



Delivering Value Through Innovation, Human Capital Development and Social **Collaboration**



Driving Economic Value

- Economic Performance
- Innovation

Empowering Our People

- Talent Management
- Market Presence

Enhancing Social Well-being

- Creating Value for Society

Contributing to SDGs



Driving Economic Value

Economic Performance

GRI 201-1



F&N's business success is based upon long-term value creation for our stakeholders. We achieve this by maintaining leadership in our core markets, and by leveraging innovative technologies and employees' expertise to meet consumers' evolving demands and enter new markets. Our economic performance provides us with a firm foundation to continue delivering the products which our customers love.

Our Value Creation model is explained in detail on pages 14 - 15 of this report. F&N economic performance depends upon all six capitals (financial, manufactured, intellectual, human, social & relationship, and natural). Thus F&N's ability to create financial value is supported by our sustainability initiatives.

APPROACH

F&N generates economic value in a number of ways. Full information is included in our audited financial statements, as part of our FY2020 Annual Report:

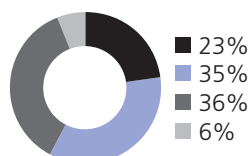
- ▶ Group Financial Highlights, pages 10-11
- ▶ Group Financial Statements, pages 84-189

During 2020, F&N maintained a resilient economic performance in the face of external shocks, to continue to deliver value for all stakeholders.

PERFORMANCE

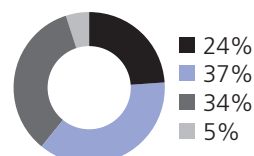
FY2020 Revenue

\$1,834m



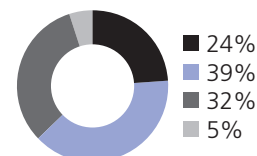
FY2019 Revenue

\$1,902m



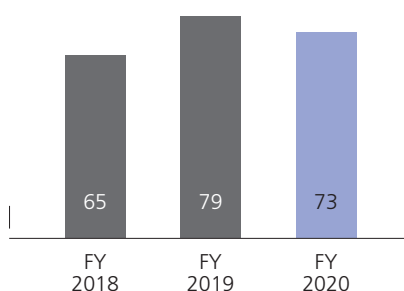
FY2018 Revenue

\$1,926m

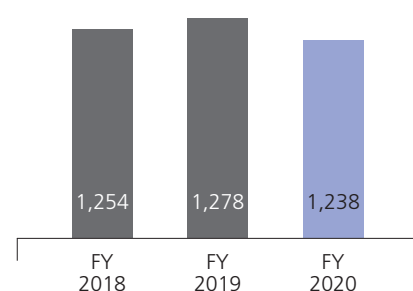


■ Singapore ■ Malaysia ■ Thailand ■ Others

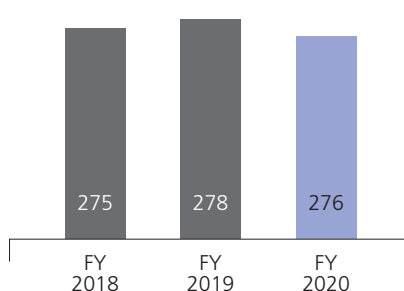
Dividend (\$M)



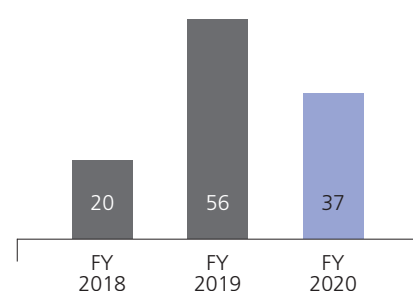
Cost of Sales (\$M)



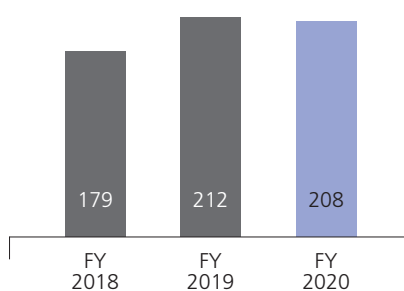
Employee Benefit Expenses² (\$M)



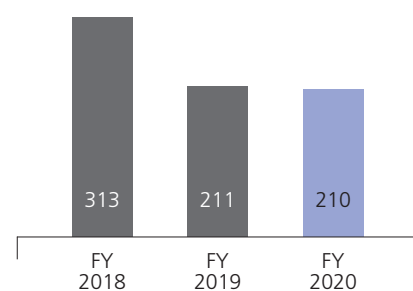
Taxation (\$M)



Profit After Tax (\$M)



Economic Value Retained¹ (\$M)



Notes:

1. Employee Benefit Expenses comprises Staff Costs, Employee Shared Based Expenses Defined Contribution Plans and Defined Benefit Plans
2. Economic value retained = Direct economic value generated (Revenue) less Economic value distributed (Cost of Sales, Employee Benefit Expenses, Taxation, Dividend). Community investments are not included

Driving Economic Value

Innovation



2020 Target

To invest in product and process innovation to increase our product range and improve efficiency and productivity.

Innovation is central to long-term value creation. We continuously evolve to deliver new and unique product offerings which cater to consumers' changing needs, for example, towards more beverage choices, flexibility and affordability. Through innovation, we also improve the operational efficiency of our manufacturing processes and better manage our impacts on the environment. The idea of the 'circular economy'—of decoupling our activities from the consumption of finite resources—is one which drives us to make continuous improvements. We continuously innovate for longer shelf life and greater recyclability of our products.

Over the past year, we launched new healthier choice products and more convenient packaging to meet the diverse needs of our customers. We have also been implementing employee-driven innovative manufacturing processes that increase productivity and improve environmental performance.

Product Innovation: Meeting consumer's evolving needs through product choice and availability

Process Innovation: Improving our operations to increase resource efficiency, reduce environmental impact and contribute to a circular economy

APPROACH

Our Innovative Framework

Priority Areas



Continuous improvement to deliver high-quality innovative beverage products to consumers.

More new products to expand our target consumer groups.

External Collaboration



Collaborate with authorities such as Singapore's Health Promotion Board, Singapore Food Agency ("SFA"), Ministry of Health ("MOH"), Federation of Malaysian Manufacturers and Thailand's Food and Drug Administration to adhere to food safety regulations and support national health priorities.

Collaborate with research institutes to access cutting-edge research and scientific studies to discern the efficacy of our products.

Innovation Culture



Develop products based on scientific research, consumer insights and tastes relevant to evolving Asian lifestyles.

Constantly refine our products to meet the changing needs of consumers and ensure consistent delivery of good taste and the right nutritional values.

Our Research & Development (“**R&D**”) Unit in Singapore is supported by teams in Malaysia and Thailand. The unit leads

efforts for continuous improvements to our product formulas according to changes in consumer preferences and the

regulatory environment, while searching for ways to improve products’ functional benefits and shelf-life.

The goals of R&D at F&N are guided by the following five principles

Innovation & creation

of products and packaging based on sensory science (a scientific method of measuring and interpreting consumers’ response to prototypes/products based on the senses of taste, smell and touch).

Scientific advances

for application in our processes and products.

Technical developments

that support quality improvement and cost optimisation.

Regulatory compliance

of our local and export business.

Quality products

that meet food safety standards.

PERFORMANCE

Consumer-Focused Product Innovation

At F&N, we continuously deliver new and unique product offerings to meet consumers’ evolving needs. We strive to deliver our “*Pure Enjoyment. Pure Goodness*” promise to our consumers by offering choices in different product categories, healthier options without compromising on taste and convenience through differentiation in packaging to cater to consumers’ needs.

We draw upon local knowledge to develop products that our consumers love. We launched several new products during FY2020, with each one undergoing comprehensive tests, before they even reach the shelves, to ensure that they are safe for our consumers and of the desired quality.

PROCESS INNOVATION

1. Proof of Delivery Solutions in Thailand

We have implemented a “Proof of Delivery” solution where transportation activities are monitored in real time through a tracking system. This solution provides real-time visibility and traceability of goods along with instant and pro-active communications with our customers.

2. Launch of F&N Life, flagship online store

F&NHB has strengthened its e-commerce presence with the launch of its flagship online store, F&N Life, to offer greater convenience, accessibility and value to Malaysian consumers. The platform was rolled out in January and was scaled up to support Malaysians during COVID-19.

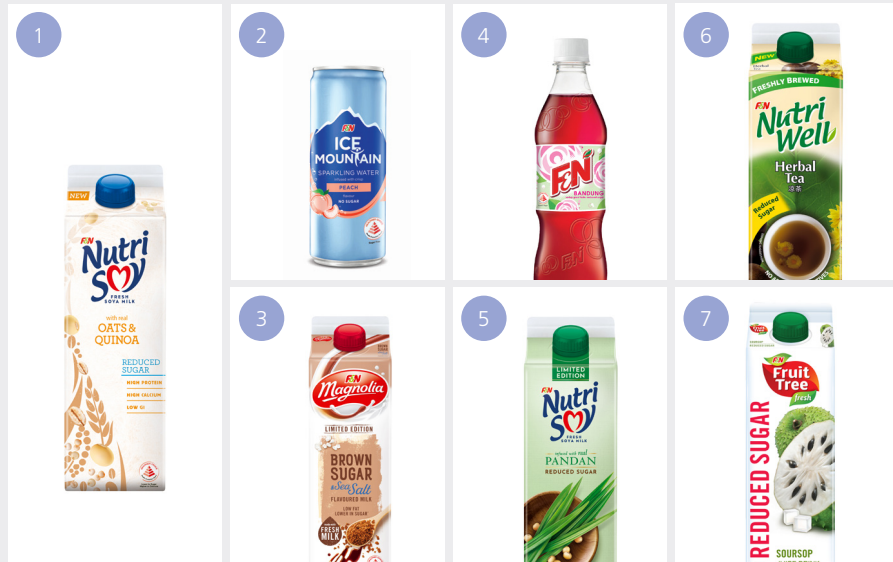


Driving Economic Value

New products launched in Singapore, Malaysia and Thailand in FY2020

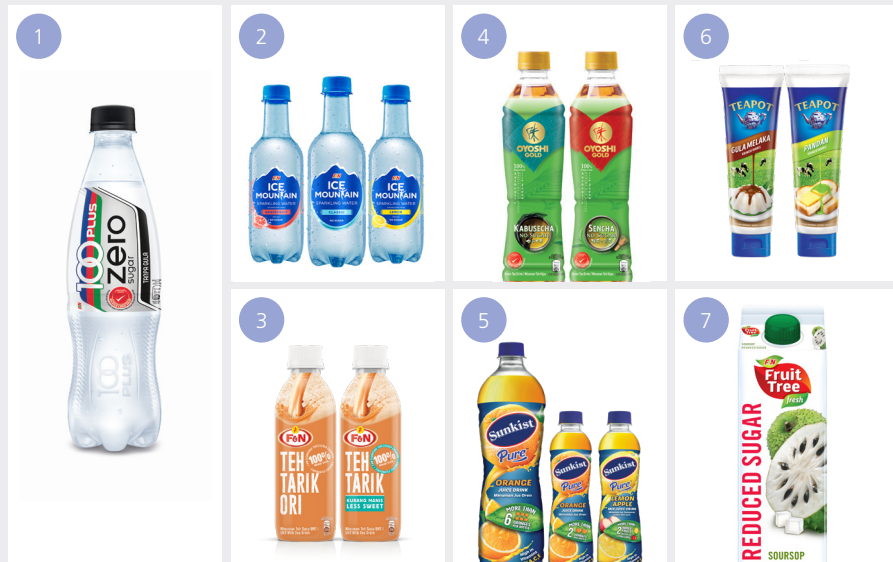
Singapore:

1. F&N NUTRISOY Fresh Soya Milk with Real Oats & Quinoa
2. F&N ICE MOUNTAIN Sparkling Water Peach
3. F&N MAGNOLIA Brown Sugar and Sea Salt Flavoured Milk (Limited Edition)
4. F&N Sparkling Bandung (Limited Edition)
5. F&N NUTRISOY Fresh Soya Milk with Pandan (Limited Edition)
6. F&N NUTRIWELL Herbal Tea
7. F&N FRUIT TREE FRESH Reduced Sugar Soursop Juice Drink



Malaysia:

1. 100PLUS Zero
2. F&N ICE MOUNTAIN Sparkling Water – Original, Lemon and Grapefruit
3. F&N Teh Tarik – Ori and Less Sugar
4. No Sugar OYOSHI GOLD Kabusecha, No Sugar OYOSHI GOLD Sencha
5. SUNKIST Pure – Orange and Lemon Apple
6. TEAPOT Squeeze Tube – Gula Melaka & Pandan
7. F&N FRUIT TREE FRESH Reduced Sugar Soursop with Nata De Coco



Thailand:

1. CARNATION 0% Fat Condensed Milk
2. TEAPOT Squeeze Tube – Matcha, Mango
3. F&N MAGNOLIA Milkies Tablet – Classic Malt, Hokkaido Milk, Strawberry Yogurt





In Malaysia, consumers are shifting to purchase from digital platforms. The launch of F&N's first e-commerce site provides an easier platform for consumers to bulk order their favourite F&N products at competitive prices for delivery to their homes. Besides catering to consumers' convenience, F&N Life also offers product details, nutrition values, recipes and loyalty programmes. There are close to 250 products available on the F&N Life platform. The F&N Life mobile app can be found on both Google Play Store and Apple's App Store or at www.fnlife.com.my.

F&N is also partnering with mobile payment providers to provide greater convenience for consumers. F&NHB partnered with the largest e-Wallet payment provider in Malaysia, Touch 'n Go eWallet, to offer cashback for money spent on F&N Life. F&NHB also collaborates with the digital merchant platform, Fave, to offer exclusive new products and trial packs to consumers.

3. Employee-driven innovation – Excel as One Convention

Employees of F&N have once again promoted continuous improvements in productivity, quality, cost, delivery, safety, ethics and environment by developing innovative cost-saving initiatives at the F&N WCM Excel As One Convention 2020 held on 17th September 2020. This convention has successfully achieved average cost savings of about THB30 million (SGD1.8 million) annually thus far.

Themed 'Sport to Build Immunity Fighting COVID-19', F&N encourages and motivates employees to come up with continuous improvement and innovation projects which would help strengthen staff's immune systems during the COVID-19 pandemic.

The activities cover more than a thousand relevant topics where employees were able to showcase their projects through exhibition boards and models. Their learnings and knowledge were then shared to improve the company's manufacturing operation.

4. F&N's new Regional Distribution Centre ("RDC") to optimise operational efficiency

This year, F&N invested in a new RDC in Rojana, Ayutthaya province, Thailand. The RDC is equipped with a RM40 million (SGD13.2 million) automated storage and retrieval system. Strategically located 1.7km from F&N's manufacturing plant in Rojana, Ayutthaya province, the 20,000 square metres RDC is expected to be operational in 2021. This RDC will serve as the regional distribution hub for F&N products.

Apart from optimising and reducing operational costs, and meeting storage capacity demand with smaller space requirement, the Automated Storage and Retrieval System ("ASRS") enables centralised inventory which will enhance stock management accuracy. Additionally, the ASRS will create a fully integrated distribution centre with an enterprise resource planning system and efficient information flow. We will also be installing the same ASRS in F&NHB's new warehouse in Shah Alam, which is expected to be operational in 2021.

Empowering Our People

Talent Management

GRI 401-1; GRI 401-2; GRI 404-1;
GRI 404-2; GRI 405-1



2020 Target

To provide an average of at least 16 and 10 hours of training to employee categories, Executives and Non-executives, respectively, by 2020

Our people differentiate F&N from our peers and determine our success. We strive to create a stimulating work environment where fresh perspectives are valued, talent is nurtured and rewarded, and employees are engaged, challenged and empowered to perform to their highest potential, thereby enabling the company to meet our business objectives. We constantly look to hire and retain talent who will enable us to maintain our competitive edge and expand in the international market. F&N contributes to the UN SDG 8's target to achieve full and productive employment and decent work for all.

In this chapter, we describe the core elements of our Talent Management strategy, which is driven by our Human Capital Roadmap 2025 and 7 Modules for Strategic Human Capital Transformation.

This section also describes F&N's acceleration in our transition to the Future of Work, in light of the

unprecedented situation and impacts on our people and activities caused by the COVID-19 pandemic.

APPROACH

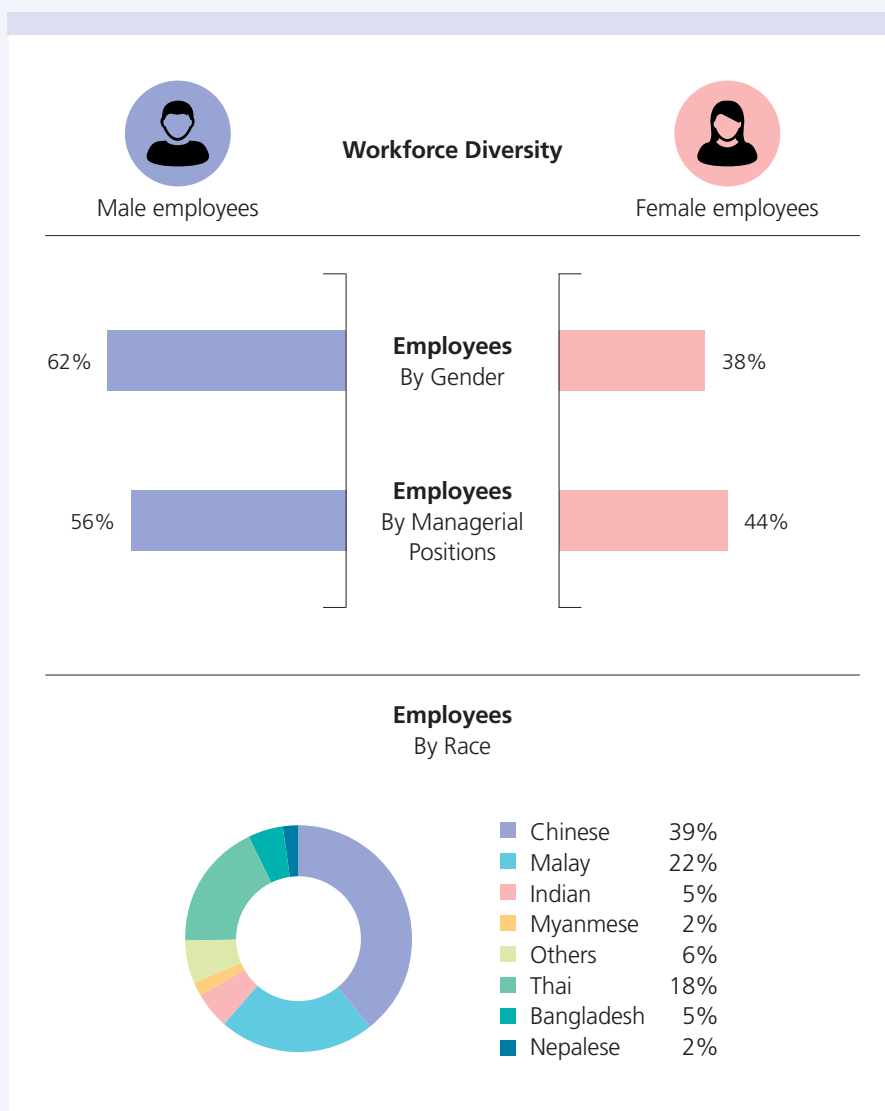
We recognise the importance of diversity in terms of cultural background, age and gender, in order to enrich the workplace with fresh perspectives that will enable us to meet our business objectives.

F&N strives to offer equal opportunities for all regardless of an individual's race, gender, religion and any other attributes unrelated to employment expectations. We comply strictly with prevailing legislation on employment rights in our countries of operation, including no hiring of minors. In Singapore,

F&N employs staff beyond the statutory retirement age of 62, providing employment to older individuals.

While 38% of all employees in F&N are female, our positive approach to gender equity can be seen from the female representation at managerial levels, where 44% of managerial positions are held by female employees.

As of 30 Sep 2020, F&N has over 7,700 employees. Most employees work full-time, and about 13% of all hires are working under temporary contracts. About 25% of all F&N employees have been with the company for over a decade, and the employee turnover rate sits at about 36% this year.



Human Resource ("HR") Excellence Awards 2019

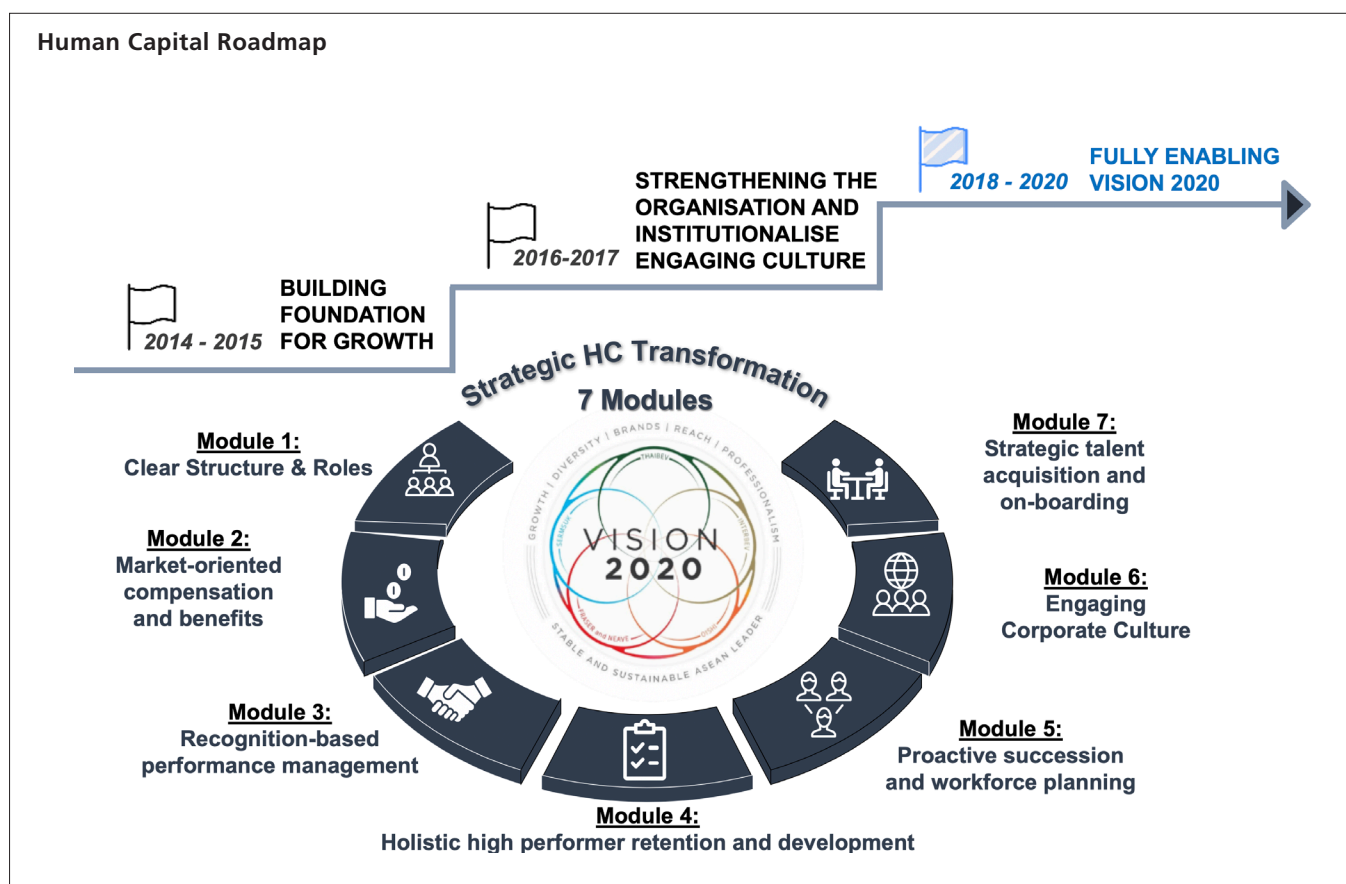


F&N was one of the finalists for the "Excellence in Corporate Social Responsibility ("CSR") Strategy" and "Excellence Innovative Use of HR Tech" awards. The Excellence in CSR Strategy honours organisations that are inspiring role models

through their impactful CSR framework. The Excellence in Innovative Use of HR Tech, which F&N was awarded the Bronze Winner, emphasises the effective use of technology in reducing inefficiencies and adding value to HR's functional excellence, all while reaping business benefits.

Human Capital Roadmap and Strategy

F&N has a strategic plan to establish ourselves as a preferred employer. This is guided by our Human Capital Roadmap to 2020, and specifically our 7 Modules for Strategic Human Capital Transformation. Each is explained in more details below.



1. Clear Structure and Roles

We use the 'Beverest' system to integrate our Human Capital processes and systems across the Group. This helps us to make sure that each employee is aware of the expectations and responsibilities for their role, their team and for the Group as a whole. Beverest is the foundation for a range of Human Capital related processes, from recruitment and on-boarding to career development.

ensure that our remuneration packages remain in line with its peers' and in harmony throughout the Group. Benefits provided to full-time employees include life insurance, health care, disability and invalidity coverage, parental leave, retirement provision, and stock ownership options (share-based incentive plans).

2. Market-Oriented Compensation and Benefits

We pay employee competitive wages and offer competitive benefits. In addition, the Group carries out regular reviews to

F&N's Human Capital policies go beyond standard labour regulations and statutory requirements. For example, F&NHB actively engages with union leaders from their seven formal employee-unions to have balanced collective agreements. F&N does not restrict the freedom of association.

Empowering Our People



	Singapore	Malaysia	Thailand
Life insurance	Yes, by job level	Yes, by job grade	Yes, by job grade
Health care	Yes, by staff category and/or Job Level	Yes, by age, staff category and/or job grade	Yes, by age, staff category and/or job grade
Disability and invalidity coverage	Yes, by job level	Yes, by job grade	Yes, by job grade
Parental leave	Yes, to all eligible employees under the law	Yes, to all eligible employees under the law	Yes, to all eligible employees under the law
Retirement provision	No (as per statutory requirements)	Yes, for certain categories of employees	Yes, for certain categories of employees
Stock ownership	Yes, for eligible executives only	Yes, by job grade	No
Others	<ol style="list-style-type: none"> 1. Company Product/Allowance (Non-Executives only) 2. Long Service Awards 3. Annual Membership Subscription to Professional Body (Executives Only) 4. Mobile Line Subsidy (selected departments / employees only) 	<ol style="list-style-type: none"> 1. Car Loan (Executives only) 2. Long Service Award (All employees) 3. Annual Membership Subscription to Professional Body (executives only) 4. Phone Subsidy (selected departments / employees only) 5. Festive Drinks (All employees) 	<ol style="list-style-type: none"> 1. Provident Fund

3. Recognition-based Performance Management

Employees collaborate with their supervisors to set SMART goals and Key Performance Indicators for the year. A Performance Assessment Review takes place twice a year to appraise outcomes and identify development opportunities.

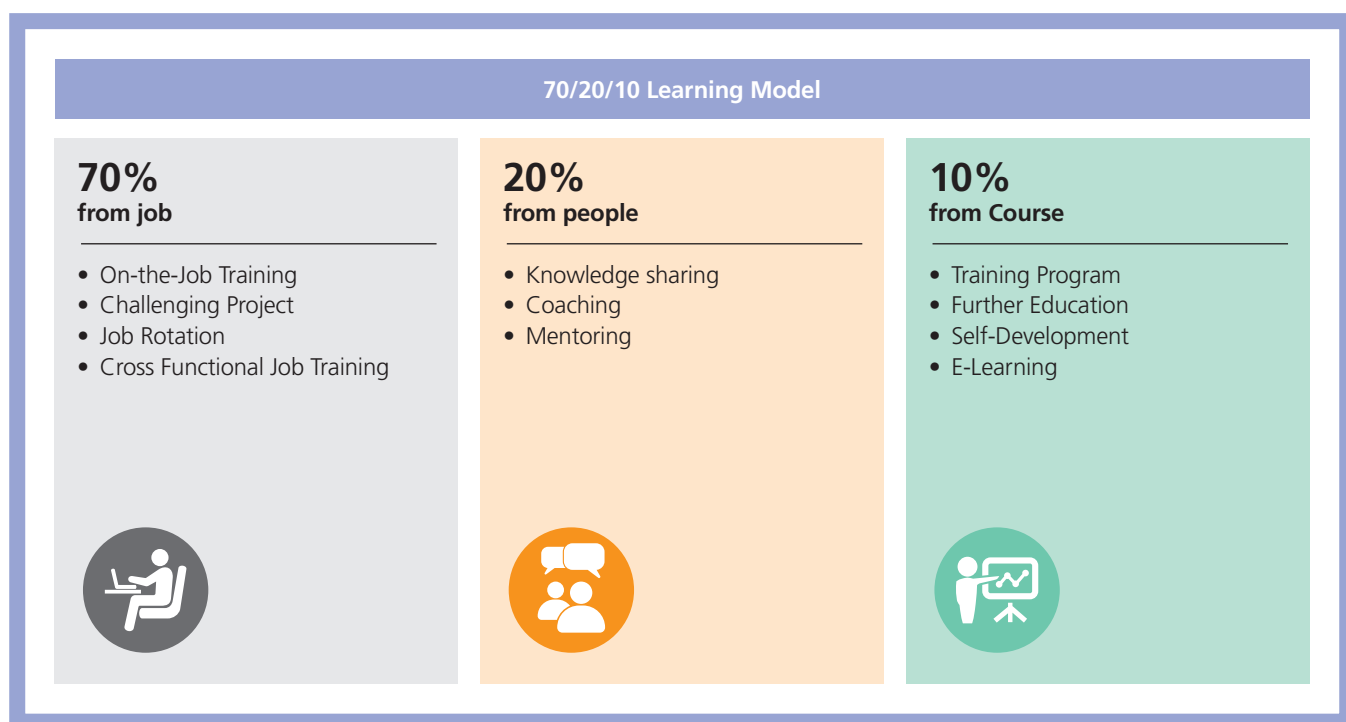
Our policy is to support the provision of 'Limitless Opportunities' to employees from the moment they join the company and our approach supports Individual Development Plans ("IDP"). There are four stages to our IDP approach:



4. Holistic High Performer Retention and Development

We give every employee the opportunity to grow with the company and contribute to a high-performing, sustainable

organisation. It is part of the culture at F&N that each employee is supported to implement their IDP, using the 70/20/10 Learning Model:



Some key development programmes included:

Programme	Focus	Employees Targeted
7 Habits of Highly Effective People (webinar)	Self-management & interpersonal skills	Executives and Sup-Con
Cyber Security Training	Technical skills	Executives and Sup-Con
SAP training		Finance Department
Digital Transformation Awareness		Executives and Sup-Con
Industry 4.0		Executives and Sup-Con
Data Analytics		Executives
Introduction to Robotic Process Automation ("RPA")		Executives

GRI 404-2: Programmes for Upgrading Employees and Transition Assistance Programmes

5. Proactive Succession and Workforce Planning

Through our annual Talent Review and Succession Planning process, we identify employees who have the potential to become future leaders at F&N. Working alongside the Talent Management team, identified future leaders chart their individual career development pathways to ensure they are in the best position to succeed at a high level.

Talent Management is closely linked with succession planning, and in combination, provide us with a steady pipeline of future leaders who are able to support our business needs. Initiatives, including job rotations, transfers and project assignments, allow exposure to the various operations within the company.

Empowering Our People

6. Engaging Corporate Culture

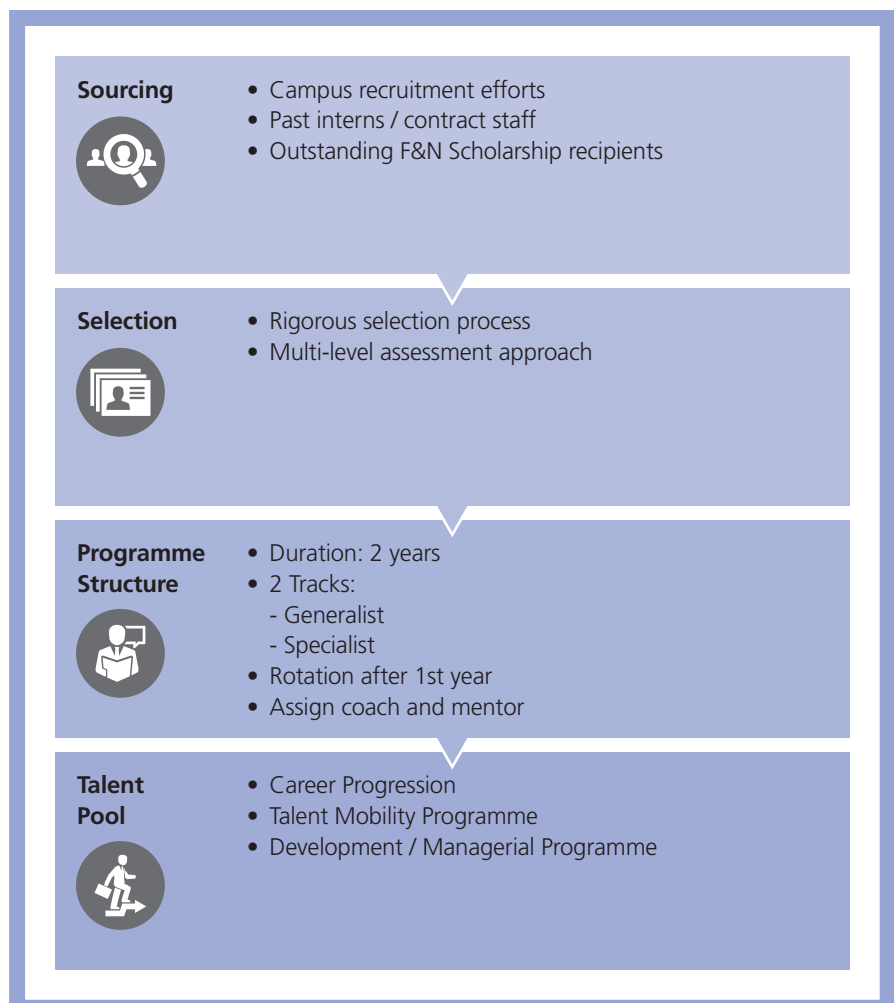
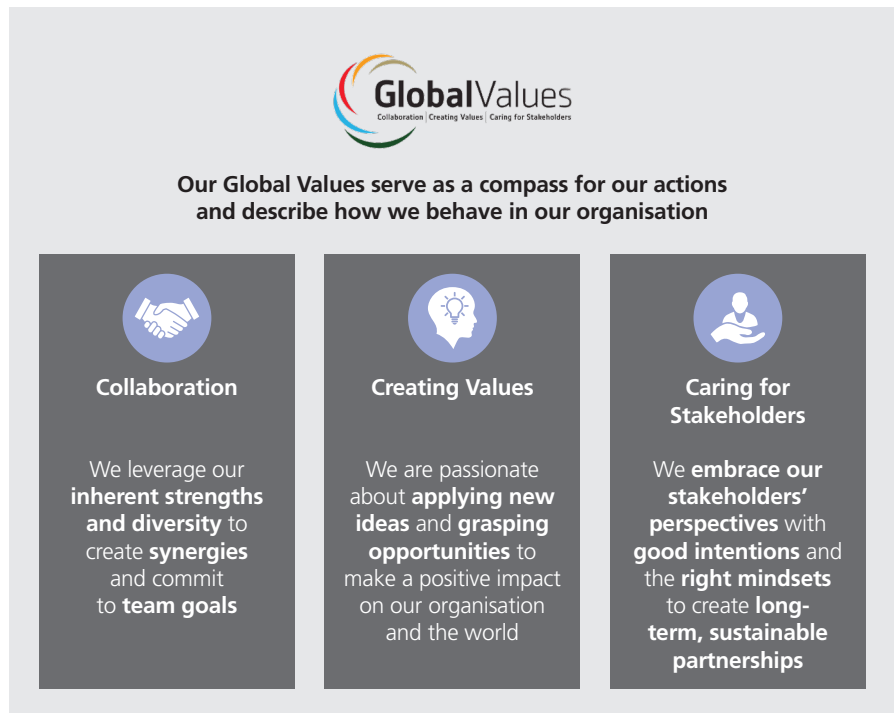
F&N promotes a culture of engagement and inclusion. At the heart of this are our Global Values which emphasise that optimal outcomes happen when we work together.

7. Strategic Talent Acquisition and On-boarding

F&N strives to promote from within and maximise opportunities for the excellent talent already available to us. Where this is not possible, our Human Capital team ensures that we are able to recruit and welcome external applicants with abilities that match the Group's needs.

Our interviewers are trained to ensure that the interview process is fair and effective. We ensure that all new recruits benefit from a comprehensive and consistent on-boarding programme across the Group. This includes a mix of self-serve e-learning and one-on-one support.

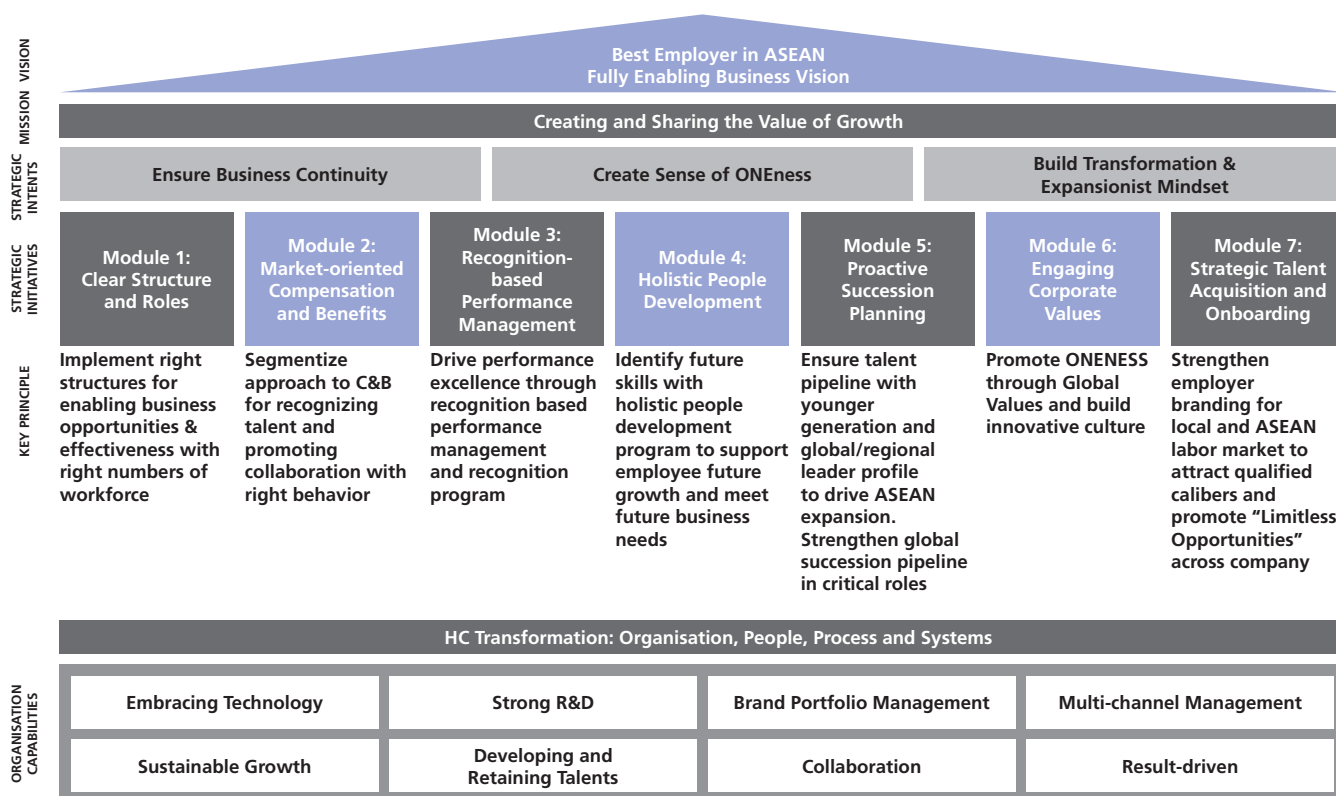
Our 'Future-Ready Manager Programme' ensures that we replenish and grow our pool of future executives. We use a variety of assessment tools as part of a rigorous process to recruit the most suitable candidates. As soon as they join the team, the successful candidates begin a formal two-year programme to get a wide variety of experience.



Human Capital Vision, Mission and Strategic Intents Towards 2025

To guide our Human Capital Vision, Mission and Strategic Intents towards the next phase until 2025, we have developed

the framework as shown below. It includes the seven key areas of our Human Capital Transformation where more focus will be placed. More details will be covered in the F&N Sustainability Report 2021.



COVID-19 has accelerated our transition to the Future of Work

While the unprecedented situation caused by the COVID-19 pandemic resulted in significant impacts on our people, it was also an opportunity to accelerate F&N's transition to the Future of Work. F&N took the opportunity to assess our organisational design, increase adoption of digital technology and equip our employees with the necessary digital skills. We also ensured our employees' well-being as they adapt to the new normal.

1. Assessing organisational design and increasing agility of F&N's workforce

F&N recognised that COVID-19 would change the way our organisation works and looked into expanding succession plans to account for unforeseen emergencies, new national regulations and measures that might be put in place. We made the necessary adjustments when the Circuit Breaker, MCO and state of emergency was announced in Singapore, Malaysia and Thailand respectively.

F&N also made plans to facilitate re-deployment for jobs that were affected through initiatives such as the internal career mobility programme. While some roles were re-designed to enable employees to work from home, no roles were made redundant due to the COVID-19 situation as roles and scope of work remained largely unchanged. Plans to hire contract workers and freelancers were also put in place to allow the company to be more nimble in adjusting manpower needs to business needs.

As part of the efforts to increase our workforce's agility, employees were encouraged to adopt new skills through job rotations and upskill themselves. The trainings provided covered topics such as self-management, enhancing communication between different generations and cultures, professional writing, people management, working as a team in remote working environments, leading change in the 'Volatility, Uncertainty, Complexity and Ambiguity' world, etc.

Empowering Our People

2. Increasing adoption of digital technology and equipping our employees with the necessary digital skills

As part of accelerating towards the future of work, trainings were provided to facilitate adaptation to the new normal of working from home and digital communication. Various trainings were offered to our employees, such as the SAP training for the Finance Department, Cyber Security training for the IT Department and other trainings such as Digital Transformation Awareness, Industry 4.0, Data Analytics and Introduction to RPA for employees.

This meant increased adoption of e-Learning, virtual classrooms, utilisation of learning management systems, platforms and apps. Microsoft Teams and Zoom are currently extensively used by employees in Singapore and Malaysia as virtual communication solutions. Today, our staff engagement and welfare sessions are effectively conducted virtually. For instance, we had organised virtual lunch talks, virtual exercise classes such as piloxing, and successfully implemented telemedicine.

As working from home becomes the new normal for Singapore and Malaysia, e-communication will be encouraged as a medium to replace physical meetings and reduce the frequency of business travels in future.

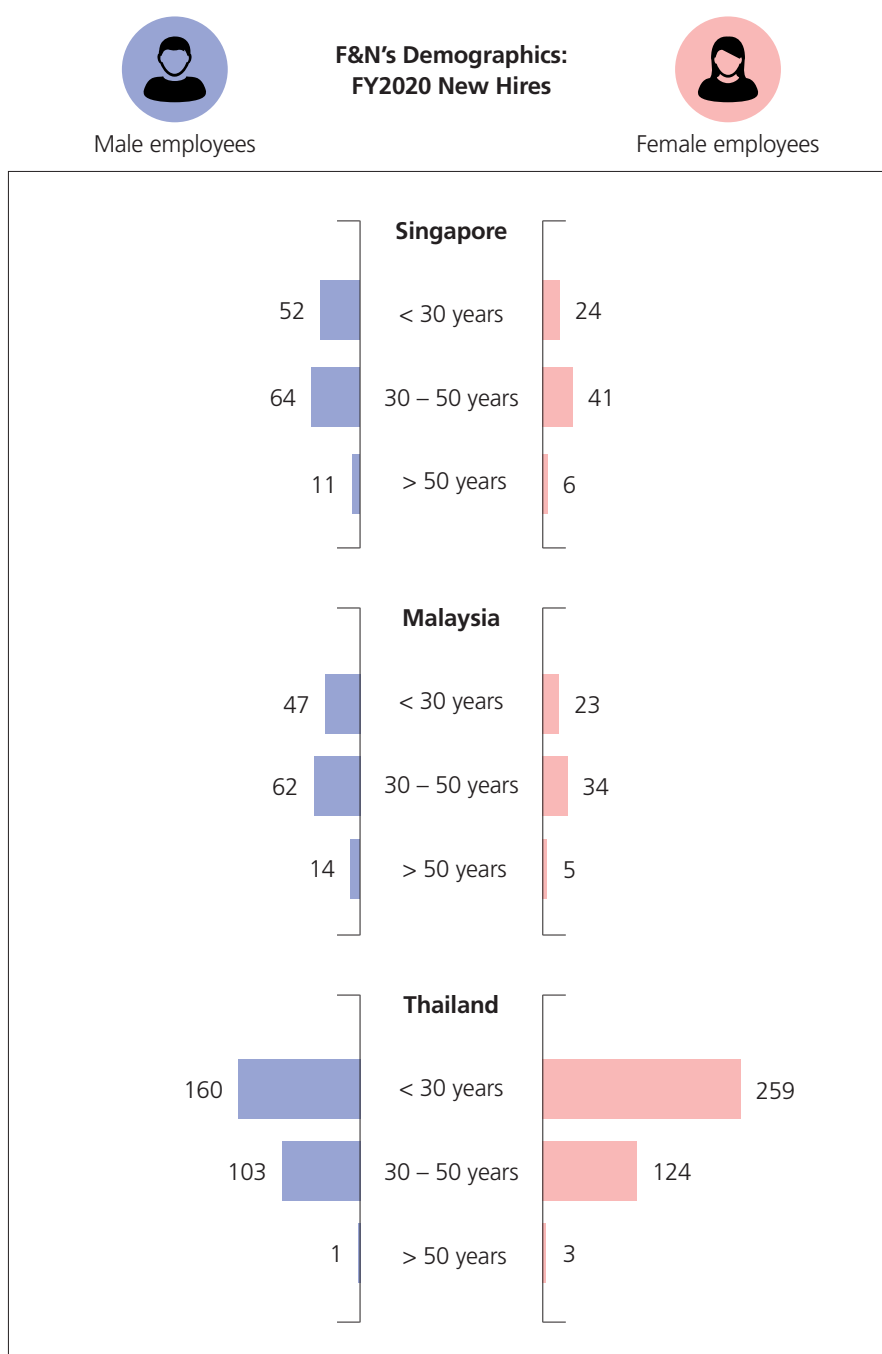
3. Supporting and caring for our employees remotely during tough times

We ensured that our employees' well-being was taken care of, even when we were not physically working together. Health talks and fitness classes were organised during Phase 1 of the Circuit Breaker period in Singapore. Care Packs containing an oral thermometer, two face masks

and a hand sanitiser were issued to employees and cleaners who belonged to the Pioneer and Merdeka Generations. A lump sum of \$200 was paid out to all supervisory / Confidential and Bargainable, who were unable to work at the site

in the field during Circuit Breaker. For Malaysian employees who were stuck in Singapore due to Malaysia's MCO, daily meal allowance of SGD15 and parking reimbursements were provided. F&N also provided accommodations¹ for approximately

GRI 401-1: New Employee Hires and Employee Turnover



130 employees² who did not have friends or relatives in Singapore.

non-executives respectively by 2020. We achieved this target this year with executives and non-executives each receiving 26.23 hours and 12.57 hours of training respectively.

PERFORMANCE

We had set a target to provide an average of at least 16 hours and 10 hours of training to executives and

GRI 401-1: New Employee Hires and Employee Turnover

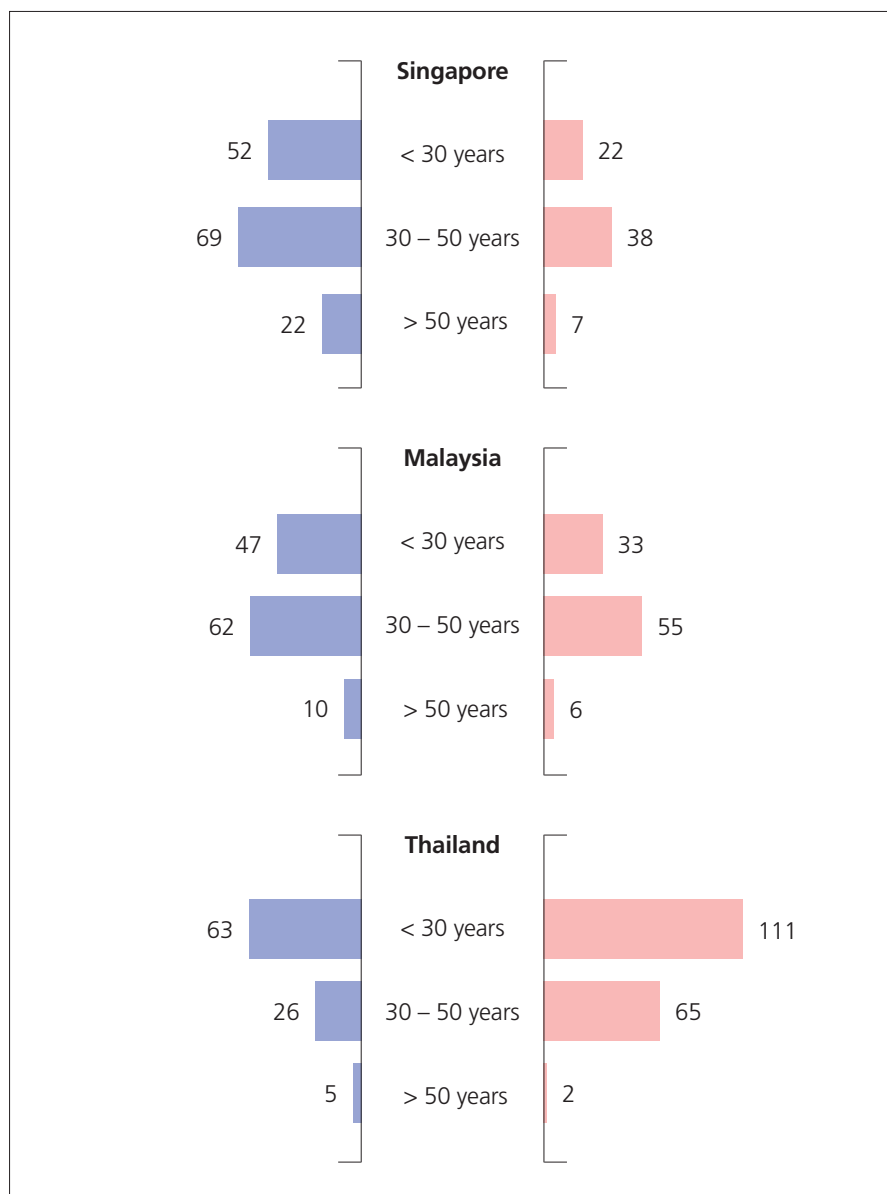


Male employees

F&N's Demographics: FY2020 Turnover

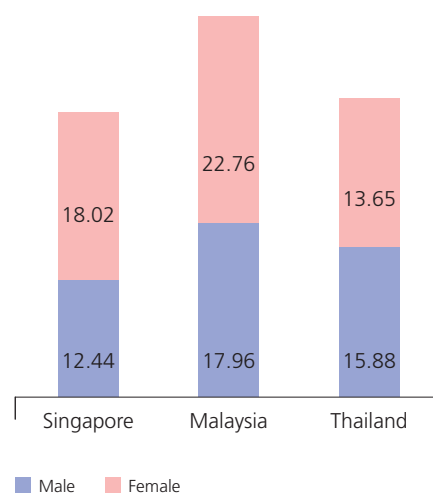


Female employees

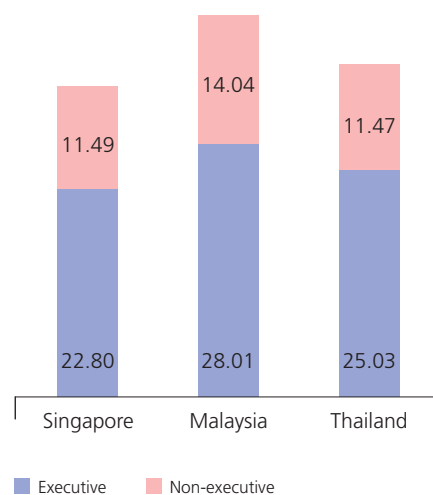


GRI 404-01: Average Hours of Training per Year per Employee

Average Training Hours per Employee By Gender



Average Hours Of Training Per Year Per Employee By Category



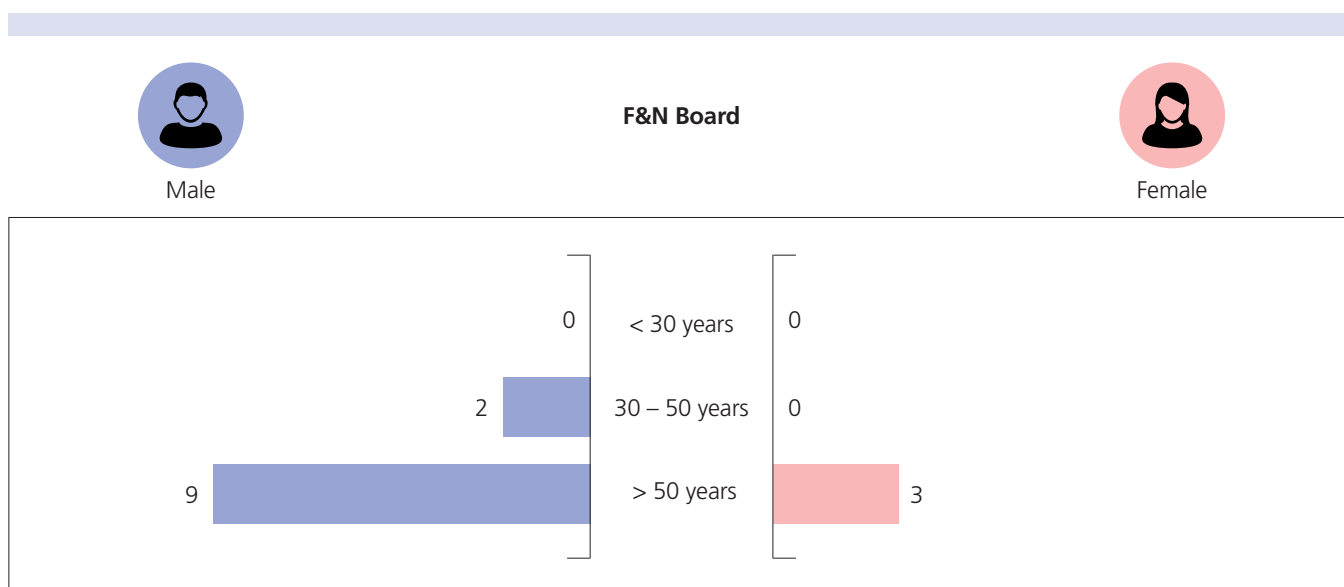
1. These employees were housed at Capri China Square, Fraser Residence and Fraser Robertson Walk.
2. These include employees of FNFS, IPL, Warburg and FNCS

Empowering Our People

GRI 405-1 Diversity of Governance Bodies and Employees



	Singapore		Malaysia		Thailand	
	Male	Female	Male	Female	Male	Female
Officer						
< 30 years	117	61	298	76	168	100
30 – 50 years	292	120	616	179	232	239
> 50 years	114	84	195	36	25	15
Senior Officer						
< 30 years	11	16	25	36	27	53
30 – 50 years	47	42	188	163	205	136
> 50 years	12	22	51	27	36	14
Department Head/Supervisor						
< 30 years	1	1	2	2	0	0
30 – 50 years	33	38	118	93	45	49
> 50 years	11	14	41	9	5	4
Middle Management						
< 30 years	0	0	0	0	0	0
30 – 50 years	7	26	55	55	11	12
> 50 years	14	7	33	14	4	7
Executive						
< 30 years	0	0	0	0	0	0
30 – 50 years	2	1	1	0	1	1
> 50 years	9	7	9	3	2	1



Market Presence

GRI 202-2



Our compensation packages have been standardised across the Group to ensure that the highest expectations are being embodied across our operations. These standards are strictly maintained and also reviewed frequently to allow for necessary adaptations with local circumstances. Market-based compensations are offered to fresh graduates. In general, managers are

promoted from within the company (as opposed to new hires) so as to motivate employees by setting a clear career trajectory within the organisation.

F&N does not participate in nor condone forced or child labour, the use of intimidation or any manipulation of workers.

GRI 202-2 Proportion of senior management hired from the local community



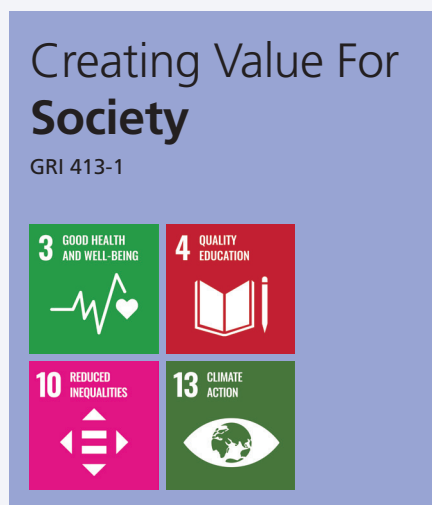
APPROACH

F&N's hiring practices are aligned with the interests of the local economies in which we operate, and we are determined to be the employer of choice and a role model for others. We are proud that 100% of our senior management in Singapore and Thailand and 98% of our senior management in Malaysia are hired from the local community. This helps to keep the value created by F&N within the local economy and ensures that we understand the local markets.

Notes:

1. Local employees are defined as people who are either born in or who have legal rights to reside permanently in our significant locations of operations.
2. Our significant locations of operation (for the business entities covered in this report are Singapore, Malaysia and Thailand).

Enhancing Social Well-being



2020 Target

We will continue to provide outreach and engagement programmes across Singapore, Malaysia and Thailand by exploring and implementing appropriate outreach programmes to address community needs.

F&N believes that through promoting a more equal society with diversity, equal opportunities and social inclusion, business and society will flourish together. As such, we support and connect with local communities, strengthen relationships between different cultures and maintain a positive corporate image by establishing strong relationships with the community.

In this section, we detail our commitment and initiatives to strengthen vulnerable groups, promote environmental protection and support active lifestyles. The COVID-19 pandemic had significant impacts on vulnerable communities and our commitment to support them during this period is more critical than ever.

APPROACH

In each market that we operate, we undertake a number of long and short-term programmes that serve to create greater social equity. To that end, F&N has developed four main thematic areas where we focus our community endeavours. This year, in light of the unprecedented COVID-19 pandemic, one new thematic area has been included to show how additional support is provided to the local community.

1. Strengthening Vulnerable Groups

Inequality of wealth and opportunity is a major global challenge. Our consumers and employees come from all segments of society and inequality undermines the development and potential of not only our communities but also our business. To take leadership in tackling this issue, we have chosen to focus on strengthening vulnerable groups such as underprivileged children. Through investing in educational programmes including both technical skills and soft skills, F&N works towards promoting a more equal society in terms of diversity, equal opportunities and social inclusion, where business and society flourish together.

Activity	Timeline	Areas
F&N ICDL (International Computer Driving License) Annual Programme	2011 – ongoing	Malaysia
F&N E.L.I.T.E. (Empowering Lives through Education) Programme	2011 – ongoing	Malaysia
President's Challenge Fund	2019 – 2020	Singapore

2. Promoting Environmental Consciousness

While companies have a critical role to play in minimising environmental footprint, sustainable development means a partnership, and this includes behavioural changes at the individual level. Besides maintaining eco-efficiency in our operations, we have taken the task of promoting environmental consciousness in our communities as another priority. As F&N continues to move towards a circular economy model of business, we are sharing lessons and also learning from communities about how to implement our ideas.

Activity	Timeline	Areas
F&N Fit & Nature Programme	2019 – ongoing	Malaysia
F&N Save Our Seas Programme	2012 – ongoing	Malaysia
Water Champagne Tanks for Dairy Farmers	2020	Thailand
Sustainable Development Farming Project	2014 – ongoing	Thailand
Waste Bank and Recycling Project	2019 – 2020	Thailand
Recycle N Save Initiative	2019 – ongoing	Singapore

3. Spreading Festive Cheer

In addition to basic needs and environmental sustainability, our community development programme includes a priority with regard to our brand promise, which is delivering “*Pure Enjoyment. Pure Goodness*” to all. We believe that spreading festive cheer helps our communities connect with each other and strengthens relationships between different cultures. Here, we aim to promote diversity and foster national unity in our communities.

Activity	Timeline	Areas
Chinese New Year Celebration	2002 – ongoing	Malaysia
Hari Raya Celebration	2002 – ongoing	Malaysia
Deepavali Celebration	2002 – ongoing	Malaysia

4. Promoting Healthy Lifestyle & Nutrition

As a F&B business, F&N's products contribute to the health and well-being of our communities. Therefore, we consider it our obligation to facilitate responsible consumption and balanced lifestyles. This is mostly accomplished through the consumption of F&N products to maintain a healthy lifestyle in line with consumer needs. We also prioritise community investments that support sports and active lifestyles to better care for our consumers while also creating value for communities.

Because of the COVID-19 circumstances, most of our activities to encourage a healthy lifestyle were conducted virtually. F&N also helped consumers stay fit and healthy during COVID-19 by sharing healthy cooking tips and recipes using social media platforms, including information on keeping a healthy diet during the period of lockdown.

Activity	Timeline	Areas
Grassroots football: 100PLUS extends FAM support with Futsal partnership	2011 – ongoing*	Malaysia
Grassroots badminton	2003 – ongoing*	Malaysia
Nurturing Golf Champions	2001 – ongoing*	Malaysia
Active Lifestyle Events e.g. Penang Bridge International Marathon 2019 and Penang Starwalk 2019	1983 – ongoing*	Malaysia
Standard Chartered Marathon	2018 – ongoing	Singapore
HSBC Rugby 7s	2016 – 2019*	Singapore
National Steps Challenge	2016 – ongoing	Singapore

* Event cancelled in 2020 due to COVID-19

5. Supporting local communities during COVID-19

The unprecedented situation caused by the COVID-19 pandemic has had a significant impact on people. To show our support and solidarity with vulnerable communities, F&N also contributed to national efforts through product donations for vulnerable groups including elderly people, low-income families, healthcare workers and migrant workers.

Enhancing Social Well-being

PERFORMANCE

1. Strengthening Vulnerable Groups

MALAYSIA: F&NHB International Computer Driving License ("ICDL") Annual Programme

This year, 53 students from the vocational training institute successfully received their ICDL certification in Graphic Design Management and Computer Management after going through an intense six-module training programme. Since 2010, F&NHB has invested a total of RM185,000 (SGD61,000) in three F&N IT Corners at Montfort Boys Town in Shah Alam.



MALAYSIA: Empowering Lives through Education ("E.L.I.T.E.") Programme

Since 2011, we have worked to tackle the issue of education insufficiency for marginalised children and to build a foundation for lifelong learning. The F&NHB E.L.I.T.E. programme provides pre-school education to children between five and six years old at Pangsapuri Enggang, Puchong, Selangor in collaboration with Kassim Chin Humanity Foundation. F&NHB has also contributed over RM580,000 (SGD191,400) in cash and more than 600 cartons of F&N milk and soya products to aid in school funding and the nutritional needs of the children attending the kindergarten and tuition centre. This year, F&NHB contributed nearly RM50,000 (SGD16,500) and 100 cartons of F&N products to ease the Foundation's financial burden.



SINGAPORE: F&N's Donation in support of President's Challenge 2020

In July 2020, F&N donated SGD20,000 to SHINE Children and Youth Services, "SHINE" (a President's Challenge benefitting agency), as part of our sustained commitment towards engaging and empowering the youth in our community. F&N's donation will go towards supporting SHINE's training programmes and services which aim to maximise the potential of underprivileged or at-risk children and youth aged 5 to 21 years.

The President's Challenge ("PC") is an annual community outreach and fund-raising campaign to help the less fortunate, with the slogan "Give freely and live fully". It aims to build a more caring and inclusive society in Singapore by uniting a community of holistic givers.

On 20 November 2020, F&N attended the annual PC Appreciation Event 2020 which was held virtually for the first time. As one of the esteemed partners of PC, F&N was privileged to receive a token of appreciation



from President Halimah Yacob via an exclusive afternoon tea session in recognition of our support towards PC2020.

This token serves as an affirmation of F&N's desire to continue empowering the vulnerable in our communities through our Corporate Social Responsibility efforts despite the challenges posed by COVID-19 this year, and a testimony to our belief that sustainable business growth occurs when our communities grow alongside us.

2. Promoting Environmental Consciousness

MALAYSIA: “Recycle for a Life Cycle” Day

F&NHB’s annual School Recycling Programme, Recycle for a Life Cycle Day, aims to promote the 5R philosophy of Reduce, Reuse, Recycle, Rethink and Reinvent amongst primary and secondary school students. This year, we went to schools in Kuching and Kota Samarahan, Sarawak and Seberang Perai, Penang. The events were organised in collaboration with the district and state government, Tetra Pak (Malaysia) Sdn. Bhd., recycling partners and non-governmental organisations.

From the survey that F&NHB had conducted with 237 schoolteachers from Penang, Selangor and Kuching in 2019, 100% of respondents agreed that our programme has helped to improve their community and over 84% rated our programme as either ‘effective’ or ‘extremely effective’.



THAILAND: Waste Bank and Recycling Project

The F&N Waste Bank and Recycling Project was implemented at 2 schools in Thailand - Wattanodtia School and Watkokmayom School in the Ayutthaya Province. More than 170 students and teachers learnt how to dispose of waste and/or recycle them appropriately, and the impact of poor waste management on the environment and the society. Recycling also provides tangible monetary benefits to the students of Watkokmayom School through selling the recyclables. Approximately THB150,000 (SGD6,750) was spent on improving the waste management infrastructure of the schools from setting up recycling stations to renovating waste storage areas.



THAILAND: Water Champagne Tanks for Dairy Farmers

In the Chaiphum Province in Thailand, F&N installed water tanks to provide efficient water supply for communities and dairy farmers. This project minimises the need to travel long distances to access reservoirs for water resources during seasonal droughts. The THB460,000 (SGD20,700) investment can supply about 1,680,000 litres of water every month to up to 180 households across communities in Chaiphum province. This provides sufficient water supply for up to 24 farms, consisting of 955 cattle, to minimise the disruption from drought and ensure farmers can continue their farming operations sustainably.



Enhancing Social **Well-being**

2. Promoting Environmental Consciousness

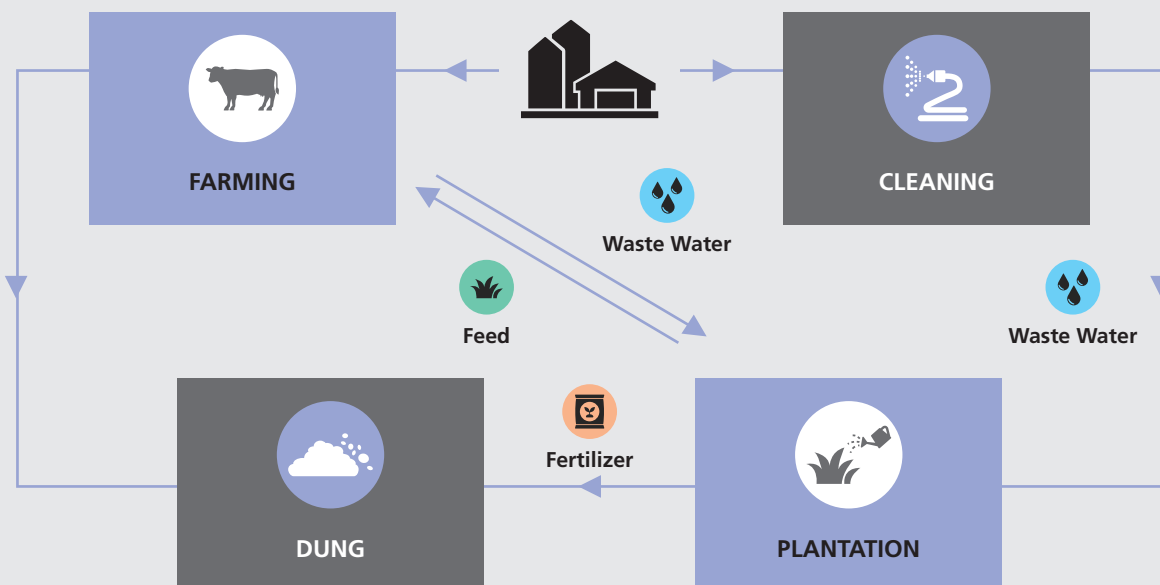
THAILAND: Sustainable Development Farming Project

Starting 2014, as part of a joint effort between F&NDT and ThaiBev, the Farming Excellence system was developed and shared with dairy farmers supplying milk. This has benefitted all parties – F&NDT receives good quality raw milk; more income for dairy farmers as they implement the sufficiency economy principles and reduce cost through increased efficiency; and ultimately, better quality products for consumers.

Since 2019, the focus has been on the new farming excellence handbook and circular economy.

There are 3 initiatives under this phase of the project:

1. Booklet/Guidelines to improve milk quality – to train/mentor new dairy farmers on Good Manufacturing Practices ("GMP"). This has benefitted an estimated 1,500 – 2,500 farms across 10 Cooperatives.
2. Online GMP and Certificate of Analysis assessment at farms – for performance evaluation, big data analysis, digital traceability.
3. Farming sustainability – ensure sustainable farming by constructing a weir to provide sufficient water for dairy farmers to continue their farming activities



MALAYSIA: Save Our Seas Programme

The F&NHB Save Our Seas team made a dive recently at Redang Island to perform regular checks and maintenance on the man-made reefs that we have been planting since 2011. Our internal dive team and partners conducted reef rehabilitation initiatives by collecting coral fragments and

planting them in nursery sites, then transplanting them to permanent sites at Paku Kecil and Terumbu Kiri. Our coral reef rehabilitation initiative has now shown promising rejuvenation with different colonies of coral on the man-made reefs.

2. Promoting Environmental Consciousness

SINGAPORE: Recycle N Save

Recycle N Save is a joint initiative by F&N and the NEA of Singapore to place Smart RVMs across Singapore. This joint initiative aims to encourage recycling of used plastic drink bottles and aluminium drink cans amongst Singaporeans and supports the national vision of the Sustainable Singapore Blueprint's goal to increase the national recycling rate to 70% by 2030.

Launched in October 2019, at Our Tampines Hub in Singapore, Mr Masagos Zulkifli, the then Singapore Minister of Environment and Water Resources, was the Guest-of-Honour. He along with Mr Tan Meng Dui, Chief Executive Officer of NEA, Mr Seah Kian Peng, Group Chief Executive Officer, NTUC Fairprice Group, Mr Suhaimi Rafdi, Director of Our Tampines Hub, and Ms Jennifer See, Managing Director, Singapore and Yoke Food Industries Malaysia, FNFS, commenced this initiative. Phase 1 of the launch saw 10 Smart RVMs being installed nationwide, with support from our trade partner, NTUC Fairprice. Public could drop in their used and empty aluminium drink cans and plastic bottles in exchange for discount vouchers at NTUC.

This year, together with four new partners, CapitaLand Malls, Sport Singapore, Sentosa Development Corporation and Anywheel, we installed 50 Smart RVMs island wide. Placed in shopping centres across the island, the public



can choose from a wider range of rewards when they deposit used and empty drink cans and plastic bottles. Since the launch of Recycle N Save in 2019, over 3.1 million plastic beverage bottles and aluminium cans have been collected.

The RVM School Education Programme, under the Recycle N Save initiative, was also launched in March 2020. In the first run, five RVMs were placed in primary and secondary schools for a six-month period. Students were encouraged to proactively collect empty plastic drink bottles and aluminium drink cans, and deposit them into the RVMs located at their schools. The schools had also organised their own environmental education activities to tie in with the placement of these RVMs.

3. Spreading Festive Cheer

MALAYSIA: 'Tabahkan Hatimu, Sinarkan Ramadanmu' Hari Raya Aidilfitri Celebration

The 'Tabahkan Hatimu, Sinarkan Ramadanmu' programme is part of F&NHB's annual initiative to spread Ramadan cheer to the less fortunate since 2004. F&NHB marked this year's Ramadan by contributing over one million in products and essentials to the nation's frontliners, underprivileged families and individuals. During the holy month, F&NHB also pledged to support 10,000 families from B40 communities in Peninsular and East Malaysia with provisions.

Through the programme, more than 500,000 F&N products including 100PLUS drinks and special meal boxes were contributed to frontliners, including hospitals, police stations and fire stations.



Enhancing Social **Well-being**

3. Spreading Festive Cheer

MALAYSIA: A Treat for our Street Friends during the Hari Raya Week

While most people are celebrating Hari Raya Aidilfitri with family and loved ones, our street friends, at temporary shelters set up by the Government, were not forgotten. Street Feeders of KL, a grassroots movement founded in 2011, served breakfast at one of the temporary shelters set up at Pusat Komuniti Setiwangsa, from the 24 May 2020 to 31 May 2020. F&NHB was delighted to support their noble effort with our products such as *F&N SEASONS* Soya, *F&N SEASONS* Tea and *SUNKIST* Juice, to help provide hydration and nutrition.

MALAYSIA: F&N Brings Joy to the Less Fortunate during Chinese New Year

F&NHB volunteers celebrated Chinese New Year with over 500 under privileged residents from 10 homes/centres in 10 locations throughout Malaysia. During the month of February 2020, over 100 volunteers visited these 10 homes/centres in Penang, Ipoh, Kuala Lumpur, Melaka, Johor, Kuantan, Kuala Terengganu, Kota Bahru, Kuching and Kota Kinabalu. F&NHB donated basic necessities and household items to assist the home in its upkeep, while our volunteers went around to personally extend festive greetings and distribute 'ang paus' and goodie bags to all residents.

MALAYSIA: F&N Spreads Chinese New Year Joy to Underprivileged Students

The Group's regional office in Kota Kinabalu welcomed the Year of the Rat by organising an early Chinese New Year celebration with underprivileged students from their region – 70 boarders at San Damiano Girls Hostel in Kiulu. F&NHB staff mingled with the boarders and contributed daily necessities comprising of rice, oil, biscuits, grocery items, condensed milk and school stationery to the hostel. The boarders also received 'ang paus' and mandarin oranges.

MALAYSIA: Fun-Baking Session for the Underprivileged Children During Deepavali

During this festive season, F&NHB staff visited Persatuan Rumah Kebajikan Rita and organised a fun baking session for the underprivileged children. F&NHB also donated various baking machineries, utensils and ingredients to Rumah Rita. These provided residents with more opportunities to test their baking skills in the kitchen, and also helped the home generate income for the upkeep of the centre and to cover the children's daily expenses such as school fees, clothing and food.

4. Supporting Sports and Active Lifestyles

F&NHB sponsors major sporting events including grassroots badminton, grassroots football and marathons, as well as nurturing golf champions. Major sporting events it supported included:

- 100PLUS Hydrates Runners at Penang Bridge International Marathon 2019
- 100PLUS Rallies Malaysians to Live An Active Lifestyle
- Hydrating Runners at The Penang Starwalk 2019
- 100PLUS extended Football Association of Malaysia support with Futsal partnership

Due to the COVID-19 situation, all live events had to be cancelled, and where possible, the events took place virtually.

MALAYSIA: Recognising Local Sports Personalities

F&NHB has been the main sponsor of the Sportswriters Association of Malaysia ("SAM")-100PLUS Awards since 2006. This year, the 15th SAM-100PLUS Awards was held on 12 August, despite the challenges posed by the COVID-19 situation. Cyclist Azizulhasni Awang won the Athlete of the Year and para powerlifter Bonnie Bunyau Gustin won the Para Athlete of the Year.

5. Supporting local communities during COVID-19

MALAYSIA: Contribution to the Frontliners

Contributed 3,800 cartons of products worth more than RM100,000 (SGD33,000) to the frontliners in both Peninsular and East Malaysia. The recipients included Sungai Buloh Hospital, Selayang Hospital, Kuala Lumpur Hospital and Queen Elizabeth Hospital; the Royal Malaysia Police, the National Disaster Management Agency (NADMA) and a number of city councils, among others.

My FundAction, who partnered F&NHB to supply drinks to frontline officers at health and hospital clinics in Kota Kinabalu commented "This effort was a task for the sacrifice of the front row officers in struggling to control the contagion of this plague. May this cooperation continue for the future so that more people in need can (get) help."

MALAYSIA: F&N Reaches Out to Needy Students and Homeless

F&NHB was proud to be able to sponsor *100PLUS* and *F&N SEASONS* drinks to Yayasan Food Bank. These products were distributed to students from institutions of higher learning who experienced food supply shortage during the MCO, and to the Dewan Bandaraya Kuala Lumpur food supply for about 500 homeless people living in Kuala Lumpur.

SINGAPORE: Supporting the Frontliners

The unprecedented situation caused by the COVID-19 pandemic resulted in immense stress on the healthcare industry. Our efforts to support the front-liners through this tough COVID-19 period included:

- Supported frontline workers from NUHS, Ng Teng Fong Hospital, Alexandra Hospital and Jurong Polyclinic with aLIVE Wholegrain Muesli Bar with Strawberry & Yoghurt snack-bars, *F&N MAGNOLIA* ice cream and *F&N SEASONS* Pu-Erh for teatime.
- Donated 100PLUS for healthcare workers at Ng Teng Fong General Hospital, and those who were stationed at Tuas South Dormitory.
- Donated *F&N SEASONS* Pu-Erh and *OISHI* Genmai and Kabusecha to National Neuroscience Institute (SingHealth) and Woodlands Health Campus (National Healthcare Group).

- Partnered Oversea-Chinese Banking Corporation to send food (bottles of bird's nest, drinks and snacks) and cards to staff of Tan Tock Seng Hospital.
- Partnership with Everyday Heroes SG, an independent voluntary group to support healthcare workers with *100PLUS* Zero, *F&N ICE MOUNTAIN* Sparkling Water Lemon and *F&N SEASONS* Pu-Erh Chrysanthemum to keep them hydrated and motivated.

MALAYSIA: F&N Helps Soup Kitchen to Continue Serving the Community in Need

F&NHB donated a three-weeks supply of 150 cartons of *F&N ICE MOUNTAIN* bottled water and a few cartons of *100PLUS* to be distributed to those in need and to the volunteers. Our small contribution has allowed Pit Stop Community Café to continue its work in feeding about 2,000 people throughout the MCO.

MALAYSIA: F&N Gives the Gift of Clean Drinking Water

About 1,000 stateless individuals reside off the coast of the Omdal Island, Semporna, Sabah, with no access to clean water. F&NHB donated cartons of *F&N ICE MOUNTAIN* mineral water to these communities through a non-profit organisation, Iskul Sama DiLaut Omdal (known as Sekolah Bajau Laut Omdal in the Bajau language).

Bottles of mineral water were distributed to each family, along with other basic necessities such as rice, sugar, flour, noodles, sweetened creamer and tea bags. As an effort to conserve the environment and reduce pollution, Iskul Sama Dilaut Omdal collected and recycled the empty drinking water bottles.

Iskul Sama DiLaut Omdal commented "Thank you again F&N Malaysia for this kind sponsorship. The gift of clean drinking water is utmost important to their lives. Most of them live without clean running water and electricity."

Enhancing Social **Well-being**

5. Supporting local communities during COVID-19

MALAYSIA: Nourishing 400 Needy Families Throughout MCO and F&N MAGNOLIA Milk

F&NHB contributed 400 cartons of *F&N MAGNOLIA* Full Cream UHT 200ml milk to Pertubuhan Al Taaf Ziadah, a non-governmental organisation helping families from the B40 group affected by the COVID-19 pandemic.



MALAYSIA: F&NHB Contributes Essential Packs to Department of Islamic Development Malaysia ("JAKIM") for Needy Community

In conjunction with the holy month, F&NHB contributed essential items such as rice, cooking oil, together with F&N products such as *100PLUS*, *F&N* condensed milk and *F&N MAGNOLIA* UHT Milk to JAKIM. These essential packs were distributed to the low-income families affected by the MCO, through 'Persatuan Kakitangan Perkhidmatan Ugama', a society under JAKIM.

SINGAPORE: Partnerships with organisations to support the community

F&N partnered with several organisations in order to extend our reach to provide further support to the local community through product donations during this COVID-19 period.

Some of our partnerships included:

- Donated cartons of *F&N NUTRISOY*, *F&N NUTRIWELL* and *FARMHOUSE* to The Food Bank Singapore's beneficiaries: Bishan Home, Sunlove Home and Chen Su Lan Methodist Children's Home
- Donated cartons of *100PLUS* to the Migrant Workers' Centre for about 15,000 migrant workers in Singapore, to keep them hydrated and refreshed especially during the hot days.
- Donated *F&N* Orange Sparkling Drinks, *F&N SEASONS* Reduced Sugar Ice Lemon Tea as well as Alive Snack Bars to help boost the morale of the nursing home staff as part of an initiative organised by the Singapore Ministry of Culture, Community and Youth.