

BETTER SOCIETY: WELL-BEING OF OUR PEOPLE, COMMUNITIES AND SOCIETY

F&N understands that our success over the last 138 years were made possible through the commitment of our people, the contributions of our consumers, and the support of communities in which we operate. We recognise the importance of building relationships with these stakeholders based on collaborative relationships. F&N does this by offering a strong portfolio of good quality and nutritious products for consumers, providing vulnerable groups with the support they need, empowering our employees by creating rewarding work environments, and respecting the human rights of all stakeholders.

This section further elaborates on our approach, performance, and initiatives to create a Better Society, including:

- ▶ Nutrition
- ▶ Community Development and Inclusive Growth
- ▶ Human Rights
- ▶ Human Capital Development
- ▶ Employee Safety, Health and Well-being

WELL-BEING



Targets for Better Society

Material Topic	Target
Nutrition	▶ 67% of beverage and dairy products (based on formulation), excluding canned milk and cordials, comply with the Nutritional Guidelines by 2025
Community Development and Inclusive Growth	▶ 10% increase in the number of annual community programmes F&N provides (from a 2020 baseline) by 2025
Human Capital Development	▶ Provide an average of at least 18 hours of training to Executives and 11 hours of training to Non-executives by 2025
Employee Safety, Health and Well-being	▶ Reduce the LTIFR to 0

Contributing to SDGs



Creating Value for Society

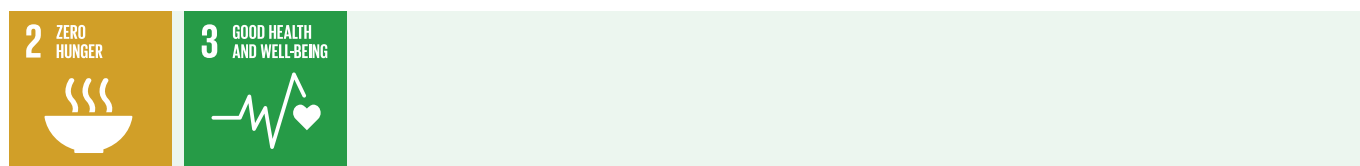
As an industry leader in the F&B sector, F&N believes it is our role as a corporate citizen to create value for our consumers, and the communities in our operational markets. We have created value through offering healthy products to our consumers, supporting local communities, and advocating for human rights. Our efforts are further elaborated in the following sections:

- ▶ Nutrition
- ▶ Community Development and Inclusive Growth
- ▶ Human Rights

NUTRITION

GRI Index: GRI 416-1, GRI 416-2

SDGs:



Improving consumers' health is F&N's top priority. Our philosophy of 'Pure Enjoyment. Pure Goodness' is our commitment to consumers to deliver tasty and good quality products packed with nutritional goodness. Together with promoting an active lifestyle, F&N aims to offer products that satisfy our consumers and enhance their health and well-being.

The F&N Nutrition Charter outlines our commitment to developing products that are healthy for consumers and guides us through our product development.

- ▶ Principles of the Nutrition Charter:



Consumer F&B trends across the world are shifting. "Quality" is redefined by consumers to focus on affordable nutritious products. Yet many see cost as a barrier to improving their diet and health. This drives F&N to constantly reinvent, reformulate, and release new and improved products annually by focusing on reducing the sugar level of our beverages and fortifying the key nutrients in our products, to expand the availability of affordable nutritional beverages.

APPROACH

Our increasing health and nutrition ambition focuses on:

- ▶ Reducing sugar levels
- ▶ Catering to consumers with diverse dietary needs

F&N's product development team continues to expand the health and nutrition profile of our portfolio. It is important for F&N to provide products with healthier option that do not compromise on our consumers' enjoyment. More details on the new products can be found in the 'Innovation' section of the Report.

2025 TARGET

67% of beverage (excluding Cordial) and dairy (excluding Canned Milk) products (based on formulation) in compliance with Nutritional Guidelines.

- ▶ In 2021, 62% of beverage (excluding Cordial) and dairy (excluding Canned Milk) products (based on formulation) are in compliance with Nutritional Guidelines.

PERFORMANCE

GRI 416-1 (2016)

Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.

- ▶ 93% of significant product categories for which health and safety impacts are assessed for improvement

GRI 416-2 (2016)

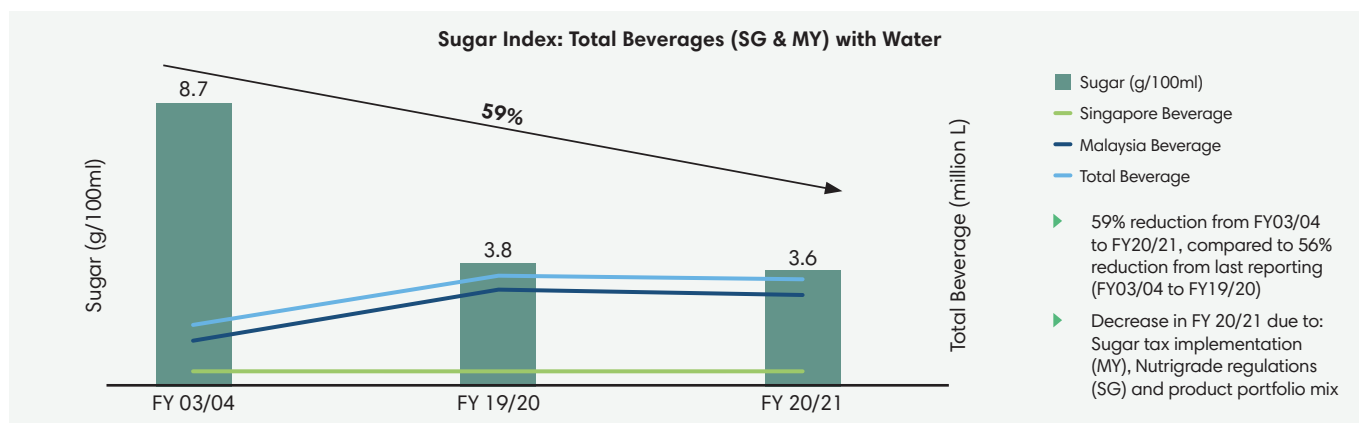
Incidents of non-compliance concerning the health and safety impacts of products and services

- ▶ In FY2021, we maintained our health and safety standards with no significant incidents of non-compliance with regulations resulting in fine, penalty or warning.

INITIATIVES

Reducing Sugar Content

Over 60% of our RTD products portfolio this year are certified HCS/HCL. Since 2004, F&N has taken deliberate steps in reducing the sugar content of our RTD products. We have achieved a reduction of 5% in the sugar index (grams of sugar content per 100ml) across our range of RTD products, in Singapore and Malaysia, as compared to last year.



Catering to consumers with dietary restrictions and preferences

F&N provides alternative, and healthier options for consumers with food intolerances, such as lactose free milk. Lactose free milk is available in Singapore and Thailand, and F&N plans to expand this offering to Malaysia. We are exploring new product categories, such as plant-based milk, which F&NHB intends to launch next year.

F&N increased its products with HCS/HCL from around 50 in FY2020 to over 140 in FY2021.

WOW Project

The delivery of high-quality fresh milk to our consumers meets many challenges from production to logistics. The greatest obstacle in producing fresh milk is the wait at the farm before it is collected for delivery to the factory – risking contamination of the milk from microbial growth. Prioritising the safety of the product, fresh milk typically undergoes high heat treatment. However, this affects the quality of fresh milk with nutrient loss and increases the cost of production.

As part of the WOW Project – an internal innovation challenge (details in 'Innovation' section of the Report), F&N employees developed two alternative solutions that maintain high nutrition value and increase efficiency:

- ▶ A digital platform to encourage traceability throughout the supply chain that support the farmers and distributors to improve fresh milk quality. The implementation of this solution reduced the time of receiving fresh milk by 70%.
- ▶ A new transportation method for fresh milk, with the use of route planning to reduce transportation time required. The solution involves active real time monitoring of the fresh milk during transit.

Creating Value for Society

COMMUNITY DEVELOPMENT AND INCLUSIVE GROWTH

GRI Index: GRI 413-1

SDGs:



F&N recognises that the scale of our operations in the region goes beyond impacting our consumers. We connect and support local communities by maintaining positive relationships and strengthening them between different cultures to promote social inclusion.

APPROACH AND INITIATIVES

In each market F&N operates in, we undertake several short and long-term programmes that serve to create greater social equity. We developed five thematic areas to focus our community endeavours on.

Offering COVID-19 Relief



Offering COVID-19 Relief

Healthcare workers and resources around the world were stretched thin as the world grapples with the influx of COVID-19 patients. F&N showed our support and appreciation for the healthcare workers in Malaysia with our beverages to keep them hydrated and energised. As part of our ongoing commitment to support Malaysians during the COVID-19 pandemic, a 100PLUS hydration booth was set up at vaccination centres for vaccine recipients and front-line medical staff. F&NHB also provided logistical support through the #HidratkanDiriSihatkanBadan campaign, to raise public awareness on the importance of maintaining optimal hydration levels during post-vaccination.

In Thailand, F&N products were donated to Uthai Community Hospital, Uthai Hospital, and Phra Nakhon Si Ayutthaya Hospital. F&N stands in solidarity with and support the communities where we operate.

In Singapore, F&N partnered with other non-profit and government agencies to work with the Ministry of Culture, Community and Youth to donate products to frontline workers – estate cleaners, safety management officers, and healthcare workers, to show our support for the local communities.

Strengthening Vulnerable Groups



As the COVID-19 pandemic prolongs, so will the devastating effects on the vulnerable and marginalised groups. The toll from the pandemic will further deepen inequality causing a greater global challenge. Our consumers and employees come from all segments of society and the widening inequality of wealth and opportunities undermine the development potential of our communities and also our business.





Malaysia: F&NHB International Computer Driving License ("ICDL") Annual Programme for Children

To tackle this issue, F&N focused its efforts on supporting underprivileged children through investing in educational programmes.

Since 2010, F&NHB had invested a total of RM200,000 (about SGD 64,900) for the F&NHB ICDL Annual Programme. The funds have equipped three F&NHB IT Corners in Malaysia with basic electronic equipment and funded the ICDL vocational programme. To date, 585 children have excelled and graduated with the ICDL certification. ICDL is the world's leading computer skills certification.



Singapore: Supporting Vulnerable Groups

F&N supported other initiatives in Singapore:

- ▶ Donations to the President's Challenge 2021 (SGD 20,000) and TOUCH Young Arrows Bursary Awards (SGD 15,000) to benefit the vulnerable in the community and underprivileged children, respectively
- ▶ FairPrice Walk for Rice to raise food (rice) for needy families in the South East district of Singapore
- ▶ Book donations to children from lower income families through Care Corner Singapore
- ▶ Sponsorship of stationaries to underprivileged children through Care Community Service Organisation
- ▶ Collection of food items for distribution to those in need with Food Bank

Promoting Environmental Consciousness



Companies have a critical role to play in minimising our environmental footprint and leading sustainable development in societies. As we continue to move towards a circular economy model in our business, we exchange knowledge with communities and learn from them to better implement our ideas. Establishing partnerships with communities to promote environmental consciousness is our key priority.



Encouraging Recycling through Collaboration with Government and Schools



Malaysia and Thailand: F&NHB School Recycling Program

Since 2007, F&NHB has partnered with schools across Malaysia to educate the next generation on the importance of environmental conservation. The number of schools participating in this programme have grown from 360 in 2019 to 961 schools in 2021.

The Waste Bank and Recycling Project was set up in two local schools in Thailand, approximately THB 150,000 (about SGD 6,100) was spent on improving the waste management infrastructure – setting up recycling stations to renovating waste storage areas. Through these projects students get inculcated with good recycling habits and obtained tangible monetary benefits by selling the recyclables collected.



Singapore: Recycle N Save

Recycle N Save is a joint initiative by F&N and the National Environment Agency ("NEA") of Singapore. To date, the initiative saw the collection of over 3.3 million aluminium cans and 4.8 million PET bottles for recycling. More details can be found in the 'Packaging' section of this Report on pages 82 and 83.

Creating Value for Society

Rehabilitating Reefs in Malaysia since 2011



Malaysia – F&N Save Our Seas Programme

From 2011–2013, F&NHB collaborated with Reef Check Malaysia, Marine Park Terengganu and DM Scuba to rehabilitate coral reefs and encourage responsible behaviour on the beach among communities and tourists at Redang Island. The F&NHB 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.

Since then, F&NHB internal dive team and partners perform regular checks and maintenance on the man-made reefs. Now there is a promising rejuvenation of corals in different colonies on the reefs.



Spreading Festive Cheer



Our community development programme regards our F&N brand promise – “Pure Enjoyment. Pure Goodness” by encouraging communities to connect with each other by spreading festive cheers and strengthening relationships between different cultures.



Malaysia: F&NHB Celebrates Chinese New Year with Underprivileged

F&NHB reached out to underprivileged families across Malaysia to celebrate Chinese New Year. Much-needed provisions – diapers, toiletries, F&N beverages and milk powder, were shared with the families.





Malaysia: Keberkatan Plus Plus Programme

F&NHB fostered the spirit of Ramadan by contributing 'F&N Pek Penyayang' Care Packages worth over MYR 1 million (over SGD 325,000) to 840 families, frontline workers and NGOs. As part of the programme, 'Squad Keberkatan 100PLUS' delivered supplies to frontline workers in hospitals, police stations and fire stations.



Singapore: Distribution of Hari Raya Haji Festive Hampers to underprivileged families

F&N partnered with the Indian Muslim Social Service Association to spread the festive cheer to underprivileged families by donating F&N products – F&N SEASONS Ice Lemon Green Tea and F&N SEASONS Ice Peach Tea for including in the festive hampers. Festive hampers were distributed to over 100 underprivileged households in Singapore.



Promoting Active Lifestyles



F&N's products contribute to the health and wellbeing of our communities. We have a long and proud tradition of promoting active lifestyles in the community; from grassroots developments to elite levels. We believe sports have an important role in all societies and is a powerful tool to support nation-building.

Lowering the barrier of access to sports and encouraging participation among youth is vital because it teaches core values like cooperation and respect, while instilling discipline and confidence within the individual. It is for this reason that 100PLUS is passionate in supporting schools and grassroots sports programmes, especially in football and badminton, to nurture future generations of champions.

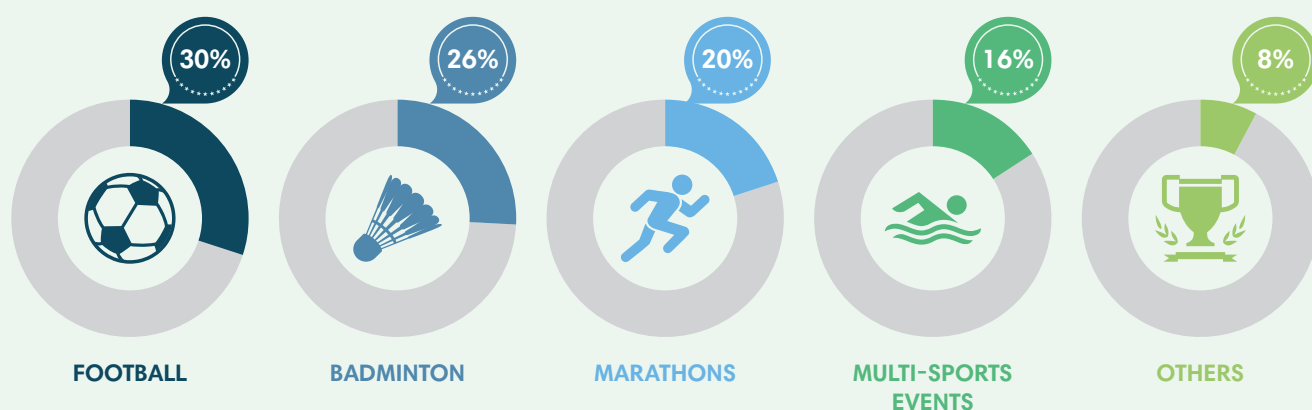


Creating Value for Society

Long-term Partnerships with Sporting Associations (Grassroots programmes)



F&NHB has been a long-term partner of the Football Association Malaysia, Badminton Association of Malaysia, National Sports Council, and Malaysian Football League by supporting the football and badminton sports programmes through our 100PLUS brand. F&NHB's allocation of investment in sports development is as follows:



Supporting F&N Sport Ambassadors



A proud advocate of sports development, F&NHB recognises Malaysia's sports personalities through the annual Sportswriters Association of Malaysia – 100PLUS Awards. The award recognises local sports personalities and their achievements. F&N has been the main sponsor of the award since 2006.

Advocating for Healthy and Active Lifestyle



In the past year of managing COVID-19 with lockdowns and physical restrictions, F&N continued to encourage our consumers to lead a healthy and active lifestyle even as they stayed home. 100PLUS hosted a series of virtual workout sessions by professional trainers and sports enthusiasts to encourage our Singapore and Malaysia consumers to stay active while at home. We organised virtual fitness challenges to keep our consumers motivated.

In Thailand, F&NHB tapped into social media platforms for the same purpose. Additionally, healthy recipes, cooking tips, and information on managing a healthy diet were shared with our consumers.

F&N also supported major virtual marathons like the Kuala Lumpur Standard Chartered Marathon, World Vision 2021 Virtual #RunforChildren, and Penang Bridge International Marathon Virtual Run 2020.

2025 TARGET

10% increase in the number of annual community programmes F&N provides from 2020 by 2025

- ▶ 24 community programmes were conducted this FY.

PERFORMANCE

GRI 413-1 (2016)

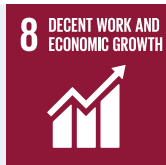
Operations with local community engagement, impact assessments and development programmes

- ▶ 100% of our operations have implemented local community engagement, impact assessments and development programmes

HUMAN RIGHTS

GRI Index: GRI 412-1

SDGs:



F&N is one of the region's oldest and most established F&B companies. Our success and longevity rely upon our stakeholders – including employees, business partners, suppliers and communities throughout our value chain.

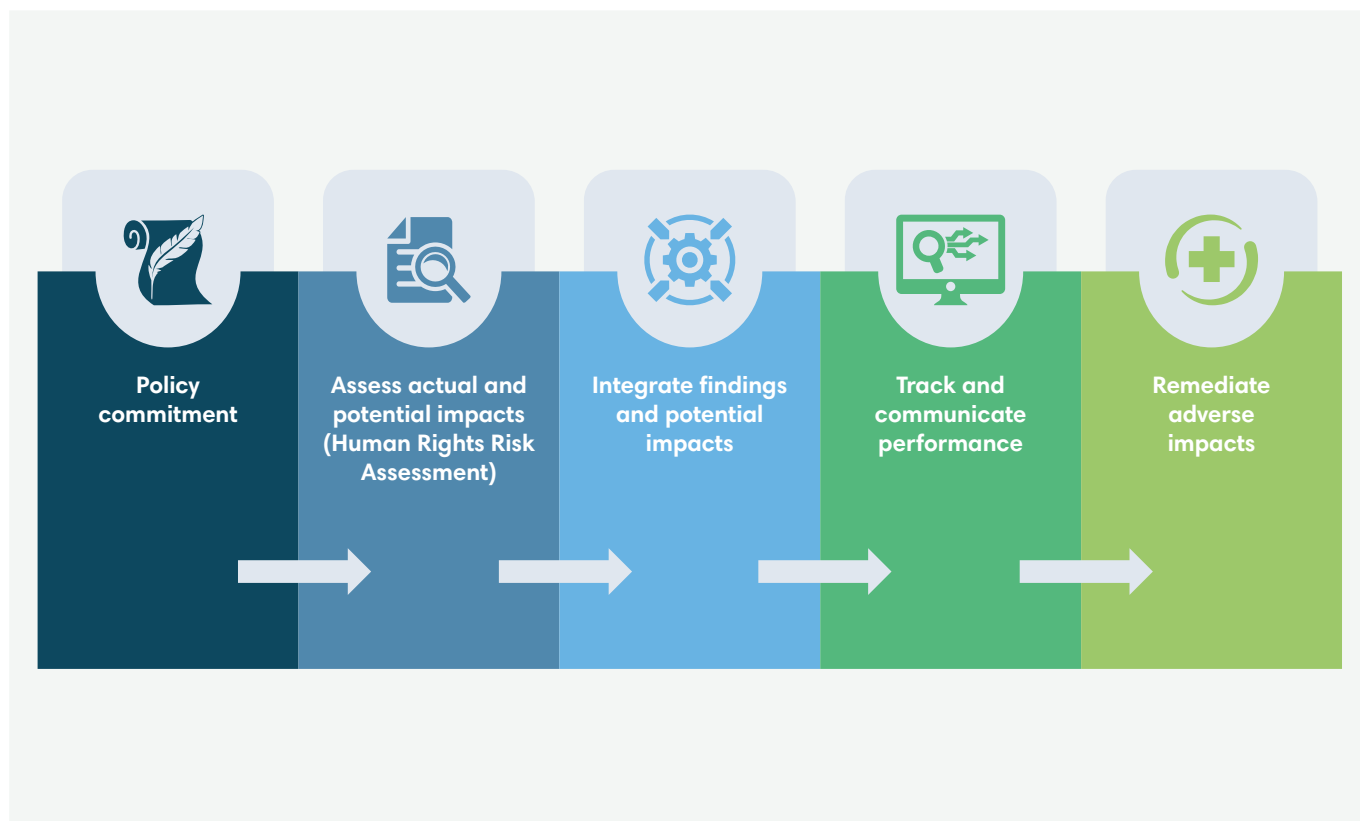
It is fundamental for our business to respect and promote the human rights of our stakeholders. We continuously work to improve their health and well-being and treat all our stakeholders with dignity, respect, and fairness.

F&N's Human Rights Policy was developed in accordance with related human rights principles under key international standards and frameworks. We expanded our efforts undertaking a HRDD and Risk Assessment for the first time for all material F&N business operations in Singapore, Malaysia and Thailand.

APPROACH

Human Rights Due Diligence Process

F&N is committed to upholding and promoting the human rights of all our stakeholder groups. F&N conducted a HRDD process for the first time in 2021 to understand actual and potential human rights issues faced by our stakeholder groups.



Creating Value for Society

Policy Commitment

F&N Human Rights commitment applies to all employees of F&N, including our stakeholders throughout our value chain – such as suppliers and business partners.



HUMAN RIGHTS POLICY

Principles and Rationales

Fraser and Neave, Limited ("F&N") and its subsidiaries (the "Group") operate their business with integrity, honesty, fairness and full compliance with all applicable laws. The Group adheres to the principles and provisions of the Code of Corporate Governance 2018 as well as to the Group's "Code of Business Conduct". We are committed to taking responsibility for our impact on society and treating all of our stakeholders with dignity, respect, fairness without discrimination, and consideration for their human rights. Our stakeholders include employees, business partners, suppliers and communities throughout our value chain. We believe that to enhance our business sustainably and to contribute positively to the society, it is crucial to respect the human rights and the relevant principles of all stakeholders in our value chain.

To promote and respect the rights of all stakeholder groups, we established the Group's Human Rights Policy that upholds under domestic and international laws, rules, and regulations. The Human Rights Policy was developed to align with the related human rights principles under the international standards, including the United Nations Universal Declaration of Human Rights, as well as the United Nations Guiding Principles on Business and Human Rights ("UNGP"), United Nations Global Compact, and the International Bill of Human Rights and The International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

Definitions

The Group	Refers to Fraser & Neave Limited, or F&N, and subsidiaries where the Group holds more than 50% of their shares and has management control.
Employees	Refers to all employees who work under an employment contract with the Group, covering all positions.
Suppliers	Refers to contractors, sub-contractors, manufacturers, primary producers, importers/merchants, and professional service providers.
Business Partners	Refers to agents, joint venture partners and customers

Scope of the Policy

The Group's Human Rights Policy applies to all activities (i.e., direct activities, products, or services), as well as to all of F&N's directors, executive officers, employees, and all business operations and associated activities. The Group's suppliers and business partners are expected and strongly encouraged to support and align with our Human Rights Policy and commitments, where applicable.

Moreover, we extend these expectations and commitments throughout the Group's value chain, to all relevant stakeholders and affected rights holders, including: customers, local communities, the Group's indirect employees (i.e. third-party contracted labor) and vulnerable groups (i.e. women, pregnant women, children, Indigenous People, foreign/migrant workers, local communities, minority groups, refugees, stateless individuals, disabled people, elderly, and LGBTQI+ identifying individuals).

The Group's human rights commitments include:

- Prohibition of child labor, forced labor, human trafficking, and discrimination and harassment.
- Respecting and promoting fairness, diversity, the right to freedom of association and collective bargaining, and fair remuneration. Also, fair working conditions, addressing the elimination of excessive working hours and supporting the right to a minimum or living wage, where required by the country's regulation. We also respect and promote health and safety, data privacy and the environment of our stakeholders.

We expect all our stakeholders to be aware and align with these human rights commitments, where applicable.

Practices and Guidelines of the Policy

To meet our human rights commitment, the Group effectively oversees our human rights management, and performance through the Group's Human Rights Due Diligence ("HRDD"), which is in-line with UNGP's human rights framework. As part of the HRDD, we conduct a Human Rights Risk Assessment ("HRRRA") for all own operations in Singapore, Malaysia and Thailand and its associated activities in our value chain. The scope of the HRRRA aligns with the scope of the Group's Human Rights Policy. The risk assessment covers all previously mentioned stakeholders, rights holders, and vulnerable groups at risk of human rights violations, as well as, the human rights issues outlined in our commitments. Moving forward, we aim to progressively incorporate this to all of our existing operations.

1. Employee Practices

Our human rights commitments have been incorporated into all aspects of our Human Capital management. We ensure respect of human rights for all of our employees through incorporation of human rights aspects into our Code of Business Conduct. This includes respect for human dignity, human rights for every person, and zero tolerance for discrimination, whether due to differences in ethnicity, race, nationality, gender, language, age, skin color, physical status, religion, political view, education, social status, culture, tradition, union membership, gender identity or any other status which is considered to be a human right.

F&N Human Rights Policy was developed in accordance with related human rights principles under international standards – the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, United Nations Global Compact, the International Bill of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work. The Human Rights Policy upholds under domestic and international laws, rules, and regulations. The Human Rights Policy extends to all companies under the F&N Group.



The Group is committed to ensuring that all workers are treated fairly in hiring and other working practices, such as job applications, promotions, job assignments, training, wages, benefits, and termination. We are also committed to fostering, cultivating, and preserving the culture of diversity and inclusion across the businesses and in all working levels. We aim to attract and retain talent from all backgrounds.

The Group is committed to fair remuneration for all employees and to the right to freedom of association and collective bargaining. The Group is compliant with local laws and when applicable, meeting international standards, including the prohibition of child and forced labor, and other illegal forms of labor.

The Group sets high standards for safety, occupational health, and the working environment. The Group ensures effective health & safety policies are up-to-date and effective in order to prevent accidents, injuries, and work-related illnesses arising from business activities in accordance with the standards imposed by applicable laws and international standards.

The Group has established easily accessible reporting channels (as stated in the Whistle-Blowing Policy and Grievance Policy) for employees to report and feedback on issues. They are encouraged to report any form of human rights violations arising from F&N's business operation through those reporting channels. As specified in the F&N Whistle-Blowing Policy, F&N shall protect, support and treat any whistle-blower fairly.

The Group will establish awareness building and training to employees to understand their roles, duties, and responsibilities related to human rights and to perform their duties in accordance with our human rights commitments and guidelines.

2. Business Partner Practices

The Group commits to fair treatment for all business partners without discrimination. We expect our business partners to align with our Human Rights Policy, and any relevant human rights laws, practices, and standards, where applicable. We also encourage our business partners to apply our human rights commitments in their management approaches. We ensure that our customers receive products and services that are of good quality, safe, fair and equitable pricing and promote health and nutrition.

3. Supplier Practices

The Group commits to fair treatment for all suppliers without discrimination. We communicate and support suppliers and business partners to do business with ethics, respect for human rights of others and treating others fairly.

The Group expects and encourages all suppliers to conduct their business in accordance with our commitments on human rights, including promoting the right to freedom of association and collective bargaining, addressing the elimination of excessive working hours and supporting the right to a minimum or living wage, where required by the country's regulation, and animal welfare, and to adhere to the principles of fair and business ethics, as well as applicable laws and regulations. Child and forced labor, and other illegal forms of labor are strictly prohibited.

Our Sustainable Procurement Policy and sourcing practices cover our full commitment to standard principles of ethical business practices throughout the supply chain, and to adhere to guidelines and principles of fair play and transparency. Our sourcing

practices take into consideration environmental, social, governance, and economic factors in our suppliers' selections. We also focus on local sourcing to contribute to local economic development when applicable.

Our Supplier Code of Practice outlines our commitments and expectations for suppliers relating to business ethics, environmental management, health and safety, and human rights. We encourage and support our suppliers to have appropriate measures in place for preventing, mitigating, managing, and remedying the human rights violations potentially arising from their business operations. Any forms of human rights violations found shall be addressed and will not be ignored by the Group.

4. Community & Environmental Practices

The Group commits to ensuring that our operations and business activities produce no direct human rights violations for surrounding communities and the environment.

We operate our businesses responsibly through giving considerations towards potential impacts on communities and the surrounding environment. The Group has established an Environmental Policy as well as management guidelines for conducting business activities and minimizing environmental impacts as much as applicable. We aim to strengthen positive relationships with all stakeholders, and for fair and transparent treatment of stakeholders to prevent any violations of their human rights.

The Group continuously tracks, monitors, and assesses our human rights risks, and have developed whistleblowing and complaint/feedback channels where inputs on issues and concerns related to human rights violations can be submitted. We will communicate and educate employees on our human rights practices. We promote and support cooperation from all directors, executives, employees, and all groups of stakeholders within the business value chain in reporting on any forms of human rights suspicions, incidents, and violations arising from the business operations through the Group's established and dedicated channels.

The results from these channels will be used to consider any improvements, and to develop appropriate mitigation and remediation measures. We evaluate the implementation on human rights policies and mitigation measures, according to the tracking and monitoring processes. A person who has committed a violation of human rights will be subjected to the disciplinary action process, and punished according to the Conduct and Discipline section in the F&N Group Human Capital Handbook. If such violation is against the applicable laws, legal proceedings may also be initiated.

We are determined to conduct the HRDD process regularly to identify/review and evaluate any risks and impacts relating to a violation of human rights caused by the Group's business operations and associated activities. Our Human Rights Performances will be reported annually in our Sustainability Report.

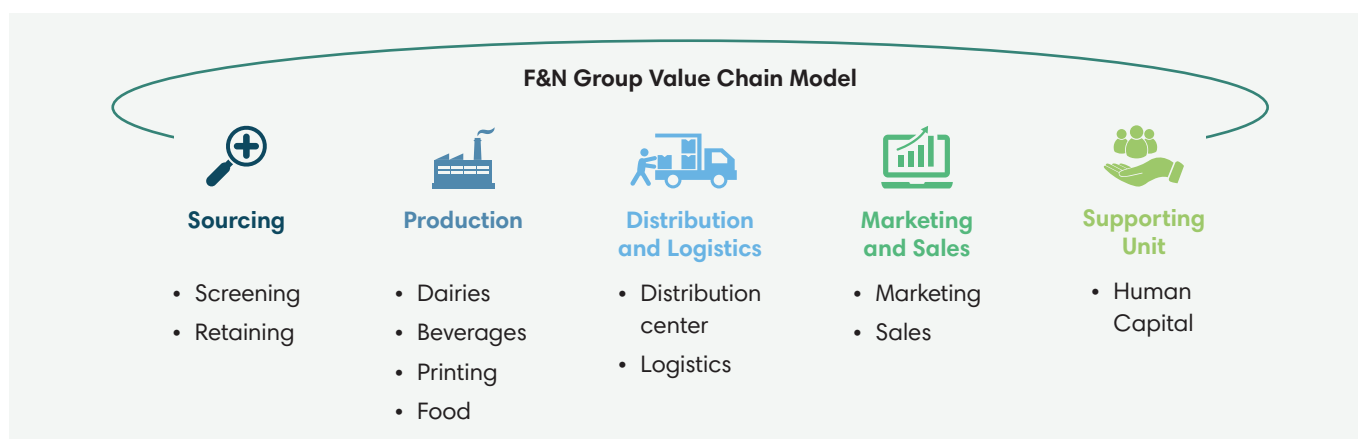
This Human Rights Policy Statement consolidates the existing human rights commitments reflected in our existing corporate commitments, control and procedures, processes, and management approaches.

Creating Value for Society

Human Rights Risk Assessment

Scope of Human Rights Risk Assessment

The scope of our Human Rights Risk Assessment aligns with this Report and covers the material business activities across F&N's operational sites in Singapore, Malaysia and Thailand for all segments of the value chain, including Sourcing, Production, Distribution and Logistics, and Marketing and Sales, and the supporting function, Human Resources.



The risk assessment considered actual and potential human rights issues across F&N's value chain and identified the considerations of vulnerable groups (e.g. migrant workers, LGBTQI+, and elderly) that F&N works with.

► Consideration of actual and potential human rights issues:



► Consideration of employees and at risk/vulnerable groups:

Women/ Pregnant women	Migrant Workers	LGBTQI+	Children
3 rd party contracted labour	People with Disabilities	Indigenous Peoples	Local Communities
Elderly	Other minorities (e.g. stateless, refugee)		

Our newly acquired business, Sri Nona, has also undergone our Human Rights Risk Assessment. F&N will look into conducting assessments for new business relations (i.e. mergers, acquisitions, joint ventures), where possible, moving forward.

Methodology of Human Rights Risk Assessment

1. Human Rights Issues identification

Identify human rights issues for F&N Group's own operations, value chain and new business relations by considering the impact to the business and on potential rights holders. We benchmarked peer companies in the dairy and beverage sectors and acknowledged global human rights trends to improve our understanding on the impact of human rights issues.

2. Inherent Risk Ranking

Rank risks of the identified human rights issues that do not have controls and/or measures in place.

3. Residual Risk Ranking

Rank risks of identified human rights issues that exist even with the company's controls and/or measures.

4. Risk Prioritisation

Prioritise salient human rights issues, and issues with high residual risk.

Results of Human Rights Risk Assessment

As it is a newly acquired business, the mitigating measures implemented throughout the Group might not have had sufficient time to also be incorporated at Sri Nona. To provide a better illustration of the Group's Human Rights salient issues, Sri Nona's identified salient human rights issues have been excluded for this year.



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salient human rights issues were identified for the F&N Group in 2021.



Creating Value for Society

Integrate Findings and Potential Impacts

F&N designs and implements mitigation measures with preventive and corrective actions to reduce the actual and potential impacts of human rights issues.

Mitigating Issues Identified

Employee Health & Safety	
Actual Issues	Mitigation Measures
<ul style="list-style-type: none"> ▶ Marketing & Sales: Client-focused departments have an increased risk of contracting the COVID-19 virus during work hours since they meet people in high frequencies ▶ Production + Human Capital: Minor work injuries and accidents ▶ Logistics: Road accidents during transportation, minor vehicle malfunction (e.g. flat tires) 	<ul style="list-style-type: none"> ▶ Compliance with Public Health Regulations on COVID-19 measures, e.g. face masks, hand sanitizers, temperature checks ▶ Approved paid leaves for vaccinations and launched a vaccination program for employees ▶ Track employees' vaccination progress ▶ Offer doctor consultations and in-house panel clinics in large-scale production plants ▶ Increased safety training and safety briefing to identify potential risks at the start of the workday
Community Health and Safety & Community Standard of Living	
Actual Issues	Mitigation Measures
<ul style="list-style-type: none"> ▶ Marketing & Sales: Spread of COVID-19 virus from employees infecting members of the community, e.g. during large scale events ▶ Marketing & Sales: Road accidents will increase health and safety risks for community members ▶ Marketing & Sales: Reckless driving complaints of the distributor in the local area 	<ul style="list-style-type: none"> ▶ Compliance with Public Health Regulations ▶ Provide personal protective equipment (PPE), such as face masks, face shield, hand sanitisers, to employees ▶ Increased safety training and safety briefings to identify potential risks at the start of the workday ▶ F&N Voice channel available for employees to report on safety risks and concerns
Employee Discrimination	
Actual Issues	Mitigation Measures
<ul style="list-style-type: none"> ▶ Human Capital: An employee felt uncomfortable to report a case of verbal harassment until after resigning from the company 	<ul style="list-style-type: none"> ▶ Inform employees the various channels and measures available to raise discrimination and harassment issues anonymously, e.g. welfare committee, reporting channel, mental health hotline ▶ Implement additional trainings for supervisors on preventing discrimination and harassment of employees
Customer/ Consumer Discrimination	
Potential Issue	Mitigation Measures
<ul style="list-style-type: none"> ▶ Discrimination by prioritising against certain groups of customers/ consumers 	<ul style="list-style-type: none"> ▶ Ensure F&N's products are targeted to all consumers ▶ Marketing strategies are suitable for a multi-racial society and ensure no content are inappropriate or discriminatory against one's gender, race, culture, etc.

Track and Communicate Performance

- ▶ The Group continuously tracks, monitors, and assesses our human rights risks to stay informed on issues and concerns relating to human rights violations.
- ▶ F&N communicates and educates all employees on our human rights practices. We promote and support cooperation from all directors, executives, employees, and all groups of stakeholders within the business value chain to report any forms of human rights suspicions, incidents, and violations arising from business operations through established and dedicated communication channels.
- ▶ Feedback from these channels is used to consider improvements, and to develop appropriate mitigation and remediation measures. F&N evaluates the implementation of human rights policies and mitigation measures by tracking and monitoring processes.
- ▶ We are determined to conduct the human rights due diligence process regularly to identify, review and evaluate any risks and impacts relating to a violation of human rights caused by the Group's business operations and associated activities.
- ▶ Our human rights performance will be reported annually in our Report.

Remediate Adverse Impacts

- ▶ F&N recognises our business activities may potentially contribute to or be linked with human rights violations of relevant stakeholders. F&N is committed to mitigate such potential human rights risks and violations.
- ▶ Our ongoing commitment is supported through a revised assessment of human rights risks within an appropriate timeframe. Additional mitigation measures will be established to remediate and reduce the possibility of human rights violations caused or endorsed by business activities of F&N.
- ▶ There were no human rights violation cases in 2020. Thus, no remediation measures were taken.

F&N plans for an annual systematic review of the human rights assessment, and to conduct the assessment every three years.

PERFORMANCE

GRI 412-1 (2016)

Operations that have been subject to human rights reviews or impact assessments

- ▶ 100% of our material operations in Singapore, Malaysia and Thailand have been subjected to human rights reviews or impact assessments in FY2021.



Empowering Our People

At F&N, we value our people and believe they are key to our long-term success. Their dedication, knowledge and performance bring life to F&N's strategy and drive our business. As such, our employees are encouraged to pursue continual learning and development through Group-wide learning programmes. F&N cares for our employee's health and well-being, and we work towards creating a safe and healthy workplace for all.

Our efforts are further elaborated in:

- ▶ Human Capital Development
- ▶ Employee Safety, Health and Well-being

HUMAN CAPITAL DEVELOPMENT

GRI Index: GRI 401-1, GRI 401-2, GRI 401-3, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1

SDGs:



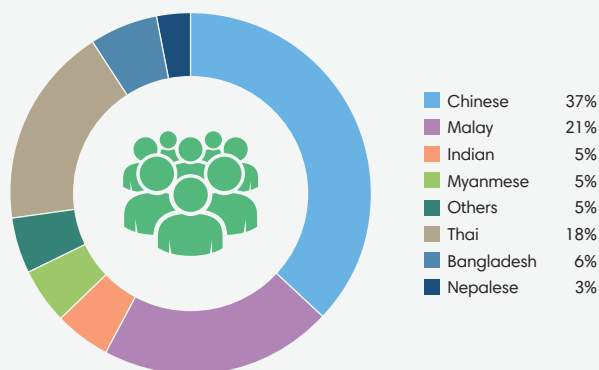
F&N empowers our employees by developing employment opportunities that are accessible to all. We keep our employees engaged and challenge them to perform at their highest potential, rewarding them fairly for their merits.

Building a company that consumers choose, and trust requires a good understanding of the richness and cultural diversity of the societies we serve. F&N celebrates and promote diversity and inclusion in all levels. We strive to offer equal opportunities for all regardless of race, religion, age, nationality, gender, political beliefs, marital status, disability, and any other unrelated criteria to employment requirements.

As of 30 Sep 2021, F&N has over 6,900 employees. Most employees work full-time, and about 13% of all hires are working under temporary contracts. About 32% of all F&N employees have been with the company for over a decade, and the employee turnover rate sits at about 27% this year.

In recent years, we made good progress towards gender equality in our workforce with females making up 38% of all employees at F&N. Within the ranks of management, 43% of managerial positions are held by female employees. In Singapore, F&N employs staff beyond the statutory retirement age of 62, providing employment to older individuals.

Employees By Race



For the 4th consecutive year, F&N was the proud recipient of the coveted Asia's Best Employer Brand Award 2020



Human Capital awards

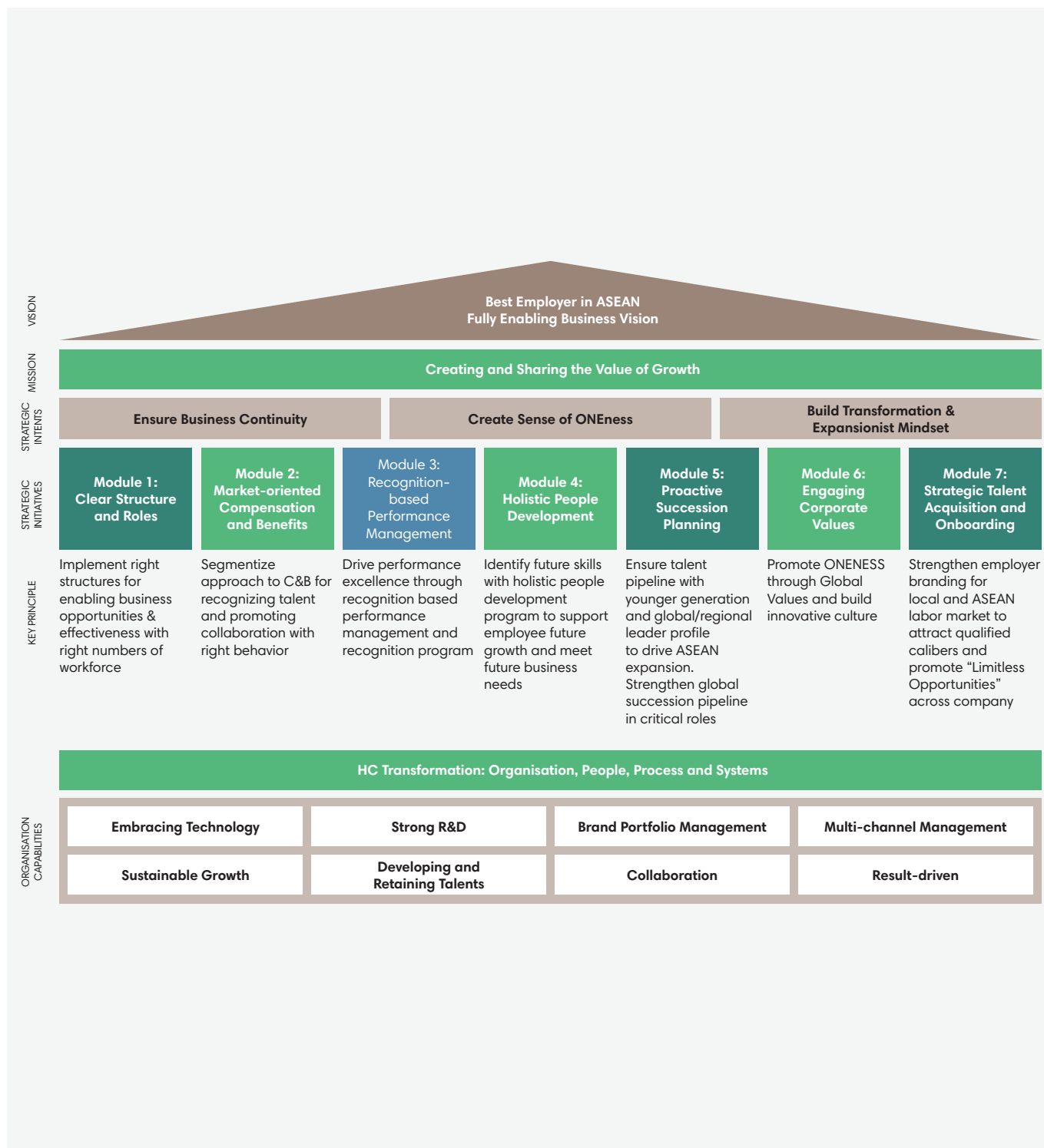
At F&N, our people are our greatest assets. We constantly strive to make F&N a great place to work at by creating a healthy and positive work environment for our employees. As a testament to our efforts, F&N was recognised when we were listed on the Forbes' 2020 list of 'World's Best Employers' (Ranked 188th globally and 2nd in Singapore).

F&N was included in Randstad's list of best companies in Singapore to work for, for the 2nd time since 2018. The 2020 list of 89 best companies in Singapore was based on Randstad's Employer Brand Research 2020. Being included in the list validates F&N's good human resource practices and talent management initiatives.

For the 4th consecutive year, F&N was the proud recipient of the coveted Asia's Best Employer Brand Award 2020 on 10 October 2020. This award bears testimony to the company's ability to embed good company culture and empowerment of our employees to achieve their career aspirations.

HUMAN CAPITAL ROADMAP AND STRATEGY

Apart from focusing on Diversity and Inclusion, F&N Group has developed a Human Capital Roadmap and formulated a strategy to groom our employees. The seven modules for strategic human capital transformation are as follows:



Clear Structure and Roles

F&N adopts the 'Beverest' system to integrate our Human Capital processes and systems across the Group – from recruitment and on-boarding to performance reviews and career development. The system ensures that the expectations and responsibilities of each employee are well-communicated.

Empowering Our People

Market-Orientated Compensation and Benefits

We pay our employees competitive wages and offer competitive benefits. F&N regularly reviews our remuneration packages to ensure alignment with those of our peers and in harmony across the Group. Some of the benefits provided to all full-time employees include life insurance, health care, disability and invalidity coverage, parental leave, retirement provision, and stock ownership options (share-based incentive plans).

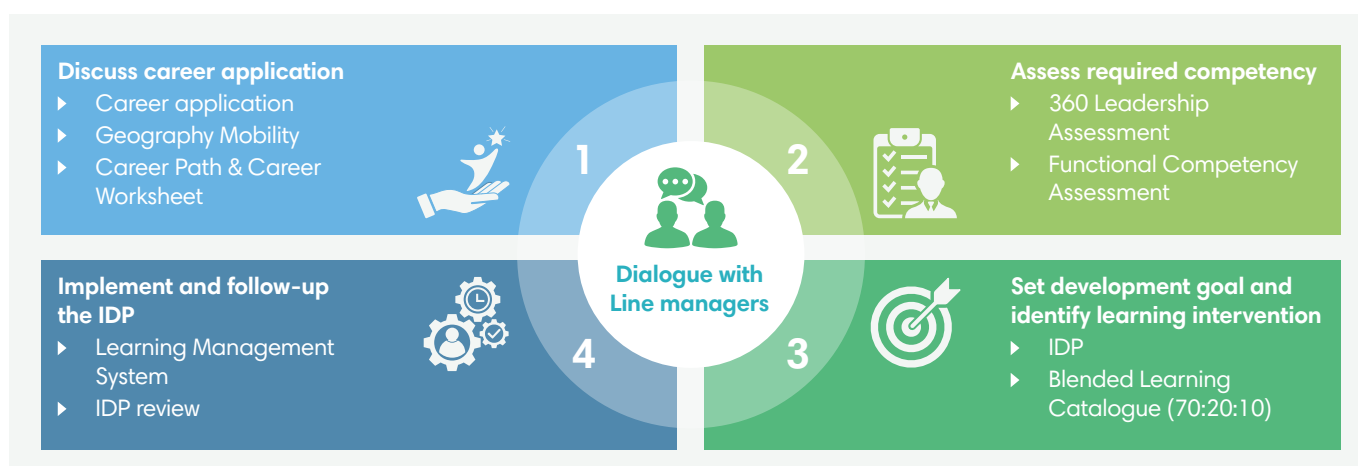


	Singapore	Malaysia	Thailand
Life insurance	Yes, by job level	Yes, by job grade	Yes, by job grade
Health care	Yes, by staff category and/or job level	Yes, by age, staff category and/or job grade	Yes, by age, staff category and/or job grade
Disability and invalidity coverage	Yes, by job level	Yes, by job 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	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)	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 departments)	1. Provident fund

Recognition-Based Performance Management

A Performance Assessment Review occurs annually for our employees to appraise their outcomes and identify development opportunities together with their supervisors. This year, 100% of employees received their assessment reviews.

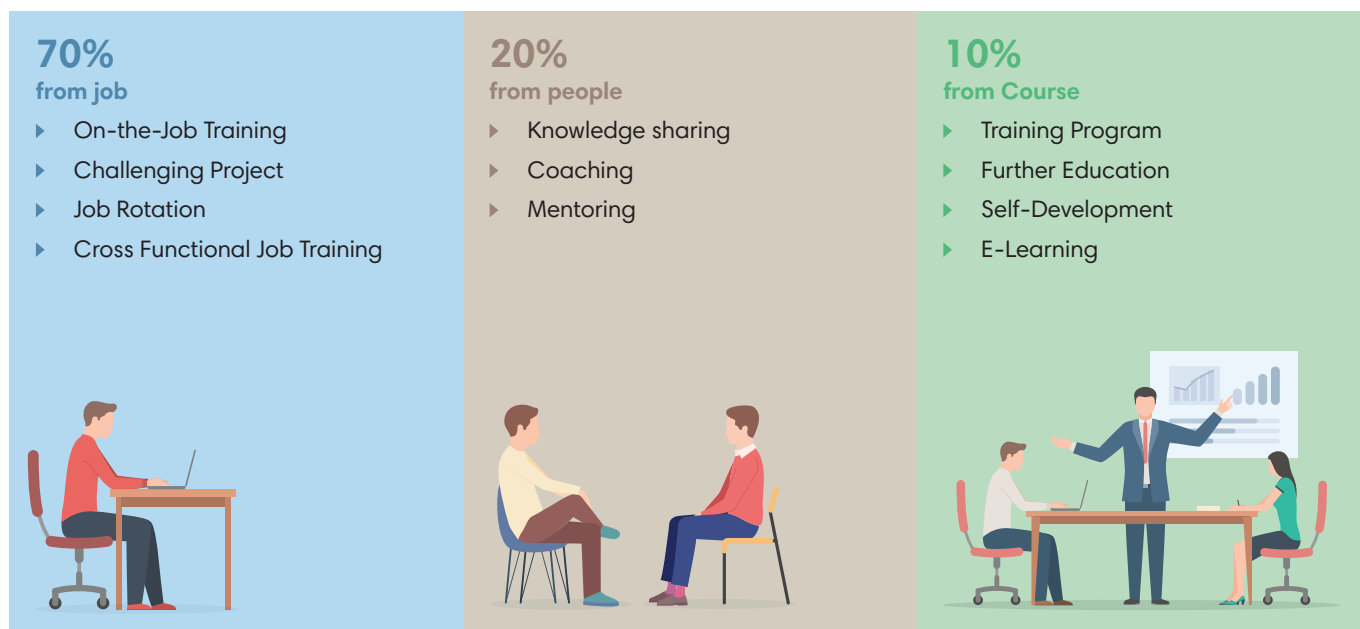
Our policy supports the provision of 'Limitless Opportunities' to employees from the moment they join F&N. Employees develop their Individual Development Plans ("IDP"), which has four stages:



Holistic High Performer Retention and Development

F&N accelerated our transition to focus on the future of work, as we adapted to the COVID-19 pandemic. Through the 70/20/10 Learning Model, F&N's employees were reskilled and upskilled with the mandatory training and development courses online.

70/20/10 Learning model



All of our Executive Employees were required to complete at least 16 hours of training on average and all Non-Executive employees were required to complete at least 10 hours of training on average.

We are committed to supporting our employees throughout their lifelong learning journey. As such, F&N's 2025 target is to increase the average training hours to 18 hours for Executives and 11 hours for Non-Executives.

The key development programmes for F&N this year included topics around digitalisation, leadership, and corporate governance. Some key training courses that were promoted are outlined below:

Key Training Courses

Theme	Program	Employees Targeted
Self-management & interpersonal skills	7 Habits of Highly Effective People (webinar)	Executives and Sup-Con
Technical skills	Cyber Security Training	Finance Department
	SAP training	
	Digital Transformation Awareness	Executives and Sup-Con
	Industry 4.0	
	Data Analytics	Executives
	Introduction to Robotic Process Automation	
Soft Skills	Design Thinking E-Learning Series	Executives and Managers
	Transformative Mindset Courses	
	Critical Thinking	Executives
Leadership	Leadership Mentorship Program	Managers
People Management	Coaching Workshop	

Empowering Our People

Proactive Succession and Workforce Planning

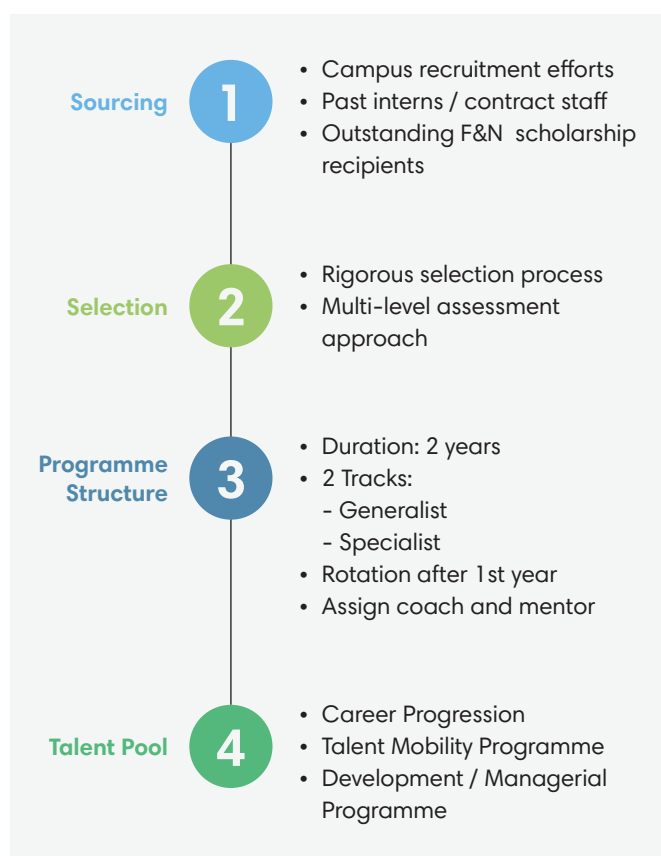
With the support of F&N's Talent Management Team, we groom employees identified with the potential to become future leaders at F&N. These employees gain access to opportunities, such as job rotations and transfers, to enhance their understanding of F&N's operations.

Engaging Corporate Culture

F&N promotes a culture of engagement and inclusion. At the heart of this is our Global Values which emphasise on optimal outcomes when we work together. More details on our Global Values, can be found on page 12.

Strategic Talent Acquisition and On-Boarding

F&N maximises opportunities available for our own talent and seeks to promote employees up through the ranks. When it is not possible, our Human Capital team ensures a variety of assessment tools are used to maintain a fair and rigorous process in recruiting suitable candidates that match the company's needs. 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.

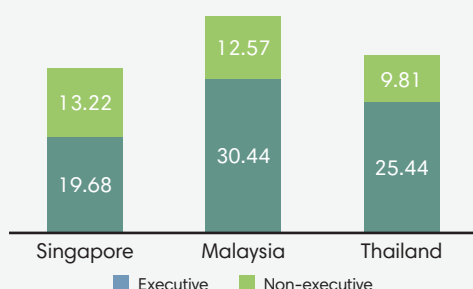


2025 TARGETS

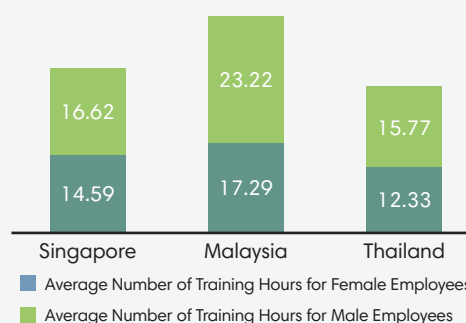
Provide an average of at least 18 hours of training to Executives and 11 hours of training to Non-Executives by 2025

► 26.51 training hours provided to Executives and 11.94 training hours provided to Non-Executives

Average Hours of Training Per Year
Per Employee by Category



Average Hours of Training Per Year
Per Employee by Gender



PERFORMANCE

GRI 401-1 (2016) New employee hires and employee turnover	▶ See section 'Performance Summary' on pages 86 and 87
GRI 401-2 (2016) Benefits provided to full time employees not provided to temporary or part-time employees	▶ See page 64
GRI 401-3 (2016) Parental Leave	▶ See section 'Performance Summary' on pages 86 and 87
GRI 404-1 (2016) Average hours of training per year per employee	▶ See section 'Performance Summary' on pages 88 and 89
GRI 404-2 (2016) Programmes for upgrading employee skills and transition assistance programmes	▶ See page 65
GRI 404-3 (2016) Percentage of employees receiving regular performance and career development reviews	▶ See section 'Performance Summary' on pages 88 and 89
GRI 405-1 (2016) Diversity of governance bodies and employees	▶ See section 'Performance Summary' on pages 88 and 89

EMPLOYEE SAFETY, HEALTH AND WELL-BEING

GRI Index: GRI 403-9, GRI 403-10

SDG:



The COVID-19 pandemic has further highlighted the importance of health, hygiene, and safety. F&N ensures our employees are safe from work hazards and workplaces are aligned with the national government's COVID-19 strategy. We enforce strict protocols to physically protect our employees on the ground and enable better work-life balance practices to boost the mental health of our employees working from home.

F&N believes that working as a team is the only way to achieve our target of zero LTIFR. We foster a proactive 'safety first' culture for employees to be aware of their responsibilities to themselves and their colleagues.

APPROACH

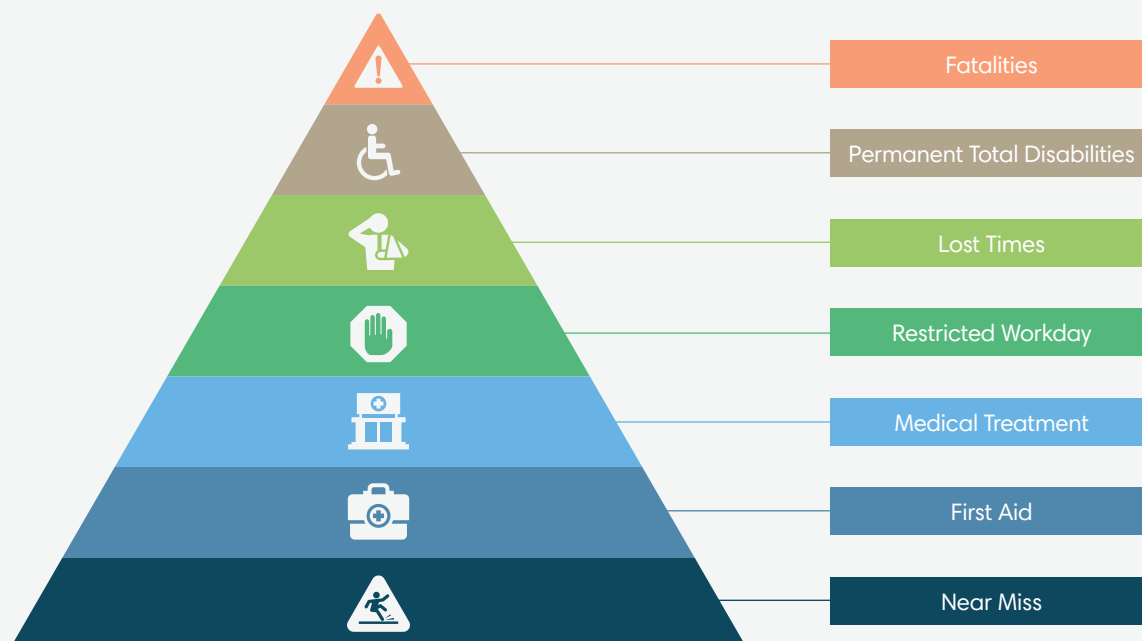
The safety of our people, and those who work with us, is one of our top priorities. To ensure our employees and contractors' employees carry out their functions aligned with F&N's safety protocols, various safety training programmes were conducted.

F&N's commitment is further strengthened with the incorporation of these two key performance indicators for our executives to prioritise:

- ▶ LTIFR; and
- ▶ Number of safety and health initiatives conducted

Empowering Our People

Safety Pyramid



Creating a Safety Culture

F&N strictly adheres to the ILO guidelines, Singapore's Workplace Safety and Health ("WSH") Council WSH guidelines, Thailand's Labour Protection Act and Malaysia Employment Act 1955. We go beyond national regulations by complying with ISO 14001 and ISO 45001 at all our major sites. Guidelines and legal requirements of these policies have been extended to our internal Workplace, Safety, Health and Security Policy, signalling F&N's commitment to creating a safety culture for all.

F&N integrates safety across our operations through the implementation of ESH systems and monitoring processes. All employees, workers and activities are covered under our ESH systems. Workers are to receive adequate training and safety equipment wherever appropriate.

Every plant has a Safety Committee, which includes representatives from the management and the workers. The main objective of these committees is to oversee F&N's safety systems and programmes to ensure their effectiveness. This is supported by:

- ▶ Periodical meetings to discuss accidents or near-misses and determine appropriate corrective actions
- ▶ Audits of ESH systems
- ▶ Development of annual safety plans
- ▶ Initiating programmes to increase awareness of health and safety issues among employees

On the ground, our Company Emergency Response Teams are trained to mobilise quickly and attend to any incidents.

Employees are encouraged to report any potential risks or hazards by informing their safety representative or supervisor, or by a formal channel to safety committees with an option to remain anonymous.



WORKPLACE SAFETY, HEALTH & SECURITY POLICY

The top management of **FRASER AND NEAVE, LIMITED** is committed to provide all our employees, sub-contractors and visitors with a safe and healthy work environment.

Our goal is to prevent all workplace injuries and illnesses.

The company will seek to achieve this by:

- Identifying and reducing the risks of all types of work activities that have the potential to produce personal injury;
- Providing instructions, training and supervision to improve individual's understanding of workplace hazards, including safe work practices and emergency procedures;
- Involving individuals in workplace safety and health matters and consulting with them on ways to recognise, evaluate and control workplace hazards;
- Ensuring that everyone (including visitors and sub-contractors) complies with appropriate standards and workplace directions to protect their own and others' health and safety at work;
- Continuously improving performance through effective WSH management;
- Managing terror act and embracing SGSecure movement;
- Providing adequate systems and resources to effectively manage rehabilitation and return to work processes.

All managers, supervisors and stakeholders are responsible and accountable for the safety and health of our employees, sub-contractors and company property under their control. Managers and supervisors are responsible for ensuring compliance to all regulations, procedures and safe work practices in all work places, work-sites at all times.

All employees are expected to:

- Follow and comply to our company and our client's safety requirements and relevant Codes of Practice;
- Maintain a clean and orderly work area;
- Report all injuries and work-related incidents and accidents;
- Actively participate in safety improvement activities;
- Be responsible to prevent injury to himself as well as to his fellow colleague;
- Eliminate and minimize terror threats for our staff and the public by ensuring control measures are in place;
- Work with contractors and suppliers to embrace the SGSecure movement;
- Value the safety and security of our employees, visitors and customers and mitigate risks, including those posed by terrorism, by preparing our employees and protecting our workplace;
- Implement a strong safety programme that protects the health, safety and security of our staff, property and the public from risk of harm, including that arising from terrorism.

Employee Safety Training and Awareness

Despite limitations due to COVID-19, this year, safety briefings were conducted in small groups during toolbox meetings at F&NHB. Five different safety briefings conducted for small groups, amounting to over 310 hours, were attended by over 120 employees.



Our safety trainings remained effective with over 1,450 employees participating in over 6,600 hours of safety trainings in Malaysia and over 410 employees participating in over 930 hours of training in Singapore. The safety topics our manufacturing staff covered in FY2021 included noise exposure and personal hearing protection, plant safety awareness, driving fire safety, chemical handling, first aid, ergonomics, breaking the chain of infections with vaccinations, etc.

F&N conducts frequent checks on our employees to detect early onset symptoms from potential hazards in their day-to-day work. Audiometric tests are conducted regularly for all at-risk workers annually, with follow-up doctor consultations when hearing impairments are identified. Additionally, employees that are unable to work from home due to the nature of their responsibilities are given COVID-19 self-test kits.

In Singapore, a driving safety training is conducted, in collaboration with Comfort Delgro, using the Cartrack system which facilitates the tracking of driving patterns. This includes tracking of driving speeds, location of vehicle, temperature of chill trucks, etc. The Cartrack system will be considered for route planning purposes in future to improve the safety of our drivers.

Conducive Working Environment

The Safety Committees comprises skilled personnel trained to comprehensively evaluate areas where employees may be exposed to health risks and are supported by accredited Occupational Health and Safety ("OHS") consultants.

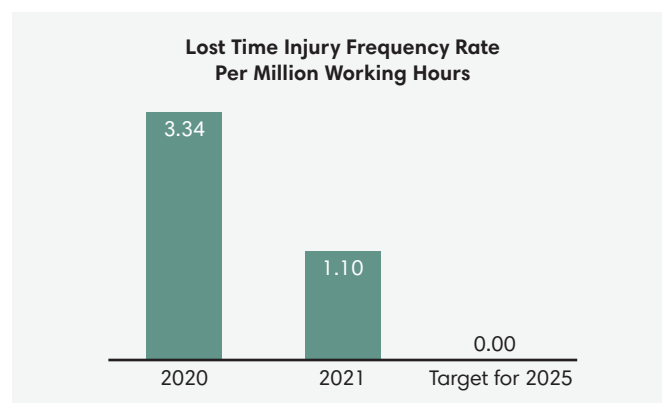
All employees and contractors have access to OHS services, including hygiene services, ergonomic tools, protective equipment, and first aid kits.

Air quality, brightness, temperature and noise levels are monitored in all of F&N's facilities. By monitoring noise levels at our facilities regularly, F&N is able to ensure that the noise level is within the recommended range. For instances where workers are exposed to high noise levels, hearing protection equipment is provided.

To promote a better work-life balance, F&N has implemented flexible working hours for office employees.

2025 TARGETS

- ▶ Reduce the LTIFR to 0 by 2025
 - 1.10 LTIFR in 2021



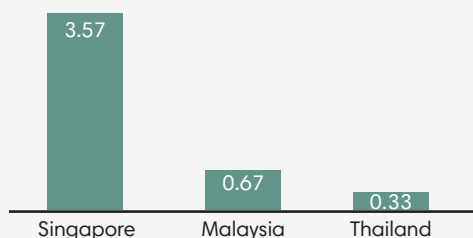
Empowering Our People

PERFORMANCE

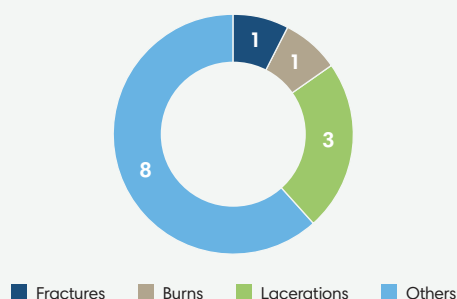
GRI 403-9 (2018)

Work-related injuries

Employment Work-related Injuries Rate



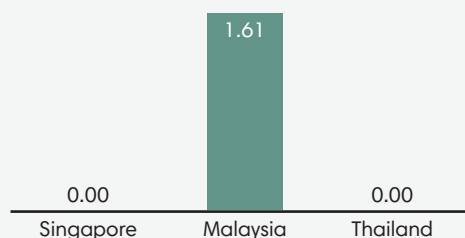
Employees Work-related Injuries by Type



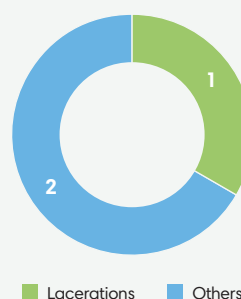
In FY2021, there were 13 employee recordable work-related injuries. None of the incidents were high-consequence work-related injuries or resulted in fatalities.

Work-related ill health

Non-Employee Work-related Injury Rate



Non-Employees Work-related Injuries by Type



In FY2021, there were 3 non-employee recordable work-related injuries. None of the incidents were high-consequence work-related injuries or resulted in fatalities.

GRI 403-10 (2018)

There were zero incidents of work-related ill health at F&N in FY2021.

INITIATIVES

Enhanced Health & Safety Measures During COVID-19



F&N implemented extensive safety measures to ensure all premises maintained the highest level of hygiene and a sanitary environment, including:

- ▶ Work environments sanitised daily and cleaned after the end of each work shift. The premises undergo a special chemical sanitisation every two weeks.
- ▶ Daily contactless temperature screening, health-related declarations for all employees and safe distancing measures are enforced at all workplaces.
- ▶ Upgraded key office facilities to contactless systems, e.g. replacing cash with e-payment systems at the cafeteria and replacing biometrics with face scanner for sign-in.
- ▶ Provided personal protection equipment for all employees, e.g. masks and hand sanitisers.
- ▶ Care packs containing an oral thermometer, two face masks and hand sanitiser, were issued to employees and cleaners who belonged to the Pioneer and Merdeka Generation in Singapore.

- ▶ F&NHB arranged a company-wide employee vaccination programme in collaboration with the Malaysian government.
- ▶ COVID-19 Procedure Compliance Briefings conducted at all facilities

Work practices were adapted to uphold the safety and wellbeing of our employees:

- ▶ Instead of F&N's usual company-organised sporting events and sport classes, virtual wellness programmes were organised in Singapore, Malaysia and Thailand to guide employees on mental and physical health.
- ▶ Employees are entitled to work from home or in split team arrangements, where applicable. Our IT resources and tools were upgraded to support working remotely.