabler for the achievement of the Group's sustainability aspirations across all levels of the organisation.



SUSTAINABILITY GOVERNANCE [GRI 102-18] [102-29] [102-32]

A well-defined committee structure with clear delegation of responsibilities is vital in achieving strong sustainability governance and enabling the advancement of Food Empire's sustainability strategy.



THE BOARD

At the highest level, The Board of Directors ("the Board") is responsible for the Group's sustainability performance and ensures that sustainability matters are incorporated in the Group's formulation of business strategies. The Board also identifies material sustainability matters and ensure they are well managed with appropriate policies and practices in place.



FOOD EMPIRE TOP MANAGEMENT

The Management team oversees the implementation of all sustainability policies and regularly monitors the progress of key metrics relevant to the Group's sustainability performance. The Management provides regular updates to the Board on the overall progress towards achieving its Sustainability goals.



FOOD EMPIRE SUSTAINABILITY COMMITTEE

The Food Empire Sustainability Committee reports directly to top management. The Committee includes sustainability coordinators from our headquarters in Singapore as well as from Vietnam and Russia. Market representatives work with local teams to ensure that specific policies are adhered to at the operational level, and to track the country's sustainability performance. The Committee meets regularly to discuss key updates on potential improvements to Food Empire's sustainability reporting and performance.

MATERIAL MATTER CHAMPIONS

Energy Consumption and Greenhouse Gas Emissions

Consumer Health and Safety

Anti-corruption

Occupational Health and Safety

Employment Practices

Water Consumption

OUR BUSINESS ETHICS

WHY IS ANTI-CORRUPTION IMPORTANT TO FOOD EMPIRE? [GRI 103-1]

Corruption and unethical practices often result in hefty legal and monetary consequences as well as significant negative repercussions on business operations and company reputation. At Food Empire, we adopt a strict zero-tolerance policy towards fraud, bribery and corruption in order to maintain the trust and confidence of our stakeholders. As a responsible member of society, we are committed to investigate, resolve and take appropriate disciplinary action against any incidence that may occur within the organisation.

MANAGEMENT APPROACH [GRI 103-2] [103-3] [205-2] [205-3]

POLICY



Food Empire is committed to maintaining high standards of corporate governance and business conduct. Our conduct is governed by Food Empire’s Business Ethics and Code of Conduct, which is communicated to all employees. The table below provides a summary of the key aspects of this code.

Policies and procedures	Summary
Legal compliance	Employees and directors are expected to comply with the local laws and regulations (e.g. Anti-Corruption, Labour, Immigration Act etc.) in all the countries we operate in.
Product quality and safety	Products must meet all applicable food safety and hygiene standards required by law in the countries we manufacture and supply to.
Gifts, loans and entertainment	Employees and directors should not, directly or indirectly, accept gifts of cash, favours or anything of value which could impair, or appear to impair their ability to perform their duties or exercise their judgment in a fair and unbiased manner.
Interest in other business and organisations	Employees and directors should not, directly or indirectly, engage in any work or business other than those in connection with their duties. This includes not having any deemed interest in any transaction, competitor or supplier which could influence objectivity and create a conflict of interest.
Indirect interests and relationships	Employees and directors should not be in a position to make or influence any decision made pertaining to any transaction or business endeavour which might involve their relatives.
Confidentiality and use of company information	Employees and directors should not use for personal benefit or disclose any company information and data to any other person or entity, even after termination of employment.
Diversion of corporate opportunities	Employees and directors should not appropriate or divert any business or financial opportunity to any other person or entity.
Safeguarding company property	Employees and directors should utilise the company’s resources and assets in a most efficient manner, to increase competitiveness and provide the best possible service to customers.
Code of Conduct	Employees and directors are expected to follow the Code of Conduct, which covers: <ol style="list-style-type: none"> a. High Standard of Honesty and Integrity b. Loyalty to Company c. Conflict of Interest d. Cost Effectiveness

TARGETS



Perpetual target

FY2021 performance

Zero cases of non-compliance with all applicable laws and regulations

● Achieved

Zero confirmed incidents of corruption

● Achieved

GRIEVANCE PROCEDURES



Food Empire has implemented a Group-wide grievance mechanism via its Whistleblowing Policy. The Whistleblowing Policy allows employees to raise concerns about any wrongdoings, financial malpractice, illegal acts or business practices that go against Food Empire's code of conduct in a safe and confidential manner. This channel ensures that any breach of trust can be reported by employees without any fear of reprisal or victimisation.

The Audit Committee ("AC") has the responsibility to oversee and implement this Policy. Specifically, the AC Chairman ("ACC") handles the following functions:

- ▶ Receive complaints
- ▶ Perform a preliminary review of the complaints and report valid complaints to the AC
- ▶ Set up and maintain a Complaints Register



PEOPLE

As a business that is focused on bringing joy to consumers through our products, we put care for people at the core of our purpose. At Food Empire, not only do we aim to create a positive difference in the lives of consumers by providing quality food and beverages, but we also hope to inspire people through our brands, bringing greater value to our consumers, stakeholders, partners, and the community at large.

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OUR EMPLOYMENT PRACTICES

WHY ARE EMPLOYMENT PRACTICES IMPORTANT TO FOOD EMPIRE? [GRI 103-1]

Food Empire believes that our employees are our biggest asset and are critical for the long-term success of our business. We are committed to provide a fair and inclusive working environment with equal opportunities for continual development in order to achieve a high level of retention and productivity in our workforce. Food Empire's hiring practices are non-discriminatory, objective and solely based on merit. Learning and development are essential for employees to grow professionally and Food Empire provides equal opportunity for career development of all employees.

MANAGEMENT APPROACH [GRI 103-2] [103-3]

POLICY



Our employment policies cover a wide range of employment practices which includes recruitment, employment benefits and career development. The table below lists our Group's key policies and procedures.

Policies and procedures	Summary
Recruitment	This policy serves as the basis of our recruitment practices. It embodies our commitment to providing equal employment opportunities regardless of race, national origin, religion, age, or gender.
Employment benefits	This policy sets out the guidelines and procedures of employee benefits which include compensation benefits, leave policy and administration, and medical and dental benefits.
Career development	This policy provides guidelines to ensure that a consistent and systematic approach is taken to manage career development activities for employees, through activities such as performance appraisals, succession planning, and training and development.

To effectively implement employment policies across our operations, our corporate Human Resources ("HR") department in Singapore sets the Group's key policies and tracks the implementation of these policies in our organisation.

Day-to-day HR operations are managed by the local HR team in each country, who is also responsible for adopting the Group's employment policies and tailoring them to include specific employment provisions from their local regulations. The local HR team in each country reports key HR statistics to the Group HR quarterly.

The existing arrangement ensures consistency in HR practices across the Group while still providing local HR teams with the flexibility to adapt the practices to the different regulatory requirements in each country.

GRIEVANCE PROCEDURES



Food Empire takes every opportunity to ensure that we provide a positive working environment that is free from harassment and discrimination. However, we acknowledged that it may not be possible to fully prevent these incidents from taking place. As such, Food Empire has implemented grievance channels through which employees can report alleged incidents of harassment and discrimination.

Through the informal grievance procedure, employees can raise their grievances to their immediate superior who will attempt to identify possible resolution methods with the employees. If the matter is unable to be resolved, the case will be escalated to the formal grievance procedure.

In the formal grievance procedure, employees will submit an official report to their superior or the head of Group HR. A grievance manager will conduct the investigations and close them only when the matter has been resolved, or if an employee decides to withdraw the grievance. Employees are allowed to appeal against the decision if they feel that the matter has not been sufficiently resolved.

COMMITMENT



Food Empire is committed to creating a fair and inclusive working environment for our employees and workers.

INITIATIVES AND PERFORMANCE

Profile of our Workforce [GRI 102-8]

In FY2021, Food Empire had a total of 1,146 employees in Singapore and Vietnam.

In Singapore, where our headquarters are located, the number of employees in 2021 remained relatively stable through the year at 46 permanent employees. Majority of employees in Singapore are working in corporate support functions.

As a business and operational entity, Vietnam had 1,100 permanent employees and the number of employees remained relatively stable throughout the reporting period. Most employees in Vietnam are working in sales and production to support business growth.

FIGURE 1: GROUP'S EMPLOYEE PROFILE BY GENDER AND EMPLOYMENT TYPE



Male

731 | 63.8%



Female

415 | 36.2%

Full-time

• Male: 731 | 63.8%

• Female: 415 | 36.2%

Part-time

• Male: 0 | 0.0%

• Female: 0 | 0.0%



Share

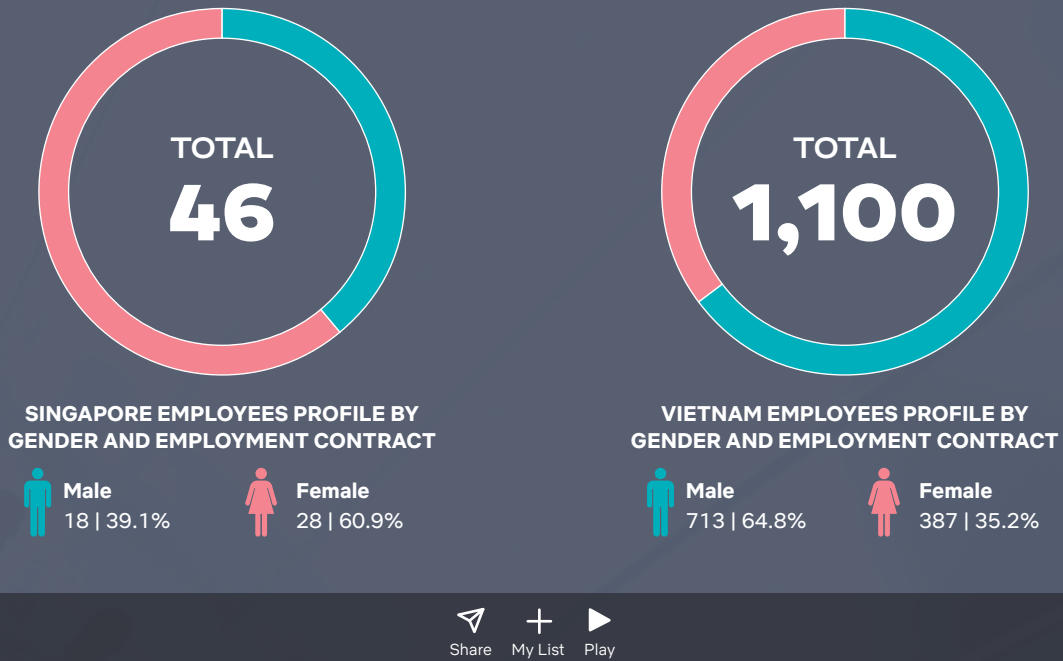


My List



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FIGURE 2: GROUP'S EMPLOYEE PROFILE BY GENDER AND EMPLOYMENT CONTRACT (BY COUNTRY²)



² Total % of employees by gender in each country: Total employees of respective gender groups in each country/ total number employees of each country

New Hires and Turnovers³ [GRI 401-1]

In this reporting period, there were 732 new employees across our reported operations and all of them were to replace most of the 784 employees who had left.

Vietnam accounted for most of our new hires and turnovers in 2021. Most of these changes in our employees occurred within our sales division. As in previous years, it is an industry trend in Vietnam for sales jobs to have a high turnover rate due to the demographics of individuals. Sales jobs mainly attracted young males, who have a higher tendency

to value flexibility in their employment and are more likely to change jobs. Similar to previous years, this trend accounted for both the new hire and turnover rates in 2021. Overall, the number of employees working for Food Empire in Vietnam has remained stable throughout the years.

Although our new hires and turnover rates are within the national industrial average of the respective countries, Food Empire is committed to further improve the employee retention rates within the company.

³ In light of the Russian-Ukraine conflict, Russia's performance has been omitted in FY2021.

FIGURE 3: GROUP'S NEW HIRES BY GENDER⁴ AND EMPLOYMENT CATEGORY⁵ (BY COUNTRY⁶ AND GROUP)



GROUP NEW HIRES



<30 years old	Male: 271 37.0%	Female: 91 12.4%
30 - 50 years old	Male: 242 33.1%	Female: 123 16.8%
>50 years old	Male: 3 0.4%	Female: 2 0.3%



SINGAPORE NEW HIRES



<30 years old	Male: 0 0%	Female: 2 50.0%
30 - 50 years old	Male: 0 0%	Female: 1 25.0%
>50 years old	Male: 0 0%	Female: 1 25.0%



VIETNAM NEW HIRES



<30 years old	Male: 271 37.2%	Female: 89 12.2%
30 - 50 years old	Male: 242 33.3%	Female: 122 16.8%
>50 years old	Male: 3 0.4%	Female: 1 0.1%

⁴Total new hire rate of Food Empire by gender is calculated based on: Total new hires of respective gender groups across Food Empire Singapore and Vietnam/ total new hires in Food Empire Singapore and Vietnam

⁵Total new hire rate of Food Empire by employment category is calculated based on: Total new hires of each employment category across Food Empire Singapore and Vietnam/ total new hires in Food Empire Singapore and Vietnam

⁶Total new hire rate of each country by gender and employment category is calculated based on:
 • Gender: total new hires of respective gender groups of each country/ total new hires of each country
 • Employment Category: total new hires of each employment category of each country/ total hires of each country

FIGURE 4: GROUP'S TURNOVER BY GENDER⁷ AND EMPLOYMENT CATEGORY⁸ (BY COUNTRY⁹ AND GROUP)



GROUP TURNOVER



<30 years old	Male: 277 35.3%	Female: 106 13.5%
30 - 50 years old	Male: 274 35.0%	Female: 123 15.7%
>50 years old	Male: 4 0.5%	Female: 0 0.0%



SINGAPORE TURNOVER



<30 years old	Male: 0 0.0%	Female: 3 75.0%
30 - 50 years old	Male: 0 0.0%	Female: 1 25.0%
>50 years old	Male: 0 0.0%	Female: 0 0.0%



VIETNAM TURNOVER



<30 years old	Male: 277 35.5%	Female: 103 13.2%
30 - 50 years old	Male: 274 35.1%	Female: 122 15.7%
>50 years old	Male: 4 0.5%	Female: 0 0.0%

⁷Total turnover rate of Food Empire by gender is calculated based on: Total turnover of respective gender groups across Food Empire Singapore and Vietnam/ total turnover of Food Empire Singapore and Vietnam

⁸Total turnover rate of Food Empire by employee category is calculated based on: Total turnover of each employment category across Food Empire Singapore and Vietnam / total turnover of Food Empire Singapore and Vietnam

⁹Total turnover of each country by gender and employment category is calculated based on:
 • Gender: Total turnover of respective gender groups of each country/ total turnover of each country
 • Employment Category: total turnover of each employment category of each country/ total turnover of each country

Employment Benefits [GRI 401-2]

All employees at Food Empire are provided with medical insurance and healthcare benefits and are entitled to annual paid leave, parental leave, and statutory retirement provision. Other benefits include transport reimbursements, recreation activities, mobile phone subscription reimbursements, parental benefit-related gifts, overtime meal allowance, and service awards.

Our benefit schedules comply with local laws and regulations where applicable. For example, in Vietnam, we comply with the Internal Labour Regulations which were based on the Labour Code of 2019 regarding minimum annual leave, working hours, and types and formats of leave of absence.



CASE STUDY

SUPPORTING EMPLOYEE WELL-BEING DURING COVID-19



Food Empire is committed to supporting and protecting our employees' livelihood during the COVID-19 pandemic. As such, we have not conducted any COVID-19 related retrenchment activity or salary cuts since the start of the pandemic. This is our effort in caring for the well-being of our employees by providing them with the same income despite not being fully able to execute their roles due to the COVID-19 measures.

Food Empire Singapore office organized a small-scale long service award ceremony in February 2022 to present a token of appreciation to our long serving employees. In addition, gift vouchers were also given to staff during the Christmas period to share with their family members. Large scale employee engagement activities were halted due to the rising cases of COVID-19 in 2021.

With the support of the Management Board of Binh Duong Industrial Park, Food Empire Vietnam provided vaccination services for our employees. Employees who were interested in taking the vaccination were asked to register their availability with the Management Board of Binh Duong Industrial Park. In collaboration with our national hospitals, Food Empire then organized a COVID-19 test course for our employees who signed up as vaccination volunteers who subsequently performed the vaccination of all our employees.

Certificates were also issued to those who completed and passed the vaccination course assessment. Additionally, our employees were all encouraged to maintain good hygiene and mask up at all times.



Training and Development [GRI 404-1]

Food Empire is committed to Human Resource training and development as the key to increase organizational output and raise staff competencies. As such, Food Empire has been offering our employees a variety of training opportunities to develop their technical and management skills. These trainings include:

- ▶ Re-training to upgrade specific skills
- ▶ In-house and external technical skill-specific training
- ▶ In-house and external managerial skills training

Singapore

In FY2021, Food Empire Singapore provided adhoc training programs that were tailored to employees and their job scope. These training sessions were mostly in collaboration with and held by external training institutions. We have also provided in-house training sessions that include courses such as “Ethics of Creative Accounting: A Deeper Look at the Techniques, Symptoms and Ethical Considerations” for our staff in Singapore.

General HR Trainings

General Training Programs:

- ▶ Welcome training for all categories of employees
- ▶ Standards of marketing strategy and sales activities
- ▶ Occupational health and safety programs
- ▶ Programs of trainings for development required professional skills and knowledges

Tailored Trainings

FY2021 Special Training Programs:

- ▶ “Principled negotiation – The Harvard Approach”; Financial and operational performance of Food Empire
- ▶ “The secrets of interview on how to choose the right candidates”
- ▶ “Management skills for the first-year managers”
- ▶ “Excel courses as a part of on-the-job professional development”

Food Empire Singapore received 176.5 hours of training in FY2021 (FY2020: 588.5 hours). The decrease in training hours was due to another round of COVID-19 lockdown in May 2021, resulting in an indefinite work-from-home arrangement throughout the year.

Male employees received an average training of 32.5 hours, while females received an average training of 144 hours (FY2020: 163.75 hours for males, 424.75 hours for females). Of which, 84.5 average training hours were provided to supervisors and executives and 92 average training hours were provided to senior management. (FY2020: 276.75 hours for supervisors/ executives, 311.75 hours for senior management).

Vietnam

Food Empire Vietnam received 844 hours of training in FY2021 (FY2020: 19,149 hours). Male employees received 176 average hours of training, while females received 668 average hours of training (FY2020: 13,797.5 hours for males, 5,351.5 hours for females). Additionally, 784 average hours of training were provided to factory and sales staff while 60 average hours were provided to supervisors and executives (FY2020: 17,917 hours for factory/ sales staff, 1,064 hours for supervisors/ executives, 144 hours for middle management, 24 hours for senior management).

OCCUPATIONAL HEALTH AND SAFETY

WHY IS OCCUPATIONAL HEALTH AND SAFETY (OHS) IMPORTANT TO FOOD EMPIRE?

[GRI 103-1]

The health and safety of employees are of utmost importance to Food Empire. The pandemic further stressed the importance of maintaining a healthy and safe environment for all employees to curb the spread of COVID-19. The Group has taken reference from the proposed best practices by the local government to implement a set of measures that seek to ensure the safety of all employees. We recognized that our employees spend a significant portion of their day on our premises, and we must allay any health and safety concerns they may have while working.

MANAGEMENT APPROACH [GRI 403-1]

POLICY



The safety of our staff remains our top priority. We are committed to working towards our goal of zero work-related fatalities, with a workforce that always puts safety first. To achieve this goal, we have introduced several policies as summarised in the table below.

Policies and procedures	Coverage of Policies	Summary
Accident management procedures	Group-wide	This procedure outlines the steps that need to be taken when an accident occurs, which includes accident reporting process.
Emergency response procedures	Group-wide	This procedure provides the appropriate protocols that should be followed in the case that there are emergencies occur.
Safety, health, and environment (“SHE”) policy	Vietnam	This policy serves as a framework to protect the safety and health of our employees and outlines the company’s principle “all occupational accident, disease, and environmental incident shall be prevented”

Each operating country has its own health and safety management system and dedicated committees to oversee its implementation and the management of the health and safety of our workforce. Country-specific safety management systems and committees are established to provide greater flexibility in responding to different regulations on health and safety in every country in which we operate.

TARGETS



Perpetual target	FY2021 performance
Perpetual target of zero confirmed work-related fatalities in all our operations	● Achieved
100% of workers receive at least one safety training annually	● Achieved



Vietnam

In Vietnam, all employees are covered by a Safety, Health, and Environment (“SHE”) policy.

A health and safety committee oversees the implementation of SHE. The committee consists of members from various departments who are responsible for planning, implementing and reporting of any safety issues within their respective departments. Committee meetings are held monthly to discuss potential areas for improvement, as well as to highlight any unsafe practices that could potentially cause harm to our employees. The committee has taken an active role during the pandemic to ensure that appropriate safety measures were put in place to prevent the spread of the virus and to comply with new laws and regulations with respect to safety.

In the event of a workplace incident, the committee will discuss and implement corrective actions in a timely manner. Furthermore, a hierarchy of control management system is also in place to reduce reoccurrence of any incident. Vietnam’s SHE policy is reviewed annually to ensure that the policy remained relevant.

Employees play an active role in ensuring workplace safety at Food Empire Vietnam. Through the Safety Training Observation Programme (“STOP”), employees were encouraged to identify and report unsafe actions in the workplace. Additionally, ‘SHE’ talks were also organised between management and employees to help them increase their awareness about potential hazards in the workplace.

Employees in Vietnam are required to attend general safety training and role-specific safety training annually. New employees are required to undergo an occupational

health and safety orientation programme prior to the start of their duties. In addition, employees are provided with an annual health check and health insurance while working for Food Empire.

The SHE policy is also applicable to all contractors who operate within Food Empire premises. Before contractors were allowed to work on site, they were given Health and safety briefing and related safety documents were checked to be in order.

In FY2021, Vietnam reported one work-related injury. The incident occurred at the Vietnam plant during the cleaning of moving part inside a mixing machine. The incident arose as the employee failed to apply lockout/tagout before cleaning the mixing machine and the electric source of the mixing machine was not shutdown during the cleaning process. Unfortunately, the interlock of the mixing machine was also damaged prior to cleaning and not replaced timely due to the surge of COVID-19 situation. To prevent similar occurrence of such workplace accident, Food Empire Vietnam had since fixed the current interlock of the machine and inspected interlock functionality of the other mixing machines. A safety warning sign was added on the mixing machines to remind employees to diligently apply lockout/ tagout before cleaning. Safety talks and Stop Card programmes would be conducted regularly to remind employees.

COVID-19 measures would continue to be implemented to better manage the transmission of virus at the Food Empire premises. These measures were implemented in line with the latest guidance issued by the Ministry of Health of Vietnam.



CASE STUDY

MANAGING COVID-19 IN VIETNAM



Food Empire Vietnam implemented a COVID-19 plan to manage the COVID-19 transmission at workplace. The COVID-19 management plan included:

1. Building a vaccination/ testing center and temporary isolation facility for employees.

With the support of the Management Board of Binh Duong Industrial Park, Food Empire built a COVID-19 testing and vaccination center to provide free vaccination and testing services for our employees. In addition to the COVID-19 testing and vaccination, the facility also served as a temporary isolation center for those exposed to COVID-19 patients. Partitions were installed within the facility to separate testing and vaccination areas.

Toilets with shower areas were also installed for individuals serving their isolation notice alongside with room dividers. These room dividers were built within the resting and dining areas to ensure safe distancing amongst individuals. Each employee was also given individual kitchen appliances and cutlery sets to minimize sharing of common items. The facility remained well equipped with cleaning appliances such as alcohol sprays, face shields, lab coats, surgical masks and gloves to ensure proper protection and disinfection against virus.





2. COVID-19 Protocol

Food Empire implemented a safe management plan for employees and management teams to handle any workplace positive COVID-19 case. Alongside with the Management Board of Binh Duong Industrial Park and health authorities, a thorough trace contact exercise was conducted to identify simulated employees who tested COVID-19 positive. Upon identification, these employees would be transported via chartered vehicles to the hotels and motels used as official isolation centers. Covid-19 positive individuals were required to provide a detailed report of their prior routines to aid contract tracing process. Department heads had to practice work reorganization to overcome the issue of understaffing. The different departments also had to follow strict safe distancing measures such as staggered mealtime.

In recognition of the co-operation and support from the employees, Food Empire rewarded those who fully complied to the measures and isolation requirements. Certificates of recovery were also issued to those who had successfully completed their isolation notice. To this end, the COVID-19 team and the Board of Directors conducted daily online meeting to discuss outstanding issues and provided additional support and resources to the team.



A summary of the work-related injury rate (serious injury) in 2021 for Vietnam is shown below.

	2020	2021
	Vietnam	Vietnam
Number of hours worked	2,443,525	2,482,179
Number of fatalities	0	0
Fatality rate	0	0
Number of high consequence injuries¹⁰	0	0
Rate of high consequence injuries	0	0
Number of work-related injuries	0	1
Work-related injury rate¹¹	0.00	0.40

¹⁰ Under GRI, high consequence injuries refer to injuries where the worker cannot, does not, or is not expected to fully recover to pre-injury health status within 6 months

¹¹ Work-injury is calculated based on the number of injuries per 1,000,000 hours worked

CONSUMER HEALTH AND SAFETY

WHY IS CONSUMER HEALTH AND SAFETY IMPORTANT TO FOOD EMPIRE? [GRI 103-1]

As a food manufacturing company, we place a significant emphasis on ensuring that our products are healthy and safe for consumption. Any mismanagement of our products can result in a loss of reputation, financial penalties and possible breach of product safety laws in affected market. At Food Empire, we constantly ensure that the quality and safety of our products comply with local laws and meet the expectation of our consumers.

Currently, there is no clear finding that suggests COVID-19 can be transmitted through food or food packaging¹². However, to minimise any possibility of transmission, we have taken steps to ensure safe working environment for our employees. These additional measures were introduced on top of our existing food safety policies, to ensure that our customers are provided with high quality and safe products for consumption.

MANAGEMENT APPROACH [GRI 103-2]

POLICY



Our food safety and quality policies are constantly reviewed to ensure that they satisfy new regulatory requirements and customer preferences. These policies ensure that we continue to produce products of the highest quality and are implemented at country level to ensure compliance with local regulations.

Vietnam

Policies and procedures	Summary
Food Safety Policy	Outline food safety and quality management system and guidelines to meet the food safety standard
Quality manual	Set out the key steps in quality control procedures
Good manufacturing practices (“GMP”) manual	Provide guidance on best practices in manufacturing process to ensure the health and safety of our product
Supplier control manual	Outline the controls to ensure the quality of the supply
Warehouse standard manual	Set out the requirements for safe storage; for example; hygiene practices, humidity level and temperature.
Transportation manual	Provide guidelines to our drivers on how to maintain the quality of our supply and product during transportation

TARGETS



Perpetual target

Zero confirmed incidents of non-compliance with all applicable laws and regulations concerning consumer health and safety.

FY2021 performance

● Achieved

¹² World Health Organisation: Coronavirus disease (COVID-19): Food safety for consumers - <https://www.who.int/news-room/q-a-detail/coronavirus-disease-covid-19-food-safety-for-consumers>

INITIATIVES AND PERFORMANCE

[GRI 103-3] [416-1] [416-2] [417-2]

Vietnam

In Vietnam, our Food Safety and Quality Management system is certified in accordance with ISO 22000:2005. To ensure continued compliance, policies and practices in Vietnam are constantly updated.

Standards-certified	Description of standard
ISO 22000: 2005 Food Safety and Quality Management Systems	This standard sets out the requirements for a food safety management system and maps out what an organisation needs to do to demonstrate its ability to control food safety hazards and ensure food safety.

An integrated team from the various operating units of Food Empire Vietnam is involved in ensuring compliance to the Group's food safety standards. The team is responsible for tracking and reviewing product quality performance in Vietnam. Relevant members of the team are required to undergo annual trainings such as ISO certification training, GMP training, and hazard analysis and critical control points ("HACCP") training.

Furthermore, we conduct supplier audits annually to review the food safety performance of our suppliers. This allows us to maintain our high standards of food safety management across our entire supply chain. A comprehensive assessment was performed to identify operational prerequisite programmes ("OPRP") and critical control point ("CCP") in our key processing steps. Robust monitoring procedures are implemented in these ORPs and CCPs to maintain the highest standards of our products.

There were no cases of non-compliance with all applicable laws and regulations concerning consumer health and safety in Vietnam.



OUR COMMUNITY

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▶ Play

📄 More Info

CSR ACTIVITIES IN SINGAPORE

DISTRIBUTION OF INSTANT 3IN1 BEVERAGES TO FRONTLINERS

In a collaboration with Majeton Pte Ltd, Food Empire distributed goodie bags to the frontliners of Raffles Medical Vaccination Centres at Marine Parade and Sengkang Community Club to show our gratitude and appreciation for their services throughout this pandemic. The goodie bags contained Klasno and MacTea 3-in-1 instant beverages in sachets, providing great convenience for staff to enjoy during breaks or at home after completing their day at the vaccination centre.

The purpose of this initiative was to show our support to the medical frontliners and our nation in their efforts to overcome this pandemic.



APPRECIATING OUR FRONTLINE NURSES IN SINGAPORE DURING NURSES DAY

To show our appreciation to the frontline nurses in Singapore, Food Empire collaborated with Majeton to distribute 3-in-1 instant beverage mix to several private clinics across Singapore. Through this initiative, Food Empire aimed to acknowledge the nurses and their contribution to the healthcare system, especially during this pandemic.





OUR PLANET

In the past decade, interest in environmental sustainability has soared. In particular, a growing awareness of climate change and its potentially devastating impacts on the economy has caused more businesses to focus on reducing their energy use, water use and emissions. As a business, Food Empire recognises that it has a key role to play in improving our resource use efficiency and reducing emissions throughout our operations.



Info



My List



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OUR ENVIRONMENT

WHY IS THE MANAGEMENT OF ENERGY USE AND EMISSIONS IMPORTANT TO FOOD EMPIRE? [GRI 103-1]

COVID-19 has not only exposed the inability of businesses to be pandemic-resilient, but also highlighted the significant challenges posed by climate change. While managing COVID-19 remains a top priority, we do believe it is important for business to start addressing the impacts of climate change. Food Empire has identified key assets and business operations that are vulnerable to climate change. For instance, the profitability and production capacity of the Group's coffee plant faces severe climate risk as yields can be impacted by the direct increase in temperatures, instability in precipitation as well as increases in pests in the regions where coffee is grown. Food Empire is fully aware of the threat climate change poses on the Group's business operations and remains committed to improving our ability to mitigate and adapt the effects of climate change.

MANAGEMENT APPROACH [GRI 103-2]

POLICY



In an effort to manage our operations' carbon footprint, Food Empire implemented various energy conservation initiatives at facility-level across our operations. We always strive to align our energy and emissions management with the various country-specific energy regulations and policies.

Vietnam

In our efforts to improve the energy efficiency of our buildings and production equipment, Food Empire has planned and introduced gradual upgrades to our infrastructure. In addition, electricity consumption is monitored monthly and energy related targets are also integrated as our production KPIs. Such measures have encouraged many of our production and office staff to adopt a wide range of electricity-saving initiatives.



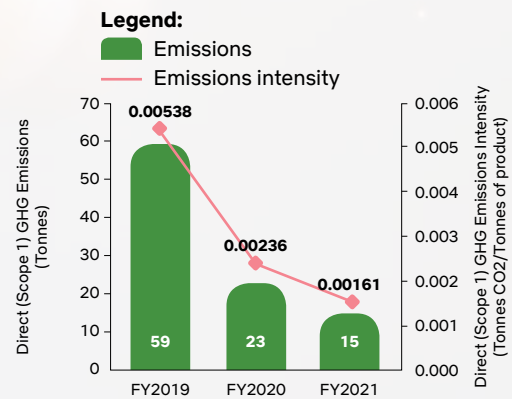
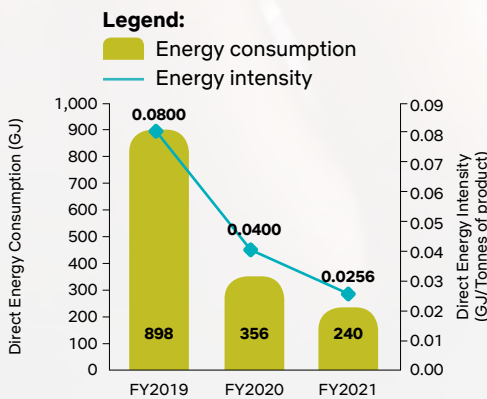
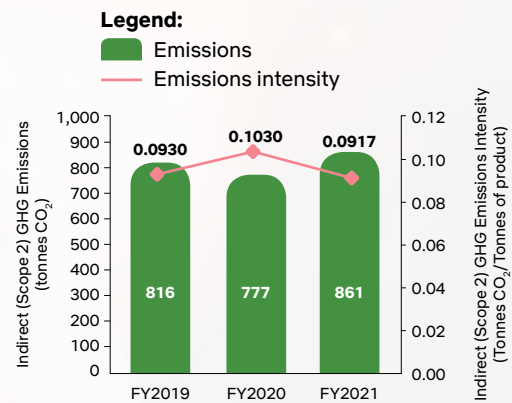
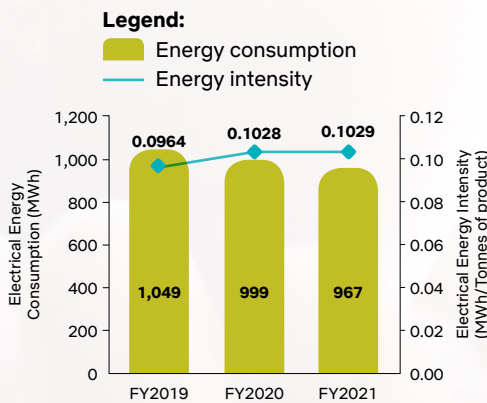
INITIATIVES AND PERFORMANCE [GRI 302-1] [302-3] [305-1] [305-2] [305-4]

The COVID-19 pandemic had a significant impact on Food Empire’s energy usage in the Vietnam office. As such, Food Empire’s environmental performance for FY2021 will not be a precise representation of our typical environmental performance pre-pandemic. Food Empire will continue to focus on environmental stewardship, regularly monitoring our environmental performance and introducing new environmental-related initiative to reach our sustainability targets.

Vietnam

For electrical energy, in FY2021, our operations in Vietnam consumed a total of 967 MWh of energy resulting in 861 tonnes of CO2 produced (FY2020: 999 MWh of energy resulting in 777 tonnes of CO2 produced). The total electrical energy consumption and electrical energy intensity increased by 11% and 0.07% respectively when compared to FY2020. The increase in electrical consumption resulted from the upgrading of air-conditioners in the production area to more energy efficient model but with 18% higher capacity. Air conditioners within the production area alone contributed to 50-60% of total power consumption in the FES factory. Furthermore, these air conditioners were constantly switched on for all working days except when having to shut down for cleaning.

The direct energy consumed was 240 GJ resulting in 15 tonnes of CO2 emissions in FY2021 (FY2020: 356 GJ direct energy consumed resulting in 22 tonnes of CO2 emissions). This was a significant decrease of 32% in direct energy consumed compared to the previous reporting period. The decrease was due to a change in forklift equipment from diesel-based machines to electricity-based machines since April 2020. As forklifts were previously the primary source of fuel use within Food Empire factories, the change resulted in a significantly reduced scope 1 emissions.



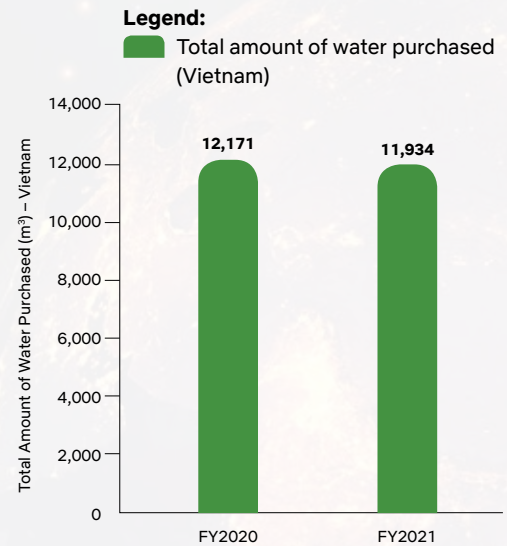


WATER

For many decades, water scarcity has become a growing threat to our ecosystems, societies and economies. Water plays an important role in our lives and the impact of global population growth and climate change have increased the risk of water stress and put significant pressure on global water supply. As Food Empire recognized the effects and issues surrounding water scarcity, we have included water consumption as an additional topic in our sustainability report this year.

Food Empire has taken steps to enforce the efficient and responsible use of water throughout company operations. We have been mindful with our utilization of water at every step of our value chain to avoid straining water supply and to rebalance our ecosystem.

In FY2021, the total consumption of purchased water from all areas for Food Empire Vietnam was 11,934 m³ (FY2020: 12,171 m³). The reduction in total consumption of water was largely attributed to the installation of auto valve for wash hand basin, reducing the overall water flow of main valve to sub valve. The auto valves were also able to track daily water consumption, which helped in the identification and intervention if an aberrant consumption rate is discovered.





ABOUT OUR REPORT

REPORTING FRAMEWORK



This report was prepared in compliance with SGX-ST Listing Rule 711A and the primary components of Sustainability Reporting as set out in Listing Rule 711B.

The Sustainability Reporting Framework applied is the Global Reporting Initiatives (GRI) Standards: Core option. We have chosen to report using the GRI Standards for its universally recognized and standardized approach in disclosing material sustainability matters. Reference has also been drawn from the SGX's Practice Note 7.6 Sustainability Reporting Guide.

REPORTING PERIOD & SCOPE

The report covers information on our sustainability performance from 1 January 2021 to 31 December 2021 ("FY2021"), with performance from the prior years ("FY2020" and "FY2019") included for comparison where possible.

In view of the Russia-Ukraine Crisis, Food Empire has not included FY2021 performance data from our Russia office. Nonetheless, the management is confident that our experienced operational team in Russia will be able to manage aptly to maintain sustainability of our business. FY2021's reporting scope would therefore continue to include our operations in Vietnam, and our headquarters in Singapore. The following table summarises the entities included in this 4th sustainability report.

Country	Entities and Activities
 Singapore	Future Enterprises Pte Ltd - Sales and marketing of instant food and beverages
 Vietnam	FES (Vietnam) Co., Ltd - Manufacturing and distribution of instant food and beverages

As we grow in maturity in our Sustainability Reporting journey, we will reassess the expansion of scope to include more of our operations in our future editions of our sustainability report. The ultimate goal is for us to publish a comprehensive Sustainability Report that covers the full spectrum of Food Empire's operations.

INDEPENDENT ASSURANCE

Independent assurance has not been sought for this report. We may consider external assurance in future as our reporting matures over time.

FEEDBACK

Food Empire is fully committed to all our stakeholders. We welcome all feedback, views and comments to improve our sustainability practices and reporting process. Please send your views and suggestions to corporate@foodempire.com.



APPENDIX A:

ENVIRONMENT DATA REPORTING METHODOLOGY

This section explains the boundaries and calculation methodologies used in the computation of Food Empire's energy and greenhouse gas (GHG) emissions data.

REPORTING BOUNDARY

Operations in Vietnam has been included in the scope for environmental performance. As the headquarters in Singapore is limited to corporate support function, they were deemed to be insignificant and are excluded from the reporting boundary.

APPROACH

Food Empire adopts the Operational Control Approach, as outlined in the GHG Protocol Corporate Standard, to determine organisational boundaries. This attributes accountability for the GHG emissions from operations over which the organisation has control.

ENERGY CONSUMPTION

Energy consumption within Food Empire includes both fuel (including LPG, Diesel and Gasoline) and use of electricity from the grid.

For fuel use, energy consumption is expressed in Gigajoules (GJ). Energy use is calculated using the Net Calorific Value as prescribed by IPCC Guidelines for National Greenhouse Gas Inventory (2006).

- a. Diesel – 43 Terajoules/Gigagrams
- b. Motor Gasoline – 44.3 Terajoules/Gigagrams
- c. Liquid Petroleum Gas – 47.3 Terajoules/Gigagrams

For purchased electrical energy use, energy consumption is expressed in Megawatt hours (MWh) and values are obtained directly from invoices.

Intensity metrics are expressed as Gigajoules per tonnes of product and Megawatts per tonnes of product.

GHG EMISSIONS

Scope 1 emissions are calculated from the direct consumption of LPG and diesel in Vietnam, expressed in tonnes of CO₂.

Scope 1 emissions were calculated using the CO₂ emission factors as prescribed by IPCC Guidelines for National Greenhouse Gas Inventory (2006).

- a. Diesel – 74.1 Tonnes of CO₂/ Terajoules
- b. Motor Gasoline – 69.3 Tonnes of CO₂/ Terajoules
- c. Liquid Petroleum Gas – 63.1 Tonnes of CO₂/ Terajoules

Scope 2 emissions are calculated from the consumption of grid electricity in Vietnam, expressed in tonnes of CO₂. Scope 2 emissions were calculated using the grid emissions factors as prescribed by the Institute of Global Environmental Strategies ("IGES") 2019; for Vietnam (0.8907kg CO₂/kWh).

Intensity metrics are expressed as tonnes of CO₂ per tonnes of product.

APPENDIX B:

GRI CONTENT INDEX

GRI Standards Disclosures	Reference(s)	Reasons for Omission	Page	
General Disclosures				
Organisational Profile				
102-1	Name of the organisation	Board Statement	-	1
102-2	Activities, brands, products, and services	About Food Empire; About Our Report	-	3 – 4; 29
102-3	Location of headquarters	About Food Empire; About Our Report	-	3 – 4; 29
102-4	Location of operations	About Food Empire; About Our Report	-	3 – 4; 29
102-5	Ownership and legal form	-	Annual Report 2020	-
102-6	Markets served	About Food Empire	-	3 – 4
102-7	Scale of the organisation	About Our Report	-	29
102-8	Information on employees and other workers	Our Employment Practices	-	13 – 14
102-9	Supply chain	Economic Resilience	-	6
102-10	Significant changes to the organisation and its supply chain	-	Annual Report 2020	-
102-11	Precautionary principle or approach	Precautionary approach is taken with regard to sustainability management and reporting.		
102-12	External initiatives	Our Community	-	25
102-13	Membership of associations	-	Not applicable	-
Strategy				
102-14	Statement from senior decision-maker	Board Statement	-	1
Ethic and Integrity				
102-16	Values, principles, standards, and norms of behavior	Our Business Ethics	-	11 – 12
102-17	Mechanisms for advice and concerns about ethics	Our Business Ethics	-	11 – 12
Governance				
102-18	Governance structure	Sustainability Governance	-	10
102-23	Chair of the highest governance body	Sustainability Governance	-	10
102-25	Conflicts of interest	-	Annual Report 2020	-
102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Governance	-	10
102-32	Highest governance body's role in sustainability reporting	Sustainability Governance	-	10
Stakeholder Engagement				
102-40	List of stakeholder groups	Key Stakeholders	-	7 – 8
102-41	Collective bargaining agreements	-	Not Applicable	-
102-42	Identifying and selecting stakeholders	Key Stakeholders	-	7 – 8
102-43	Approach to stakeholder engagement	Key Stakeholders	-	7 – 8
102-44	Key topics and concerns raised	Key Stakeholders	-	7 – 8

GRI Standards Disclosures		Reference(s)	Reasons for Omission	Page
Reporting Practice				
102-45	Entities included in the consolidated financial statements	-	Annual Report 2020	-
102-46	Defining report content and topic Boundaries	About Our Report	-	29
102-47	List of material topics	Materiality Assessment	-	9
102-48	Restatement of information	There has been a restatement in energy use and emissions data for Russia due to a misprint. See page 33 for more details.		
102-49	Changes in reporting	-	Not Applicable	-
102-50	Reporting period	-	1st January 2020 – 31st December 2020	-
102-51	Date of most recent report	-	May 2020	-
102-52	Reporting cycle	-	Annual	-
102-53	Contact point for questions regarding the report	Feedback	-	
102-54	Claims of reporting in accordance with the GRI Standards	About Our Report	-	29
102-55	GRI content index	GRI Content Index	-	31 – 34
102-56	External assurance	About Our Report	Food Empire has not conducted external assurance for this year's report.	

GRI Standards Disclosures		Reference(s)	Reasons for Omission	Page
Material Topic: Anti-corruption				
Management Approach				
103-1	Explanation of the material topic and its boundary	Our Business Ethics	-	11 – 12
103-2	The management approach and its components	Our Business Ethics	-	11 – 12
103-3	Evaluation of the management approach	Our Business Ethics	-	11 – 12
Anti-corruption				
205-2	Communication and training about anti-corruption policies and procedures	Our Business Ethics	-	11 – 12
205-3	Confirmed incidents of corruption and actions taken	Our Business Ethics	-	11 – 12
Material Topic: Energy consumption and GHG emissions				
Management Approach				
103-1	Explanation of the material topic and its boundary	Our Planet	-	26
103-2	The management approach and its components	Our Planet	-	26
103-3	Evaluation of the management approach	Our Planet	-	26
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302-1	Energy consumption within the organisation	Our Planet; Annex A: Environment Data Reporting Methodology	-	26 – 28; 30
302-3	Energy intensity	Our Planet; Annex A: Environment Data Reporting Methodology	-	26 – 28; 30

GRI Standards Disclosures		Reference(s)	Reasons for Omission	Page
Emissions				
305-1	Direct (Scope 1) GHG emissions	Our Environment; Annex A: Environment Data Reporting Methodology	-	26; 30
305-2	Energy indirect (Scope 2) GHG emissions	Our Environment; Annex A: Environment Data Reporting Methodology	-	26; 30
305-4	GHG emissions intensity	Our Environment; Annex A: Environment Data Reporting Methodology	-	26; 30
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305-5	Water Consumption	Our Environment	-	26
Material Topic: Consumer health and safety				
Management Approach				
103-1	Explanation of the material topic and its boundary	Consumer Health and Safety	-	23 – 24
103-2	The management approach and its components	Consumer Health and Safety	-	23 – 24
103-3	Evaluation of the management approach	Consumer Health and Safety	-	23 – 24
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416-1	Assessment of the health and safety impacts of product and service categories	Consumer Health and Safety	-	23 – 24
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Consumer Health and Safety	-	23 – 24
Marketing and Labeling				
417-2	Incidents of non-compliance concerning product and service information and labeling	Consumer Health and Safety	-	23 – 24
Material Topic: Occupational health and safety				
Management Approach				
103-1	Explanation of the material topic and its boundary	Occupation Health and Safety	-	19
103-2	The management approach and its components	Occupation Health and Safety	-	19
103-3	Evaluation of the management approach	Occupation Health and Safety	-	19
Occupational Health and Safety				
403-1	Occupation health and safety management system	Our Workforce Health and Safety	-	20 – 22
403-2	Hazard identification, risk assessment and incident investigation	Our Workforce Health and Safety	-	20 – 22
403-3	Occupation health services	Our Workforce Health and Safety	-	20 – 22
403-4	Worker participation, consultation, and communication on occupational health and safety	Our Workforce Health and Safety	-	20 – 22
403-5	Worker training on occupational health and safety	Our Workforce Health and Safety	-	20 – 22
403-6	Promotion of worker health	Our Workforce Health and Safety	-	20 – 22
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our Workforce Health and Safety	-	20 – 22
403-9	Work-related injuries	Our Workforce Health and Safety	-	20 – 22

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Management Approach				
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SR21: BUILDING RESILIENCE & TRUST



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