QAF LIMITED



Sustainability Report 2021



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ABOUT THIS REPORT

QAF Limited is pleased to present our fifth annual Sustainability Report which covers our approach towards sustainability in our business operations as well as our performance and progress on our material economic, environmental, social and governance issues for the period 1 January 2021 to 31 December 2021.

Report Scope

This report covers the Group's Bakery businesses in Singapore, the Philippines and Australia under the *Gardenia* and *Bakers Maison* brands. The Group's Primary Production business in Australia has been excluded on the basis that it has been disposed of. We have also included some information relating to the Group's joint venture bakery operations in Malaysia, although not strictly part of the report scope.

Report Framework

We have prepared our report with reference to the Global Reporting Initiative's ("GRI") Standards 2016 and have applied the following principles to define the report content and quality of information:

 (a) GRI Reporting Principles for defining report content: Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness. (b) GRI Reporting Principles for defining report quality: Balance, Clarity, Accuracy, Timeliness, Comparability and Reliability.

The GRI Standards is adopted as our reporting framework as we believe it provides robust disclosure guidance and is widely accepted as a global standard for sustainability reporting.

This report is also aligned with the reporting requirements of the Singapore Exchange ("SGX") Listing Rules 711A and 711B – Sustainability Reporting Guide.

Our last sustainability report was published in March 2021. We publish our sustainability reports annually and our reports for previous years are available on our website www.gaf.com.sg.

Feedback

If you wish to provide feedback on our report, please send it to sustainability@qaf.com.sg.



BOARD STATEMENT

We are pleased to present our sustainability report for QAF Limited ("QAF" or the "Company"), which highlights the material economic, environmental, social and governance ("EESG") performance of QAF and its subsidiaries (the "Group") for FY2021. Additionally, this report shares our commitment and approach towards implementing sustainability across the Group and generating positive EESG impact for our employees, communities and the environment.

As a listed group with strong regional brands, we depend not only on our people for our business to do well but we also hold a responsibility towards the communities and environments in which we operate. For example, changes in environmental conditions may result in disruptions to our supply chain including raw materials and ingredients which are key for producing our food products; further, the Covid-19 pandemic has created challenges for our supply chain and employees and this underlines the importance of addressing these challenges.

As a significant food player in the region with strong regional brands, we regard sustainability as part of our corporate culture. Where relevant and material, we continue to support the United Nations' Sustainable Development Goals ("SDGs") and to align our sustainability efforts and reporting with its five dimensions: *Prosperity, Products & Process, Planet, People, and Peace & Partnerships* (the "5Ps"), with a focus on the two priority SDGs for which we believe there exist opportunities for us to make the most positive impact through our business practices, products and sustainability initiatives. They are SDG 3, which focuses on good health and well-being, and SDG 12, which focuses on responsible consumption and production.

Prosperity

Please refer to our economic performance on pages 120 to 127 of our FY2021 Annual Report.

Products and Process

In a rapidly changing business environment, it is imperative for the Group to adapt and keep pace with the latest developments. Through innovation and the exploration of possibilities, we are proud to make positive impact. We have developed new products with better nutritional value in an effort to improve the well-being of our consumers, especially among lower income communities. During FY2021, we successfully developed new products to provide consumers with more healthy and nutritious products for improved consumer wellness at better value. For example, with the launch of Gardenia 100% Wholemeal Extra Soft & Fine Bread in Jumbo 600g, we became first in the Singapore's packaged bread industry to include natural Stevia Leaf Extract in its products to reduce sugar consumption among consumers. Gardenia Philippines introduced the Nutri+Plus Advantage concept in bread through a relaunch of the Gardenia Black Forest Loaf which is fortified with high levels of immunityboosting nutrients such as Zinc, Vitamins D3 and E. It is the first in the Philippines packaged bread market to offer immunity-building vitamins and minerals.

During the year, Gardenia Singapore and Gardenia Malaysia also launched selected bread and noodles products in larger pack size which are more economical and suitable for bigger families as they provide better value per gram. In particular, Gardenia Singapore launched *Gardenia 100% Wholemeal Extra Soft & Fine Bread* in Jumbo 600g loaf size in addition to the original 400g loaf size and Gardenia Malaysia launched *Gardenia Bonanza Keluarga*, a 500g white loaf, in addition to *Gardenia Original Classic* 400g loaf. A 900g Economy pack of its yellow noodles, *NuMee Keluarga*, was also launched. In the Philippines, we also have *NeuBake* bread range and *Gardenia Pandesal* to cater to the needs of the lower income mass market.

With 16 factories strategically located in four countries, Singapore, the Philippines, Malaysia and Australia, disruptions caused by natural disasters and the pandemic to our supply of bread is minimised. We continue to upgrade our factories with hygiene, food safety, increased automation and, ultimately, improved quality in mind. These upgrades help to mitigate against disruptions to our production and supply. Gardenia Philippines' two factories at Cebu and North Luzon were awarded ISO 9001: 2015 and HACCP certifications in 1Q2021. Another two factories at South Luzon and northern Mindanao were HACCP and ISO certified in 1Q2022.

Planet

We are conscious of our environmental footprint and we aim to improve our operations and supply chains so that they are resource efficient. During the reporting year, we implemented initiatives across the Group and worked with local partners to reduce and better manage waste we generated and energy consumed. Gardenia Singapore, being a signatory to the Singapore Packaging Agreement, encouraged consumers to 'go green' by distributing reusable shopping bags to shoppers for reuse and educating consumers to create crafts using packaging and bread tags. Gardenia sandwich boxes were also distributed through retail promotions to encourage consumers to pack their food in reusable containers. Apart from upcycling unsold returned bread into animal feed, Gardenia Singapore collaborated with a local food tech startup, CRUST Group, in 2021, to convert unsold and returned bread into sustainable beverages for food service and retail partners. At Bakers Maison Australia ("BMA"), its 2,100 sqm 'green-rated' solar panel system generates renewable energy to fulfil approximately 15% of its electricity requirements. In October 2021, BMA changed its fuel mix to cleaner fuels by switching to natural gas as a source of direct energy instead of using liquefied petroleum gas. BMA is committed to reducing cardboard waste during bulk packaging of its products and has been recycling its cardboard since 2017. During the year, it recycled nearly 42,000 kg of cardboard. BMA sources approximately 90% of its raw materials locally, indirectly reducing carbon emissions from the transportation of raw materials for its business.

People

As one of the larger employers in the region and a business which operates regionally, we acknowledge that our economic and social contributions to the countries in which we operate are important. With over 9,000 employees (excluding the Primary Production business) in Singapore, the Philippines, Malaysia and Australia, our contributions through the provision of employment and protecting the safety and well-being of our staff play a major role in building the community and improving the livelihoods of this geographic region. In April 2021, QAF was ranked by The Straits Times as one of "Singapore's Best Employers 2021", ranking No. 47 out of 200 companies based on employee surveys and research conducted on more than 1,700 companies. In

October 2021, QAF was named one of Forbes "World's Best Employers 2021", ranking No. 262 out of 750 companies based on anonymous surveys covering approximately 150,000 workers from 58 countries. QAF was one out of four Singapore companies on the Forbes list.

Now, more than ever, the health of our people is at risk. We remain committed to supporting our staff during this challenging time and we continue to provide them with a wide range of resources and initiatives to protect their safety and well-being against the Covid-19 pandemic. To support staff well-being, antigen rapid test kits were given to all Gardenia Singapore's employees and masks were also provided to departments that were handling bread production, distribution, quality control and machine maintenance and checks. To support employees serving home quarantine, Gardenia Philippines have provided them with home medical kits which include digital thermometers, multivitamins, antigen saliva test kits, and guidelines for home quarantine. Financial aid was also extended by Gardenia Malaysia to its staff during the recent flood in December 2021.

For more information on the Group's response to the pandemic, please refer to the "Managing Business Continuity Through Covid-19" section on pages 39 to 40.

Peace and Partnerships

We strive to positively impact local communities by supporting a range of philanthropic, community and charitable causes and by promoting good health and positivity. Through the Group's bread donation programmes, we have supported medical workers, frontline workers and vulnerable individuals adversely affected by the pandemic in Singapore, the Philippines, Malaysia and Australia. During the year, more than 1.5 million Gardenia loaves and buns were donated by the Group, including its joint venture, to the community. In Singapore and the Philippines, our factories have been kept "accessible" to the public through virtual factory tours. Aside from the pandemic, in 2021 we extended support to victims of natural disasters such as floods, fires and volcanic activities. During the flood calamities in January and December 2021, Gardenia Malaysia donated bread products to families in critically affected areas. As part of disaster relief efforts, Gardenia Philippines donated bread products to families affected by fires and typhoons in various areas and

the volcanic activities of Taal Volcano. Gardenia Singapore also launched two branding campaigns, "Spread the Love, Live Healthier" and "Always Here with Love", to educate consumers on the importance of dietary fibre and complex carbohydrates in their diet and to promote the spirit of unity and inclusivity in Singapore.

At the FairPrice Partners Excellence Awards 2021, Gardenia Singapore received six awards – "Top Business Partner Award", "Top Brand Excellence Award", "Resilience Award", "CSR Award", "Best Sustainability Award" and "People's Choice Award", as compared to 2 awards last year. The awards are a testament to its leadership and commitment to providing high quality products and services during the Covid-19 pandemic. In particular, the "Best Sustainability Award" was given in recognition of Gardenia Singapore's commitment to environmental sustainability, raising awareness of sustainability and generating a long-term impact on the surrounding communities. The "CSR Award" was in recognition of the company embracing corporate social responsibility for a better community.

In Malaysia, Gardenia was awarded "Putra Brand Platinum Award (Foodstuff Category)" for year 2021, the twelfth year it has won the "Putra Brand Award". Gardenia Malaysia was also awarded a Bronze award for Corporate Branding in the Malaysia Public Relations Awards 2021 by the Public Relations & Communications Association of Malaysia for its campaign, "Beacon Amid the Pandemic". The campaign reassured consumers of Gardenia Malaysia's commitment to

supply fresh bread 365 days a year, seven days a week, and urged them to remain calm during the pandemic and buy according to their daily requirements.

As the Board of QAF, we are committed to upholding sustainability values in our Group and we continue to monitor EESG factors which may materially impact our organisation. This year, we worked with an independent sustainability consultant to refresh our materiality assessment for FY2021, which resulted in the identification of seven EESG factors which have significant potential to impact our business and influence the decisions of our key stakeholders. Additionally, we recognise the growing importance and impact of climate change on our business and society. Therefore, the Group is working to enhance its climate risk management and climate-related contributions for disclosure in our future sustainability reports. We will continue to oversee the management of these material EESG issues along with material Covid-19 impacts and climate-related issues relating to the organisation.

We would like to express our gratitude to everyone who supported us during our sustainability journey. We look forward to your continued support as we embark on a new year which brings along new opportunities and challenges. For our sustainability progress across the 5Ps during the year, please refer to pages 46 to 81 of this report.

The Board of Directors

QAF Limited



QAF was named one of Forbes "World's Best Employers 2021" in October 2021.



Gardenia Malaysia was awarded a Bronze award for Corporate Branding in the Malaysia Public Relations Awards 2021 by the Public Relations & Communications Association of Malaysia for its campaign, "Beacon Amid the Pandemic".

QAF - AT A GLANCE

QAF is a leading multi-industry food company and has extensive food-related operations and/or distribution networks across the Asia Pacific region, including Singapore, Malaysia, the Philippines, Australia, Myanmar, Cambodia, Hong Kong, Taiwan, Macau, Brunei, Indonesia, Vietnam, Laos and Bangladesh. The Group (excluding the Primary Production business), together with our joint venture in Malaysia, currently employs over 9,000 employees. We are listed on the Singapore Exchange Securities Trading Limited.



At the FairPrice Partners Excellence Awards 2021, "People's Choice Award" was awarded to Gardenia Singapore for being voted consumers' favourite brand.

Our Vision

We are committed to enhancing shareholder value by pursuing a strategy of long-term sustainable growth and value creation. In this respect, we engage with the communities in which we operate and seek to, amongst others, strengthen our market position and brand equity and expand the operations of our core businesses and distribution networks.

Our Brands

Gardenia

Gardenia is the leading packaged bread brand in Singapore, the Philippines and Malaysia. The brand is commonly associated with qualities such as good taste, freshness, nutritional value, innovation, trust and reliability. All these are crucial to the brand's continued success in the competitive packaged bread industry.

Bakers Maison

Bakers Maison Australia is a French-style bread specialist manufacturer in Australia that produces par and full-baked frozen bread, pastries and sweets. Bakers Maison products are sold to the foodservice sector across Australia. Most *Bakers Maison* products contain no added fat, no preservatives, no added sugar or artificial flavours, and use only natural ingredients (some of which may be imported). A selection of Bakers Maison products has been certified as gluten-free by Coeliac Australia since 2018.











MANAGING BUSINESS CONTINUITY THROUGH COVID-19

The Covid-19 pandemic in our core markets of Singapore, the Philippines, Malaysia and Australia has continued to pose operational challenges leading to increased costs. The emergence of the Delta and Omicron variants of the Covid-19 virus during the year, which are more infectious compared to earlier variants, has led to outbreaks worldwide and caused governments in many countries to reimpose lockdowns and various forms of restrictions. Recognising the difficulties that the pandemic has brought on to people worldwide, our staff and communities remain a priority to us. Through its high quality food products and various corporate social responsibility ("CSR") activities, the Group has maintained its presence within the communities in which it operates while working to protect the safety of its people. The Group has also continued to implement its Covid-19 contingency plans to mitigate the adverse impact of the pandemic. To date, the Group's Gardenia Bakery business has managed to mitigate these challenges.

Adapting Through a Changing Environment

To meet changing consumer needs, factories of the Group and its joint venture in Malaysia continued to adapt its product mix, for example, focusing on production of white and wholemeal bread products, which were in high demand during the lockdowns.

As a result of cross-border movement restrictions, the Group's raw materials supply chains were disrupted in countries such as Europe, Malaysia and Thailand. The Group's production supplies were further affected by global shipping shortages which caused delays in shipments and an increase in shipping costs. On the environmental front, climate change led to reduced crop yields for certain ingredients such as sugar, wheat and raisins. This resulted in increased costs of raw materials for the Group, including its joint venture, particularly for flour. Gardenia Singapore addressed these challenges

by promptly securing alternative and additional sources of raw materials as well as additional warehouse space for the storage of raw materials.

Price adjustments of our products have also been made as necessitated by the increase in costs of raw materials but moderated by keeping our prices competitive. During the year, Gardenia Singapore and Gardenia Malaysia also launched selected bread and noodles products in larger pack size which are more economical and suitable for bigger families as they provide better value per gram. In particular, Gardenia Singapore launched Gardenia 100% Wholemeal Extra Soft & Fine Bread in Jumbo 600g loaf size in addition to the original 400g loaf size and Gardenia Malaysia launched Gardenia Bonanza Keluarga, a 500g white loaf, in addition to Gardenia Original Classic 400g loaf. A 900g Economy pack of its yellow noodles, NuMee Keluarga, was also launched. In the Philippines, we also have NeuBake bread range and Gardenia Pandesal to cater to the needs of the lower income mass market.

In 2021, the Group continued to be impacted by manpower shortages due to the Covid-19-driven lockdowns and movement restrictions implemented by governments in Singapore, Malaysia, the Philippines and Australia. These resulted in the inability for workers to travel to several of the Group's factories. In response, Gardenia Philippines provided staff housing and stay-in facilities to some employees whilst others were provided with free temporary accommodation in hotels. Subsidies were also provided to workers who preferred to find their own accommodation. To reward employees for their hard work during the pandemic, hardship allowances were paid to employees. Gardenia Singapore sourced for manpower through local contractors and hired additional temporary workers who had been displaced from other industries.

With 16 factories strategically located in four countries, Singapore, the Philippines, Malaysia and Australia, disruptions caused by the pandemic to our supply of bread is

minimised. Further studies are also currently being conducted for upgrading of one of Gardenia Singapore's factories as border entry restrictions had interrupted previously planned machinery upgrades.

Through its Covid-19 response strategies and operational changes, the Group continues to work to reduce the risk of any material disruptions to the availability of manpower and the supply of our products to the community.

Keeping Safety and People a Priority

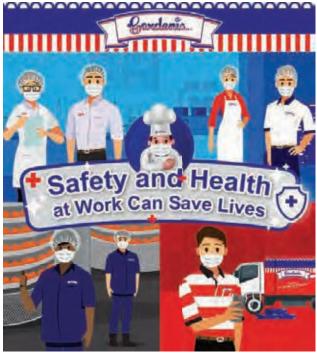
The safety and well-being of our employees remain a priority for the Group. Since the onset of the Covid-19 pandemic, the Group has implemented and adhered to the mandatory health and safety protocols issued by the governments of regions in which it operates. The Group also established and continues to implement its own health and safety protocols in order to further protect its workforce against Covid-19. These protocols are regularly updated in line with the latest relevant public health advisories and restrictions, and are regularly communicated to the Group's employees.

Examples of safety and precautionary measures include telecommuting where possible, wearing of masks at work, team segregation, staggered working hours and mealtimes, regular disinfection of common areas and facilities, posters and announcements to remind employees to practise safety distancing and hand washing, provision of masks, sanitisers and antigen rapid test kits, safe-distancing measures, use of QR codes to access company premises, and health and travel declarations to screen for possible carriers of the Covid-19 virus. Thermal scanning of employees and guests are conducted at all entrance gates of the Group's premises. At Gardenia Philippines, employees serving home quarantine were also given a home medical kit comprising face masks, digital thermometers, hand sanitisers, medicines, multivitamins, antigen saliva test kits, and guidelines for home quarantine. Gardenia Philippines purchased Moderna vaccine doses for its employees to supplement the government's vaccination efforts. These are now being used as a booster for employees and their family members.

Social Responsibility during Covid-19

The Group remains committed to creating a positive impact on its people and communities, and continues to contribute to society through its various CSR initiatives. Therefore, the Group strives to provide both financial and non-financial support to local communities across the regions in which it operates. For example, we have supported medical workers, frontline workers and vulnerable individuals adversely affected by the pandemic in Singapore, the Philippines and Malaysia through the Group's bread donation programmes.

To read more about our initiatives for communities and societal contributions during the Covid-19 pandemic, refer to the "Peace and Partnerships" section on pages 73 to 81 of this report.



The Group established and continues to implement its own health and safety protocols in order to further protect its workforce against Covid-19.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder engagement

Stakeholder engagement is aimed at ensuring that our approach towards sustainable growth is relevant and effective. We maintain close contact with our key stakeholders while partnering with international organisations, government bodies and NGOs, to understand relevant pressing concerns of the industry.

The primary objective of the stakeholder engagement process is to attain a better understanding of their perspectives on key issues and to build strong relationships.

Key Stakeholders	Key Topics and Concerns	Engagement Methods¹	Frequency of Engagement	
Employees	Orientation for newly hired employees	Discussion of expectations and employee commitments	 Weekly, or prior to deployment of new employees at Gardenia Philippines Prior to deployment of new employees at Gardenia Singapore 	
	Career progression / development	 Training and career development initiatives 	Periodically during the year	
		Regular performance reviews	 3-month and 5-month intervals for new hires and semi-annually for tenured employees at Gardenia Philippines 1-month, 3-month and 6-month intervals for new hires at BMA 	
		 Feedback sessions with manager at BMA 	Twice yearly	
		Cross training for production staff at BMA	Ongoing	
	Compensation and other benefits	 Health and wellness related initiatives 	Quarterly "Wellness Week" event at Gardenia Philippines	
		 Mental health support, and mental health and well-being programmes at Gardenia Philippines and BMA 	Periodically during the year	
		 Vaccination programmes at Gardenia Philippines and BMA 	Periodically during the year	
		Discussion of performance and achievements	Annual performance reviews are held	
		 Social and team building activities 	Periodically during the year. Quarterly for BMA	
		 Engagement with applicable trade unions 	As and when required	

¹ Includes virtual engagements, where applicable.

Sustainability reporting	Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Frequency of Engagement	
Publishess and financial Packet Publish Annual Regulators Packet			employee dependents at	Periodically during the year	
performance, strategy and outlook Participation Participa		-	Materiality reviews	• Annually	
Customers • Quality of products • Participation in interactive virtual roadshows held in conjunction with health promotion campaigns or initiatives • Customer satisfaction surveys • Customer feedback and internal feedback review meetings for Gardenia Singapore • Nutritional content of products • Nutritional content of products • Use of trans-fat free and non-GMO products • Availability/ accessibility of products • Customer surveys • Customer feedback and internal feedback review meetings for Gardenia Singapore • Nutritional content of products • Use of trans-fat free and non-GMO products • Availability/ accessibility of products • Customer surveys • Customer surveys • Customer surveys • Cardenia Singapore • Regular interaction through the year virtual participation of the year virtual virtual participation of the year virtual virtual virtual participation of the year virtu	Shareholders	performance, strategy	 and other announcements, and other relevant disclosures through SGXNet and QAF's website Publish Annual Report Annual General Meeting Extraordinary General 	 announcements An Annual General Meeting is held once a year Extraordinary General Meetings are held as and 	
virtual roadshows held in conjunction with health promotion campaigns or initiatives - Customer satisfaction surveys - Customer feedback and internal feedback review meetings for Gardenia Singapore - Nutritional content of products - Use of trans-fat free and non-GMO products - Availability/ accessibility of products - Customer and business partner relationships - Customer and business partner relationships - Supplier and business partner relationships - Quality of materials supplied - On-time delivery of products - Compliance with relevant rules and regulations - Compliance with mandatory - Compliance with mandatory - Quarterly - Qualty monitoring of custom feedback, and internal reviments feedback, and internal reviments feedback, and internal reviments feedback, and internal reviments feedback and sales promotion activities - Regular interaction through the year - Regular and subsimess partners - Regular and business reviews and updates with key customers/ retailers - Supplier and business partner - Periodically during the year - Ongoing for BMA - Periodically during the year - As and when required - As and when required - As and when required			raised through channel	relevant questions/concerns	
Customer feedback and internal feedback review meetings for Gardenia Singapore Nutritional content of products Use of trans-fat free and non-GMO products Availability/ accessibility of products Customer and business partner relationships Suppliers and Business Partners Quality of materials supplied On-time delivery of products Compliance with relevant rules and regulations Routine and ongoing communication and collaboration Regular interaction through the year meetings twice a year for Gardenia Singapore Regular interaction through the year where meetings and sales promotion activities Interaction between brands and social media platforms Customer surveys Customer surveys Gardenia Singapore and BMA conduct business reviews and updates with key customers/ retailers Supplier and business partner meetings Quality of materials supplied On-time delivery of products Compliance with relevant rules and regulations Compliance with mandatory Regular outits of factories and business partners As and when required	Customers	Quality of products	virtual roadshows held in conjunction with health promotion campaigns or	Periodically during the year	
products Use of trans-fat free and non-GMO products Availability/ accessibility of products Customer and business partner relationships Suppliers and Business Partners Quality of moducts Cuality of materials supplied Con-time delivery of products Compliance with regulations Periodically during the year of products marketing and sales promotion activities Interaction between brands and social media platforms Customer surveys Customer surveys Customer surveys Customer surveys Gardenia Singapore and BMA conduct business reviews and updates with key customers/ retailers Supplier and business partner meetings Cuality of materials supplied Audits by third parties and business partners Routine and ongoing communication and collaboration Compliance with mandatory The year Audits by third parties and business partner Periodically during the year Audits by third parties and business partners Periodically during the year Audits by third parties and business partners Periodically during the year Audits by third parties and business partners Periodically during the year Audits by third parties and business partners Periodically during the year Audits by third parties and business and business partners Communication and collaboration Communication and collaboration			Customer feedback and internal feedback review meetings for Gardenia	Daily monitoring of customer feedback, and internal review meetings twice a year for	
business partner relationships conduct business reviews and updates with key customers/ retailers Suppliers and Business Partners • Supplier and business partner meetings • Quality of materials supplied • On-time delivery of products • Routine and ongoing communication and regulations • Routine and ongoing communication and collaboration • Compliance with mandatory		products Use of trans-fat free and non-GMO products Availability/ accessibility of	marketing and sales promotion activities Interaction between brands and customers via websites and social media platforms	riogalai intoraction timoagnoat	
partner relationships meetings • Ongoing for BMA • Quality of materials supplied • Audits by third parties and business partners • Compliance with relevant rules and regulations • Routine and ongoing communication and collaboration • Compliance with mandatory		business partner	conduct business reviews and updates with key customers/	Periodically during the year	
supplied On-time delivery of products • Audits by third parties and business partners • Compliance with relevant rules and regulations • Compliance with mandatory • Compliance with mandatory			·	. Chicanouny danning and your	
relevant rules and regulations communication and collaboration communication and collaboration communication and collaboration compliance with mandatory		suppliedOn-time delivery of	 Audits by third parties and 	Periodically during the year	
		relevant rules and	communication and collaboration Compliance with mandatory	As and when required	

Key Stakeholders	Key Topics and Concerns	Engagement Methods¹	Frequency of Engagement
Local Communities	Promote healthier lifestyles and raise awareness of importance of food nutrition on overall mental and physical health	 Participation in interactive roadshows held in conjunction with health promotion campaigns or initiatives School, office, supermarket and hospital health and wellness promotion activities Online educational tours of bread factories "Kusina ni Gardee" (Gardee's Kitchen) bread recipe digital videos on social media by Gardenia Philippines Promotion of healthier lifestyles via social media platforms 	Periodically during the year
	Help improve the livelihoods and living quality of the local community	 Activities to support various philanthropic, community and charitable causes 	Periodically during the year
Industry Bodies	Short and long- term interests of the industry body groups	Collaboration with industry bodies like Philippine Baking Industry Group	Periodically during the year for Gardenia Philippines

Memberships and Associations

The Group has memberships and is involved in industry organisations in order to participate in and contribute to the food industry. Our memberships, involvements and external initiatives are as follows:

Memberships and Involvement

Singapore

- GS1 Singapore Council
- Singapore Manufacturers' Federation
- Singapore Business Federation
- Singapore Food Manufacturers' Association
- Singapore Bakery & Confectionary Trade Association

Philippines

- Philippine Baking Industry Group
- Employers' Confederation of the Philippines
- Philippine Chamber of Commerce and Industry
- Philippine Chamber of Food Manufacturers
- Makati Business Club
- Management Association of the Philippines
- Filipino-Chinese Bakery Association Inc.
- Wallace Business Forum
- European Chamber of Commerce
- People Management Association of the Philippines

Malaysia

• Federation of Malaysian Manufacturers

Australia

- Food Standards Australia New Zealand
- New South Wales Food Authority
- Australian Institute of Food Science & Technology
- Canterbury-Bankstown Council

External Initiatives

Singapore

Singapore Packaging Agreement

Philippines

Philippine Integrity Initiative

Materiality Determination Process

Materiality assessment is an ongoing process which helps the Group identify and assess EESG topics of significance to the business, thereby creating value. The Group's identified material EESG topics were refreshed in order to determine and prioritise its relevant ESG risks and opportunities in 2021. An independent sustainability consultant was engaged to facilitate the process. Guided by the GRI Materiality Principle, the previous materiality assessment comprised of a three-step process which is summarised in the table below.

Selection of topics	 Key topics of concern in the food industry Sustainability topics disclosed by peers Understanding the common issues across the Group's businesses (Gardenia, BMA) Understanding risks and opportunities at the organisational level Sustainability topics identified in reporting frameworks i.e. Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB)²
Assessment of topics	 Material ESG topics were rated on a scale of 1 to 5 by internal stakeholders through a survey, based on the significance of their impacts on the Group's business and importance to the decisions of the stakeholders
Prioritisation of topics	Validation of the material ESG topics and materiality matrix through interactions with senior management and representatives in the organisation

² SASB Standards enable businesses around the world to identify, manage and communicate financially material sustainability information to their investors.

Material Mapping and Topic Boundary

The Group's seven identified material EESG topics continue to be relevant to all of its Bakery businesses. They have been categorised, via the table below, to showcase their alignment with the UN SDGs' 5Ps – Prosperity, Products and Process, Planet, People, and Peace and Partnerships. The table below also highlights the relevance of the material topics to the Group's business and stakeholders, as well as the related GRI Standards.

Alignment with 5Ps	Material Topic	Materiality to QAF	Relevant GRI Disclosure	Stakeholder/s
Prosperity	Governance and ethics	Our governance structure, ethics and integrity, anti-corruption policies and procedures, and compliance against laws and regulations.	GRI 205-3: Confirmed incidents of corruption and actions taken	EmployeesShareholdersGovernment and Regulators
	Economic Sustainability	Our financial performance and economic value generated and distributed.		ShareholdersEmployees
Products and Process	Promoting healthy eating and lifestyles ³	Catering to consumers' varying nutritional needs and tastes, spreading the benefits of a healthy diet and lifestyle.		• Consumers
	Product responsibility	Product safety, hygiene and nutritional value.	GRI G4-FP5: Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognised food safety management system standards	ConsumersGovernment and Regulators
Planet	Resource management	Going beyond environmental compliance and running environmentally sustainable operations.	GRI 306-1: Water discharge by quality and destination	ShareholdersSuppliers and Business PartnersGovernment and Regulators
People	Our People	Creating safe working environments and investing in developing skills capabilities of our workforce.	Disclosure 403-5: Worker training on occupational health and safety	• Employees
Peace and Partnerships	Enriching communities ⁴	Contributing our resources towards the welfare of the less fortunate and fostering strong ties within the communities in which we operate.		Local Communities

³ Only applicable to Gardenia Singapore and Gardenia Philippines.

⁴ Non-material EESG topic.

OUR APPROACH TOWARDS SUSTAINABLE GROWTH - THE 5Ps

Our sustainability approach has a global view and is aligned with our overall business strategy and priorities. In this regard, we continue to align our sustainability focus areas with the United Nations Sustainable Development Goals ("SDGs") which is internationally recognised as the blueprint to achieving a better and more sustainable future for all.

The SDGs is a collection of 17 interlinked global goals designed to end extreme poverty, fight inequality, protect the planet, and ensure that all people enjoy peace and prosperity by 2030. The SDGs represent an opportunity for sustainable business growth, promoting new opportunities and partnerships while contributing to societal development and environmental protection. In FY2019,



in line with QAF's organisational vision and strategy, we identified two priority SDGs for which we believe there exist opportunities for us to make positive impact through our business practices, products, and community programmes.

We seek to continue embedding the SDGs into our business planning and operations, with a focus on the SDGs most relevant to our business. We have also worked to align our sustainability reporting with our priority SDGs, in addition to our chosen reporting frameworks, in order to showcase our FY2021 sustainability performance and progress. Our approach and activities to support the SDGs are summarised below:



SDG GOAL 3: Good Health and Well Being

Ensure healthy lives and promote well-being for all at all ages

Why it matters?

According to the 2021 Global Nutrition Report, the Covid-19 pandemic is fueling the global nutrition crisis and highlighting the importance of good nutrition for our health. Achieving healthy diets and ending malnutrition has become an even greater challenge than before, particularly for the most vulnerable groups such as people in poverty, women, children, and populations living in fragile states. Tackling poor diets and malnutrition through investments in nutrition is therefore a critical part of recovering from the impacts of the pandemic and ensuring populations are resilient to such shocks in future.

As a food manufacturer, the Group recognises the importance of good health and well-being as an important part of sustainable development. We are committed to encouraging healthy consumption habits among our consumers and healthy lifestyles among our employees. We aim to lead by example in promoting wellness and nutrition education. Through our brands, we believe we have created a portfolio that includes products with better nutritional profile. Beyond products, we also work with our partners to promote healthy and active lifestyles.

Our Key Contributions



Consumer health and well-being

Gardenia Singapore actively collaborates with government agencies, healthcare
organisations, and community partners to encourage the public to consume more
fibre and wholegrains in their daily diet through community outreach programmes.
For example, in 2021, Gardenia Singapore continued supporting the Singapore Heart
Foundation's "World Heart Day" to promote the importance of good heart health to the
public.



- Gardenia Singapore is an active long-term supporter of the Singapore Health Promotion Board's ("HPB") initiatives to promote healthier living amongst Singaporeans. Its wholemeal and multi-grain breads carry HPB's "Healthier Choice Symbol" to help consumers choose healthier foods.
- Gardenia Singapore collaborated with Diabetes Singapore on the "Special Education in Diabetes and Awareness Programme" during the month of Ramadan. In conjunction with World Diabetes Day and to promote healthier eating, Gardenia Singapore sponsored Gardenia Low GI bread and Gardenia non-woven bags for the Diabetes SG event held at Pasir Ris Elias Community Club in November 2021.
- Gardenia Philippines continued its "Corporate Wellness Movement" programme to help the private sector
 and government employees achieve their health and wellness goals. The company also continued its "School
 Nutri-Tour" programme for public and private school children, focusing on nutrition education, sandwich recipe
 demonstration, entertainment activities and bread sampling.
- All of Gardenia Malaysia's Fibremeal bread range contains no trans-fat and meet the requirements of Malaysia's Ministry of Health for "source of fibre" content, and all of Gardenia Malaysia's cream rolls do not contain artificial colouring.
- Most Bakers Maison products do not contain added fat, preservatives, sugar or artificial flavours and selected products are high in fibre and are gluten free.

Employee health and well-being

- Gardenia Philippines launched "Weight for Me", a three-month weight management programme designed to address the elevated body mass index (BMI) scores of its employees.
- **₩**
- Gardenia Philippines' health programme for hypertension and diabetes benefits its employees who are at risk of cardiovascular diseases, including providing wellness guidebooks for the monitoring of employees' health conditions and facilitating monthly check-ups with the company physician.
- BMA introduced the "Acacia" programme, an employee assistance programme to increase mental health awareness and provide confidential counselling and support services to its employees. The phone service helpline is available 24 hours a day to assist employees on mental health issues such as anxiety, depression, and work-related stress.

To read more about our initiatives to promote health and well-being, refer to the "Promoting Healthy Eating and Lifestyles" section on pages 57 to 62 and the "Our People" section on pages 67 to 72 of this report.



SDG GOAL 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

Why It Matters

According to the 2021 Asia and the Pacific SDG Progress Report by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the Asia Pacific region plays a central role in global value chains with large opportunities for resource-efficient production practices. The rising global population, coupled with limited natural resources and access to energy, pose serious challenges for companies and governments worldwide. Responsible consumption and business practices are key to ensuring the sustainable use of resources

Responsible consumption and production are about promoting resource efficiency. Transformation of business practices such as in procurement, energy management, and disposal will help improve resource efficiency. At QAF, we strive to do more and better with less through our business operations.

Our Key Contributions



In our Bakery business operations, we seek to manage and reduce our energy consumption and waste generation, as well as to source sustainably, where practicable.

Energy management

To promote energy efficiency, Gardenia Singapore installed LED lights at both its factories, its corporate office and warehouse which resulted in combined savings of approximately \$13,000 annually. It has also implemented various energy-saving measures on its premises, such as movement sensors for toilet lighting.



- The installation of solar rooftop panels at one of the factories of our joint venture was completed in late 2021. The investment is expected to result in an annual saving of approximately RM150,000 in 2022.
- In Malaysia, mercury halide lights and conventional fluorescent lights at the production and warehouse area of one of our Group's factories were replaced with LED lights during the year.
- At the Group's factory in Johor, solar energy is used for factory fence lighting and rainwater is harvested for toilet flushing.
- To reduce overall energy consumption, Gardenia Philippines continued to use LED lights for induction lighting, inverter type air-conditioning units with better technology and energy-saving features, capacitor banks in electrical systems, and liquefied petroleum gas for main ovens.

- With effect from 4Q2021, BMA replaced the use of liquid petroleum gas with natural gas to reduce fuel consumption for its main ovens.
- At BMA, the 2,100 sqm of solar panels on the rooftops of its factory are 'green rated' and generate over 15% of its electricity requirements.

Waste management

- Gardenia Singapore is a signatory of the Singapore Packaging Agreement and aims to reduce packaging waste through improved product packaging.
- Gardenia Singapore is committed to reducing food wastage. Apart from upcycling unsold returned bread into animal feed, it collaborated with a local food tech startup, CRUST Group, in 2021 to convert returned bread into sustainable beverages for food service and retail partners.
- BMA is committed to reducing cardboard waste during bulk packaging of its products and has been recycling its cardboard since 2017. During the year, BMA has recycled nearly 42,000 kg of cardboard.

Sustainable sourcing

 Gardenia Singapore sources responsibly through its supply chain, for example, by assessing suppliers' business practices and preferring locally produced raw materials, where possible.



- Gardenia Singapore uses sustainable palm oil from a source that practices a policy of "No
 Deforestation, No Development on Peat and No Exploitation of People and Local Communities" for selected
 bakery products.
- BMA sources approximately 90% of its raw materials locally, indirectly reducing carbon emissions from raw material transportation.

To read more about our initiatives to promote resource efficiency, refer to the "Resource Management" section on pages 63 to 66 of this report.



Solar panels installed on the rooftop of one of the factories of our joint venture in Malaysia.

PROSPERITY

We aspire to be resilient to material external challenges and our vision guides us in considering and developing opportunities for a sustainable future.

Material EESG Topic⁵ Governance and Ethics



FY2021 Targets



FY2021 Achievements



FY2022 Targets

Continue to maintain zero confirmed incidents of corruption.

Zero confirmed incidents of corruption based on internal audits conducted.

Continue to maintain zero confirmed incidents of corruption.

GOVERNANCE AND ETHICS

Our corporate governance is guided by the Singapore Code of Corporate Governance. More information can be found in our Corporate Governance Report on pages 83 to 110 of our FY2021 Annual Report.

In FY2021, QAF maintained its place in the Singapore Exchange's Fast Track list for continuing to uphold high corporate governance standards and for maintaining a good compliance track record. Fast Track companies can expect prioritised clearance for corporate action submissions to the regulator, such as for circulars and requests for waivers from relevant listing rules.

Sustainability Governance

The Company's Audit and Risk Committee ("ARC") is responsible for overseeing and making recommendations to the Board on sustainability matters. The ARC is also responsible for approving the material EESG factors identified. The Group has appointed an external consultant to advise it on this report. The ARC is supported by the Sustainability Working Group that consists of executives of the Company who work with employees from relevant business units.

Anti-Corruption

The Group places importance on integrity, transparency and management of conflicts of interest. It adopted the Code of Business Conduct which emphasises its commitment to conducting business with integrity and good ethical standards and complying with applicable anti-bribery and anti-corruption laws. Corrupt practices could subject the

Group and the individuals concerned to criminal and civil liabilities as well as negatively impact the Group's reputation and the confidence of its material stakeholders. In addition to the Code of Business Conduct, some of our Group members have implemented policies specific to their operations and jurisdictions.

The ARC is responsible for oversight and monitoring of whistleblowing. The Group has put in place a Whistleblowing Policy that provides an avenue for its employees and officers to raise, in confidence, concerns about actual or suspected improprieties on financial reporting, corruption, bribery, fraud and other matters, directly to the Chairman of the ARC or the Group Legal Counsel. Under the Whistleblowing Policy, whistleblowers raising genuine concerns in good faith are not at risk of losing his/her job or risk suffering from reprisal from the Company as a result even if he/she is mistaken. The Company seeks to treat complaints in a confidential and sensitive manner and a report of a complaint is to be disclosed to persons in the Group on a need to know basis in order to carry out an investigation (subject to exceptions such as legal and regulatory requirements to disclose). The ARC is to consider the concerns raised, and, amongst others, if it considers that there are grounds for proceeding further with the case, may consult relevant persons from the Group as necessary, conduct its own investigation or review and/or instruct parties such as the internal or external auditors to conduct further investigations or review.

⁵ For our material EESG topic "Economic Sustainability", please refer to the "Prosperity" section on page 34 of this report.

Gardenia

In Singapore, employees are required to maintain high standards of integrity and to conduct themselves in a professional and ethical manner. All employees are expected to adhere to the company's Employee Code of Conduct, which covers, *inter alia*, proper conduct and behaviour as well as food hygiene. New employees are informed of the Employee Code of Conduct, including the Group's code of business ethics, which covers anti-corruption, and are required to confirm that they understand the required standards upon joining the company.

In the Philippines, spot audits are carried out on all departments to monitor compliance with its Employee Code of Conduct. Gardenia Philippines is also a signatory to the Philippine Integrity Initiative programme for the promotion of common ethical and acceptable integrity standards in the business community. Its suppliers are required to sign commitments adhering to the company's integrity initiative.

Bakers Maison Australia

Bakers Maison Australia ("BMA") is committed to maintaining a high level of integrity and ethical standards in its business practices. It has put in place an ethics code, an anti-corruption and fraud policy, and a code of conduct policy. Its anti-corruption and fraud policy is applicable to all employees and contractors. BMA also conducted a training needs analysis whereby appropriate employees were selected to be trained on the importance of compliance with the policy. Existing practices are reviewed against department policies annually. For new staff, these are raised at the one-month, three-month and six-month marks during probationary review meetings.

BMA does not employ young people under the age of eighteen and will only deal with suppliers and their sub-suppliers who uphold the same values and have fair working conditions in safe and hazard-free working environments. To achieve accreditation and compliance with its stringent customer standards, BMA has established a formal framework for the handling and management of any suspected violation of child labour laws by any supplier or sub-supplier.



Gardenia Singapore offers a wide range of Gardenia bakery products to meet different consumer needs.

PRODUCTS AND PROCESS

We are committed to providing high quality, safe and nutritious food to the diverse communities which we serve through innovation, R&D, compliance and community outreach.

Material EESG Topic Product Responsibility



FY2021 Targets



FY2021 Achievements



FY2022 Targets

Maintain the FY2020 percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards.

- 1. Gardenia: 65%
- 2. BMA: 100%

Percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards:

- 1. Gardenia: 87%
- 2. BMA: 100%

The percentage for Gardenia has increased in FY2021 as Gardenia Philippines' two factories at North Luzon and Cebu (which, in FY2020, had not yet been ISO and HACCP certified) had attained ISO and HACCP certifications in 1Q2021.

Maintain the FY2021 percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards.

Material EESG Topic Promoting healthy eating and lifestyles⁶



FY2021 Targets



FY2021 Achievements



FY2022 Targets

- Gardenia Singapore aims to sustain its leadership position in the wholemeal bread segment by developing more variants of healthier choice products and promoting the health benefits of its range of wholemeal and multi-grain products to consumers.
- Gardenia Philippines will continue to produce more innovative and healthier product offerings for different target markets.
- In line with Gardenia Singapore's commitment to develop more variants of healthier choice products, it launched the Gardenia 100% Wholemeal Extra Soft & Fine Bread in Jumbo 600g size innovated with an improved recipe that included the natural sweetness of Stevia Leaf Extract and 25% less sugar. Gardenia Singapore was the first in the local packaged bread industry to include natural Stevia Leaf Extract in its products to reduce sugar consumption among consumers. The larger size 600g loaf also provided consumers with a more wholesome product at better value.
- Gardenia Singapore conducted numerous in-store and online promotions for its healthier choice range of wholemeal and multi-grain products. The benefits of wholegrains were also regularly promoted through Gardenia Singapore's social media channels and virtual factory tours.
- Gardenia Philippines introduced the Nutri+Plus Advantage concept in bread through a relaunch of the Gardenia Black Forest Loaf which was fortified with high levels of immunity-boosting nutrients such as Zinc, Vitamins D3 and E. The Gardenia Black Forest Loaf is the first in the Philippines packaged bread market to offer immunitybuilding vitamins and minerals.

- Gardenia Singapore aims to sustain its leadership position in the wholemeal bread segment by developing more variants of healthier and innovative products that keep up with changing market demands. It will continue to actively promote the health benefits of its range of wholemeal and multi-grain products to consumers.
- Gardenia Philippines aims to continue producing more innovative and healthier product offerings for different target markets.

⁶ Only applicable to Gardenia Singapore and Gardenia Philippines.

PRODUCT RESPONSIBILITY

Our Commitment to Food Safety and Quality

The Group is committed to producing food that is consistently high in quality, nutritious, and meets the requirements of all applicable food safety standards. The Group maintains a stringent set of standard operating procedures with the aim of ensuring that its products and production processes are safe, hygienic and compliant with the relevant regulations and quality standards.

Gardenia

Singapore

Gardenia Singapore's factories are ISO 22000:2018 certified and comply with Good Manufacturing Practice ("GMP") hazard management procedures. They also fulfill the stringent requirements of the Hazard Analysis and Critical Control Point ("HACCP") certification, an internationally recognised food safety management system. Both its factories and all its products are also certified Halal.

Gardenia Singapore continues to hold Grade A status for the 27th consecutive year under the SFA Food Establishment Licensing Scheme which covers food hygiene and safety standards. It adheres to the Singapore Food Agency legislation with the implementation of comprehensive programmes and has mechanisms within its sourcing practices to only source from suppliers that meet its stringent supplier screening requirements. Gardenia Singapore engages with about 200 suppliers both locally and internationally.

The Group's factory in Johor upgraded its food safety management system to FSSC 22000 v5 in November 2020. FSSC 22000 is based on existing ISO standards and consists of ISO 22000:2018, ISO TS/22002-1:2009 and additional FSSC 22000 requirements (version 5). The factory has also attained Halal certification for all its products.

Philippines

Gardenia Philippines has maintained its ISO and HACCP certifications since 2003. Its Gardenia factory at Laguna has ISO 9001:2015 Quality Management System certification and Halal Plant Accreditation from the Islamic Da'wah Council of the Philippines ("IDCP"). A number of Gardenia Philippines' products have also obtained Halal certification. The Gardenia factory at Mindanao and all products produced in the Mindanao factory were granted Halal Accreditation by the IDCP Halal Certification and Accreditation Authority ("HCAA"). In 2021, the Gardenia factories at Cebu and North Luzon were granted Halal Accreditation by the IDCP HCAA. All products produced in the North Luzon factory were also given Halal Certification by the IDCP HCAA. All the Philippines operations comply with strict GMP procedures to ensure that products are manufactured with consistency and meet high quality standards.

In 1Q2021, Gardenia Philippines' two factories in Cebu and North Luzon were awarded ISO 9001:2015 and HACCP certifications for their compliance with quality management system and in recognition of their product quality. Another two factories at South Luzon and northern Mindanao were HACCP and ISO certified in 1Q2022.

Internal quality audits are performed regularly for compliance with quality management systems, food safety and Halal standards. With a view to ensuring quality consistency, Gardenia Philippines has also established stringent procedures for its supplier accreditation process. As part of this supplier accreditation process, it conducts supplier audits and site visits to check that suppliers are compliant with the company's requirements, product specifications and standards. There were no significant findings during the supplier audits conducted in 2021. Environmental and product microbial analyses are conducted by external laboratories accredited by the Food and Drug Administration of the Philippines.

Malaysia

The Group's joint-venture operations in Malaysia are ISO 22000:2018 and HACCP certified. All Gardenia Malaysia's factories and products have received Halal certification from the Department of Islamic Development Malaysia, a federal government agency that administers Halal certification and are included in Jabatan Agama Islam Selangor (JAIS)'s whitelist, a list which recognises companies that are committed to the requirements of Halal certification in Malaysia. Regular factory inspections are conducted by JAIS and other authorities to ensure that the overall operations comply with strict guidelines.

Bakers Maison Australia

BMA is committed to delivering safe and high-quality products and has attained both HACCP certification and Safe Quality Food ("SQF") Version 8.1 certification. Its operations also apply the GMP hazard management procedures. BMA has obtained Halal certification for most of its products from the Australian Halal Authority & Advisers. Through its Quality Assurance Team, BMA practises stringent quality and safety control checks throughout the shifts to maintain high standards. It also undergoes annual audits by the third-party certifying bodies of SQF and HACCP, and by key customers.

Taking an additional step in getting certifications for its products, four *Bakers Maison* products were rated "Green" (the highest classification), of which three products were given a Health Star Rating of 3.5 stars out of 5 against the "Healthy Kids Nutrient Criteria" for 2022. The ratings were administered by Healthy Kids Association ("HKA") under the "Healthy Kids Product Registration Scheme", the leading food and drink registration programme for school canteens in Australia. HKA is a not-for-profit, non-government health promotion charity whose mission is to promote and influence healthy food choices for children and also to educate and to empower families, children and school canteens to make the

healthiest choices possible. With a membership base of over 1,200 school canteens across New South Wales ("**NSW**") and the Australian Capital Territory, it assists its members to deliver

healthy food menus that meet government canteen guidelines and strategies.



Innovating and Developing Wholesome and Nutritious Food

GARDENIA

- Gardenia regularly reviews its product range to keep abreast of changing consumer tastes and market trends.
 It strives to set new standards in the local bakery industry by being the first to innovate products that not only taste good but are enriched with nutrients that contribute to good health and well-being.
- The Group's in-house laboratories handle the development of new products, including nutritional values, shelf-life, compliance of new products and ingredients with local food legislations, labelling requirements, and initiating the Halal certification process. Together with its joint venture in Malaysia, the Group's laboratories currently employ a total of 30 staff to undertake research and development and compliance responsibilities for Gardenia. These staff comprise 11 professional staff, 4 laboratory technicians, 9 baking technologists and 6 support staff.

SINGAPORE

Gardenia Singapore takes pride in producing bread that does not contain trans-fat. Since the early 2000s, *Gardenia* products do not contain partially hydrogenated oils ("**PHOs**"), an ingredient which is a major source of artificial transfat. According to the World Health Organisation, artificial trans-fats increase the risk of heart disease.

MALAYSIA

In Malaysia, the *Gardenia Fibremeal bread* range has no trans-fat and meets the requirements of Malaysia's Ministry of Health for "source of fibre" content. All *Gardenia* cream rolls do not contain artificial colouring.

BAKERS MAISON AUSTRALIA

In Australia, most *Bakers Maison* products contain no added fat, preservatives, sugar or artificial flavours and use only natural ingredients, some of which may be imported. A selection of its products is also high in fibre and gluten free. The gluten free products are certified by Coeliac Australia. BMA conducts daily swabs of its gluten free manufacturing section to check that it is free from gluten contamination.

Engaging People Around Great Taste

Gardenia

Singapore

- In line with its commitment to develop and launch more variants of healthier and low-in-sugar products, Gardenia Singapore became the first in the local packaged bread industry to include Stevia Leaf Extract, a natural zerocalorie sweetener in its products. It launched the new Gardenia 100% Wholemeal Extra Soft & Fine Bread in Jumbo 600g innovated with an improved recipe with 25% less sugar and containing the natural sweetness of Stevia Leaf Extract to reduce sugar consumption among consumers. The 600g loaf is an extension to its popular 400g loaf and provides more slices at better value for large families. The 400g Gardenia 100% Wholemeal Extra Soft & Fine Bread was subsequently formulated with the same improved recipe. Made with 100% wholemeal flour specially milled to its finest form, both loaves contain Inulin (prebiotic) and are high in dietary fibre and iron.
- Serving as a brand and product extension for Gardenia, Snack'em was created to provide an assortment of healthier, tasty, innovative, and unique flavoured snacks at affordable prices for young consumers and working adults. During the year, Gardenia Singapore improved the recipe for Snack'em by Gardenia Lentil Chips with reduced sodium. The canister sizes were also reduced from 75g to 35g and 50g to provide a more convenient on-the-go enjoyment for consumers. The smaller sizes are more affordable and ensure that the chips are fresh and can be consumed at one go, thereby reducing food waste.

Cow in sugar Same great taste! NEW! NEW! 25% Lower in Stigar Low in sugar Same great taste! Stevia Leaf Extract Stevia Leaf Extract Stevia Leaf Extract Stevia Leaf Extract SPREAD THE LOVE

Gardenia Singapore launched the new Gardenia 100% Wholemeal Extra Soft & Fine Bread in Jumbo 600g innovated with an improved recipe with 25% less sugar and containing the natural sweetness of Stevia Leaf Extract to reduce sugar consumption among consumers.

Philippines

- In response to consumers' demands for healthy foods that improve immunity levels, Gardenia Philippines introduced the *Nutri+Plus Advantage* concept in its bread by relaunching the *Gardenia Black Forest Loaf* fortified with high levels of Zinc, Vitamins D3 and E, as well as other vitamins and minerals that help promote overall health. Bread with the *Nutri+Plus Advantage* contains high levels of immunity-boosting nutrients. The new *Gardenia Black Forest Loaf* is the first in the Philippines packaged bread market to offer immunity-building vitamins and minerals.
- In the Health Bread category, the company relaunched the *Gardenia High Fibre Wheat Cranberry Loaf* which is high in fibre, Calcium and Vitamin A. It also introduced a new and improved range of muffins made with premium ingredients in three flavours, *Chocolate*, *Banana-Choco* and *Blueberry*. The *Gardenia Chocolate Muffin* is high in Vitamin B3 and Folate and is a source of Vitamin A and Iron. The *Banana-Choco Muffin* is also high in Vitamin B3 and Folate, while the *Blueberry Muffin* is a source of Vitamin A and Iron.



Gardenia Philippines relaunched the Gardenia High Fibre Wheat Cranberry Loaf which is high in fibre, Calcium and Vitamin A.

Malaysia

- In Malaysia, the Group's joint venture launched a range of savoury buns, *Gardenia Puazz!*, in 1Q2021 to cater to consumers' requests for more varieties of savoury products. *Gardenia Puazz! Curry Chicken and Gardenia Puazz! Sambal Mackerel* are an extension of the popular *Gardenia Sambal Ikan Bilis* bun which has been in the market since 2001. In the same quarter, Gardenia Malaysia also launched a refreshed packaging for its classic white bread loaves, namely, *Gardenia Original Classic* and *Gardenia Original Classic Jumbo*. The new-look packaging advertised that the loaf is packed with the goodness of *Nutrinergy*, as it is high in Vitamin A, Vitamin E and Iron, and is free of trans fat and cholesterol.
- In 1Q2021, Gardenia Malaysia launched the 900g Economy pack of its yellow noodles, NuMee Keluarga. Numee Keluarga is made without colouring and yet offers great texture and taste. The larger pack is suitable for bigger families and opened up sales opportunities in the food service sector.
- Gardenia Original Classic has a brand free look and is packed with the goodness of Nutrinegy. You can enjoy every day.

 Gardenia Original Classic has a brand free look and is packed with the goodness of Nutrinegy. You can enjoy every day.

 Gardenia Commun. Commun. Commun. 2007. So there: 1.600.88.3228

Gardenia Malaysia's Gardenia Original Classic is packed with the goodness of Nutrinergy, as it is high in Vitamin A, Vitamin E and Iron, and is free of trans fat and cholesterol.

- In 2Q2021, Gardenia Malaysia introduced Delicia Chocolate Paste, a creamy, chocolate-flavoured snack packed in a 5-stick packet, which quickly became a favourite family indulgence.
- To satisfy consumers' appetite for local flavours, Gardenia Malaysia introduced *Toast'em Pandan Coconut* in 3Q2021. The aromatic fragrance of pandan bread infused with flavourful coconut and with hints of gula melaka appealed to consumers' local tastes.
- In 4Q2021, Gardenia Malaysia launched two premium cream rolls, Gardenia QuickBites Gold in two flavours, Black Forest and Salted Caramel. These chocolate buns are targeted at consumers who prefer buns with a rich and creamy filling.
- Gardenia Malaysia also introduced Gardenia Bonanza Keluarga, a more affordable 500g white loaf, in 4Q2021. At RM0.55 per 100g, Gardenia Bonanza Keluarga is more economical and suitable for bigger families compared to Gardenia Original Classic 400g loaf which costs RM0.70 per 100g.

Bakers Maison Australia

 To service the vegan market, BMA developed and introduced a plant-based bun in 3Q2021. In addition, an unsliced sourdough loaf was also developed earlier in the year.

PROMOTING HEALTHY EATING AND LIFESTYLES



Making Our Products Accessible

GARDENIA

With 16 factories located in four countries, Singapore, the Philippines, Malaysia and Australia, the Group's
distribution channels include supermarkets, hypermarkets, convenience stores, mini marts, petrol kiosks,
caterers, restaurants, hotels, hospitals, airlines, and schools. The extensive network of distribution channels
assists in wide distribution of the Group's products to many consumers, improving public access to healthier
food options.

SINGAPORE

- Gardenia Singapore delivers fresh bread daily to approximately 3,300 distribution outlets including supermarkets, hypermarkets, convenience stores, mini marts, petrol kiosks, caterers, restaurants, hotels, hospitals, airlines, dormitories and schools. More than 300 *Gardenia* bread-vending machines located in selected high-density residential areas, corporations and schools also provide customers with greater convenience and accessibility to *Gardenia* bread and bun products 24 hours a day.
- As consumers become more familiar with making online purchases, Gardenia Singapore actively promotes its
 products on e-commerce platforms such as RedMart, Amazon, FairPrice Online and PandaNow, providing
 greater convenience to tech-savvy consumers in Singapore.

PHILIPPINES

• In the Philippines, Gardenia marketed its products through major e-commerce platforms such as *Lazada*, *Shopee*, *Pandamart*, and *Grab Supermarket* to offer safe and convenient online shopping experience to consumers.

BAKERS MAISON AUSTRALIA

• In Australia, *Bakers Maison* products are distributed as far as Tasmania, Western Australia and the Northern Territories, using third-party transport companies. The products are delivered frozen, enabling them to remain fresh and to retain their quality and taste for longer periods of time before they are freshly baked for consumption. Frozen products also reduce the need for frequent deliveries thereby reducing environmental impact.

Making Our Products Affordable

Gardenia

Singapore

- The economic downturn caused by the Covid-19 pandemic caused some consumer concerns over their daily expenses. To provide savings on its range of wholemeal products, Gardenia Singapore held various nationwide retail promotions throughout the year under the "Spread the Love, Enjoy the savings!" theme. The promotions enabled consumers to eat healthy and enjoy savings on its range of Gardenia wholemeal products.
- In July 2021 and November to December 2021, islandwide price promotions were held under the "Savour the Goodness, Enjoy the Savings" theme, providing a \$0.40 saving on the purchase of each participating Gardenia fruit loaf.
- To provide affordability to younger consumers, several retail promotions were held for the *Gardenia Enriched Wholemeal Cream Rolls, Twiggies* and *Sambal Ikan Bilis* buns, such as "Back to School! Buy 1 Get 1 Free" promotion for *Gardenia* cream rolls, "Any 2 Twiggies for \$2.90" promotion (regular price: \$3.20), and a \$0.30 saving on the purchase of each Sambal Ikan Bilis bun.
- SPREAD THE LOVE, ENJOY THE SAVINGS!

 SPREAD THE LOVE, ENJOY THE SAVINGS!

 Now \$2.30
 Usual Price \$2.50

 Promo Period: 15 Mar 30 Apr 2021
 While stocks last!

 FRESHLY BAKED IN SINGAPORE!

Gardenia Singapore held nationwide retail promotions under the "Spread the Love, Enjoy the savings!" theme, which enabled consumers to enjoy savings on its range of Gardenia wholemeal products.

- In 2021, Gardenia Singapore held numerous promotions at various retail chains, such as "Gardenia's So Good Weekend Special Promotions", to provide complimentary Gardenia wholemeal hotdog buns or limited-edition Gardenia premiums such as sandwich boxes and non-woven bags to reward loyal consumers when they purchase selected Gardenia wholemeal loaves and Gardenia buns. Gardenia Singapore also collaborated with various FMCG brands for bundle deal promotions that offered greater savings to consumers.
- During the Phase 2 Heightened Alert in mid-2021, when dining-in at all F&B establishments was suspended, Gardenia Singapore encouraged consumers to create restaurant-inspired dishes in the convenience of their own homes by launching a "Any 2 Gardenia Wraps for \$5" promotion (regular price: \$5.60).
- In response to increased consumer focus on price affordability and value, Gardenia Singapore encouraged consumers to purchase the larger *Gardenia Jumbo* 600g loaves in its "*Bigger & Better Value*" campaign. The campaign promoted the *Gardenia Enriched White Bread*, *Super Soft Wholemeal White Bread* and 100% Wholemeal Extra Soft & Fine Bread in 600g loaf size as they provided better value per gram of bread compared to the 400g loaf size.
- In 2Q2021, Gardenia Singapore launched a sub-brand, Bonjour Delights under the company's second brand Bonjour to provide a range of no-frills, affordable bread and cakes for price-conscious consumers. The product range consists of cluster buns, chiffon cakes, sponge cakes and brownies.

Philippines

- To provide affordable products to consumers, Gardenia Philippines launched several in-store promotions, bundling activities and value pack offers featuring wheat breads and healthy buns in supermarkets and convenience stores.
- In 2021, Gardenia Philippines joined 12 *Diskwento Caravans* in the NCR and Albay areas. The programme is a government led initiative between the Department of Trade and Industry (DTI) and local food manufacturing companies to sell basic goods and basic commodities at discounted prices to select communities.

Promoting the Benefits of Whole Grains

Gardenia

Every year, Gardenia Singapore actively collaborates with different organisations to promote healthy eating. To encourage consumption of "Healthier Choice" breads, Gardenia Singapore conducts numerous in-store and e-commerce promotions for its wholemeal range annually. Gardenia Singapore also actively shares educational social media posts to engage the public on the importance of consuming dietary fibre and leading an active lifestyle.

Singapore

To make it easier for consumers to select healthier products, Gardenia Singapore's wholemeal and multigrain range carry the HPB's "Healthier Choice" symbol. Gardenia Singapore currently has 15 wholemeal products certified as "Healthier Choice". These products contain no trans-fat and at least 25% of wholegrains per loaf. Gardenia Singapore also offers ten "Low in Sugar" white bread and wholemeal loaves, two "Lower in Sugar" wholemeal loaves and two "Low GI" loaves. Products featuring the "Low in Sugar" logo contain less than 5g of sugar per 100g of bread. The "Low GI" loaves have a GI value of less than 55 per loaf. The past few years have seen a steady increase in demand for "Healthier Choice" bread as consumers grew more health-conscious and aware of the benefits of wholegrains. Sales of "Healthier Choice" bread in 2021 saw a slight increase of 0.4%

from 2020 due to the high base of panic buying by consumers in 2020. However, compared to the pre-pandemic bread sales in 2019, sales in 2021 rose by 11.2%. Projected sales for 2022 are expected to be higher than that of 2021 and 2020.

- As Singapore's No. 1 "Wholemeal Bread" brand, Gardenia actively collaborates with government agencies, healthcare organisations and community partners to encourage the public to consume more fibre and wholegrains in their daily diet through various programmes and community outreach initiatives. During the year, approximately 48,700 Gardenia loaves and buns were sponsored to the community, of which approximately 19,200 units were "Healthier Choice" wholemeal products.
- In 4Q2021, Gardenia Singapore participated as a virtual exhibitor in support of the Singapore Heart Foundation's "World Heart Day 2021", to promote the nutritional benefits of its wholemeal loaves. Gardenia Singapore also extended an invitation to Singapore Heart Foundation members to attend the Gardenia virtual factory tour in October, which featured the Heart Health theme, "Take Simple Steps for a Healthier Heart", where tour participants were encouraged to eat right and make wholegrain choices with Gardenia.



Gardenia Singapore's wholemeal and multi-grain range carry the Health Promotion Board's "Healthier Choice" symbol.

- In 1H2021, Gardenia Singapore actively promoted its range of wholemeal bread under the "Spread the Love, Live Healthier" campaign to encourage consumers to include more wholegrains in their daily diet and to lead an active lifestyle. Information promoting well-being and the benefits of wholegrains to reduce the risk of chronic diseases and diabetes were shared on social media throughout the year.
- In order to encourage consumers to eat healthily, Gardenia Singapore promoted wholegrains on *RedMart* ecommerce and various social media platforms. During the promotions, a free *Gardenia* sandwich box was distributed with every purchase of *Gardenia* wholemeal bread on *RedMart*. Nutritious recipes using *Gardenia Fine Grain Wholemeal* Bread were featured on the "*Friends of Gardenia*" Facebook page to encourage consumers to eat well for better heart health.

Reaching out to the Community

Gardenia

Singapore

- In April 2021, Singapore's Prime Minister, Mr. Lee Hsien Loong, spoke at the launch of the World Health Organisation's Global Diabetes Compact and called on the global community to work together in the war against diabetes which affected more than 420 million people worldwide. In Singapore, more than 400,000 people suffer from diabetes, and 1 in 3 people are expected to develop the condition during their lifetime. Sharing the belief that 'prevention is better than cure', Gardenia Singapore has been encouraging consumers and diabetic Singaporeans to lead active lifestyles, adopt healthier diets and choose low Glycemic Index and low sugar bread through retail promotions and online publicity campaigns. Gardenia Singapore continues its efforts to work with Diabetes Singapore to further reinforce the company's strong commitment in the nationwide war against diabetes.
- To sustain the awareness of diabetes within the community, Gardenia Singapore collaborated with Diabetes Singapore on the "Special Education in Diabetes and Awareness Programme" in the Ramadan month. Gardenia staff volunteers distributed 600 loaves of Gardenia Low GI Soft Grain Loaf with low GI brochures to encourage the adoption of a healthier diet.

- In conjunction with World Diabetes Day and to promote healthier eating, Gardenia Singapore sponsored 400 loaves of Gardenia Low GI Soft Grain Loaf and 400 Gardenia non-woven bags for the Diabetes SG event held at Pasir Ris Elias Community Club in November 2021.
- Gardenia Singapore has been an active long-term supporter of the HPB's initiatives to promote healthier living for Singaporeans. In 2021, the company supported the nation-wide "Eat, Drink, Shop Healthy Always On" campaign aimed at motivating and encouraging Singaporeans to make healthy choices by providing rewards and incentives through the Healthy 365 mobile application. Gardenia Singapore supported the campaign by providing prizes, in-store wobblers and cross-marketing publicity.
- Enabled by the North West WeCare Fund which supports ground-up initiatives that serve the community, Gardenia Singapore sponsored healthier wholemeal bread through North West Community Development Council ("CDC") to students of Fuchun Secondary School. The sponsorship was part of the "Live and Eat Healthily" project, where the students taught seniors from NTUC Health Senior Day Care how to make healthy sandwiches. Both seniors and students also attended Gardenia Singapore's virtual factory tour to learn about the nutritional benefits of Gardenia's range of wholemeal bread.



Enabled by the North West WeCare Fund which supports ground-up initiatives that serve the community, Gardenia Singapore sponsored Gardenia wholemeal bread to students from Fuchun Secondary School.

Philippines

- Gardenia Philippines continued its "Corporate Wellness Movement" to help the private sector and government employees achieve their health and wellness goals. Since the implementation of lockdowns in 2020, Gardenia Philippines has shifted to online activities, such as webinars and nutrition consultations administered by its Registered Nutritionist-Dietitians via video conference applications, and provision of bread samples. The workshops are free and open to corporate offices and institutions. In 2021, more than 17,000 employees from 213 offices participated in the workshops.
- In 2021, Gardenia Philippines offered online nutrition and wellness webinars to people working from home who preferred to access free online webinars on their own time. The company launched a "Start with GWellness" webinar series where episodes of the series were published on its "Nutrition and Wellness" Facebook page.
- Gardenia Philippines also provided short-form educational content to promote healthy eating and active lifestyles among consumers. For example, the company's Nutrition & Wellness Team provided short infographics and videos which showcased healthy tips for various occasions. In line with Nutrition Month in 2021, the team also launched the "Gardenia Quiz Game" which encouraged participants to answer questions on nutrition and health. On 2021 National Allergy Day, Gardenia Philippines shared tips and simple recipes for allergy-friendly meals for families on its official Facebook page.



Gardenia Philippines provided free webinars and nutrition consultations administered by its Registered Nutritionist-Dietitians via video conference applications to corporate offices and institutions.



Gardenia Philippines' Nutrition & Wellness Team provided short-form educational content such as infographics to promote healthy eating and active lifestyles among consumers.

- Through its hospital drive initiative, Gardenia Philippines collaborated with 20 medical doctor influencers to promote healthy eating, active lifestyles and proper nutrition to patients and hospital visitors. The partner doctors shared healthy recipes and educated consumers on the benefits of high fibre intake, reaching approximately 3.2 million online viewers.
- During the year, Gardenia Philippines continued to create innovative, delicious and healthy recipes, featuring various Gardenia loaves and buns through the "Kusina ni Gardee" (Gardee's Kitchen) digital video campaign. Recipe videos and art cards were posted on the Gardenia Bread Treats microsite and Gardenia Philippines Facebook official page, reaching approximately 6.5 million online viewers.



Gardenia Philippines created innovative, delicious and healthy recipes featuring various Gardenia loaves and buns through the "Kusina ni Gardee" (Gardee's Kitchen) digital video campaign.

Educating through Bread Factory Tours

Gardenia

Singapore

In Singapore, Gardenia's daily educational factory tours were suspended during the pandemic. To continue its engagement with the public, virtual bread factory tours were launched in 1Q2021. Tour participants learned about the bread production process as well as topics such as the health benefits of wholegrains and the upcycling of bread packaging and bread tags using arts and craft. During the year, Gardenia Singapore conducted more than 110 virtual factory tours with 35 schools, from kindergartens to universities. More than 970 students attended the tours.

Philippines

During the year, Gardenia Philippines' virtual factory tours across all of its factories in the Philippines were attended by nearly 43,000 participants from about 280 schools.

Reaching out to schools

- The School Nutri-Tour is Gardenia Philippines' health and wellness programme, providing nutrition education, sandwich recipe demonstration, entertainment activities and bread sampling for public and private school children. In 2021, Gardenia Philippines catered to approximately 29,000 students from 196 schools in an hour-long online programme.
- Gardenia Philippines continued its partnership with the Department of Education in the "I Learn with Gardenia" educational programme. Through the programme, Gardenia Philippines reached approximately 28,000 students in Laguna, Batangas, Pampanga, Bulacan, and Tarlac, using supplementary learning video materials which covered healthy eating, proper handwashing and hygiene, and Gardenia's virtual factory tour.



Gardenia Singapore conducted more than 110 virtual factory tours with 35 schools.

PLANET

We strive to protect our environment from degradation through sustainable consumption and production, and improving our management of natural resources across our business.

Material EESG Topic Resource Management (Waste and Effluents)



FY2021 Targets



FY2021 Achievements



FY2022 Targets

Maintain no incidents of non-compliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.

- There were no incidents of noncompliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.
- Gardenia Singapore developed a self-ordering mobile application which was used by over 130 of its food service customers to place orders thereby saving each sales order coordinator up to 50 man hours a month.
- In 4Q2021, BMA changed its fuel mix to cleaner fuels by switching to natural gas as a source of direct energy instead of using liquefied petroleum gas ("LPG").

Maintain no incidents of non-compliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.

RESOURCE MANAGEMENT

Natural resources provide fundamental life support and its proper management lays the foundation for sustainable development. We recognise that the over-exploitation of natural resources harms the health of ecosystems and the well-being of people. In the face of the current growing environmental crises, we need to exercise our responsibility and care towards the resources in which we depend on, such as energy and water. Through our various initiatives to reduce resource usage and waste generation, we strive for greater efficiencies in our operations to minimise negative environmental impact wherever possible. We will also continue to explore new ways to reduce our energy and water usage across our operations.

Energy Management

Gardenia

The Gardenia operations in Singapore and the Philippines use LPG as a fuel for their main ovens for lower energy consumption and a more economical baking process. Delivery trucks also undergo regular maintenance to ensure that they are in good running condition and are fuel efficient thereby reducing air pollution.

Singapore

- In response to the nationwide "SG Green Plan 2030" and in order to reduce its carbon footprint, Gardenia Singapore is testing several units of electric vehicles for use as sales executive vans. In addition, to enhance efficiency and reduce waiting time for Van Salesmen, trays of bread were pre-picked and loaded at assigned loading bays for easier collection at their scheduled timeslots before the daily delivery trips to retail outlets. This pre-loading arrangement was able to shorten queuing time for the Van Salesmen and also assisted to reduce truck idling and carbon emissions.
- During the year, Gardenia Singapore developed a selfordering mobile application which has been used by over 130 food service customers, including retailers, schools, caterers and the popular F&B chain, Han's. The application has saved each sales order coordinator up to 50 man hours a month as food service customers can order via the mobile application instead of calling in to the sales order coordinators. Through digitization, Gardenia Singapore is progressively streamlining its processes to enhance efficiency and productivity.

- To promote energy efficiency, Gardenia Singapore implemented multiple energy-saving measures on its premises. The high lumen LED lights installed at its factories, corporate office and warehouse have resulted in combined savings of approximately \$13,000 annually. Movement sensors for toilet lighting have also been installed.
- To reduce paper consumption, a Human Resource Information System was implemented to enable employees to submit their leave applications, update training and development records, and access personnel particulars, through an online portal. E-invoicing was also introduced in Gardenia Singapore's Sales & Finance department through an internally developed software system, "Paperless Mobility".
- At the Group's factory in Johor, solar energy is used for factory fence lighting and rainwater is harvested for toilet flushing.

Malaysia

- In Malaysia, 10 out of 20 production lines use natural gas while 5 lines use liquified petroleum gas as a fuel for ovens.
- Since 4Q2020, the sodium vapour lights along the streets and surrounding areas of one of the factories of our joint venture have been replaced with LED lights.
- The installation of a new heat recovery system at one of the Group's factories in 3Q2020 enables hot water to be produced from the condensers of the factory cooling system, which is then used to clean the cream roll injectors and bread cooler conveyors instead of using electrical heaters. A similar heat recovery system was also installed at one of the factories of our joint venture. The investments have resulted in savings of approximately RM210.000 in 2021.
- The installation of solar rooftop panels at one of the factories of our joint venture was completed in late 2021.
 The investment is expected to result in annual savings of approximately RM150,000 in 2022.
- In Malaysia, the mercury halide lights and conventional fluorescent lights at the production and warehouse area of one of the Group's factories were replaced with LED lights.



Heat recovery system installed at one of the Group's factories in Malaysia.

Philippines

- Gardenia Philippines' energy-saving measures include the use of inverter-type air conditioning units which have better energy-saving features than conventional air conditioning units, LED lights at all factories, corporate offices and warehouses in its Laguna factory as well as capacitor banks in its electrical systems to improve electricity quality and reduce energy consumption.
- Gardenia Philippines has also implemented digitisation for the reduction of paper consumption. Processes in many departments were changed from manual to online processing resulting in lower paper consumption and reduced physical contact.

Bakers Maison Australia

- In October 2021, BMA changed its fuel mix to cleaner fuels by switching to natural gas as a source of direct energy instead of using LPG. Its 'green rated' 2,100 m² solar panel system on the rooftops of its factory generates over 15% of its electricity requirements.
- BMA has plans to convert all the lighting systems in its freezer warehouse to LED lighting and sensor-activated lighting. The new lighting system will automatically turn off when there is no activity.
- BMA's Document Management System (DMS) was implemented in 2019 to automate its finance process and replace paper forms with e-forms. In 2H2021, the DMS was extended to manage paperless delivery processes, further reducing the need to print papers. The implementation of "sign on glass" delivery software, which will allow all delivery documents to be signed electronically via electronic tablets, is expected to be completed in 1H2022.
- To further reduce paper consumption, a Human Resource Information System (HRIS) was implemented to enable employees to submit leave applications, update training and development records, and access personnel particulars, through a mobile phone application. The HRIS also allowed for the implementation of a completely paperless onboarding and offboarding procedure.

Waste and Effluents Management

Gardenia

Singapore

• Gardenia Singapore's factories are located in a designated food zone and all wastewater discharge is handled by the Public Utilities Board ("PUB"). The wastewater is treated in accordance with international standards and complies with PUB Sewerage and Drainage Act, Chapter 294. The treated water, which is safe enough to be returned to nature, is then either sent to a separate treatment system at the NEWater Plants or sent back to the sea. During FY2021, there were no incidents of non-compliance with the applicable regulations and wastewater requirements of the local authorities on water quality discharge.

- Gardenia Singapore commits to complying with the rules and regulations set by the Singapore government through the PUB Sewerage and Drainage Act and the Sewerage and Drainage (Trade Effluent) Regulations. Oil interceptors and strainers are used with a view to preventing oil, grease or sludge from entering sewages. The interceptors are maintained every month and Gardenia's operations team monitors the waste generated from production on a daily basis.
- As a signatory to the Singapore Packaging Agreement, Gardenia Singapore seeks to reduce its packaging waste through product packaging development. It actively encourages consumers to reduce the use of plastic bags. During the year, shoppers at grocery stores were provided with reusable shopping bags carrying the message, "Gardenia Cares, Save the Environment". Gardenia sandwich boxes were also distributed through retail promotions to encourage consumers to pack their food in reusable containers. For selected price promotions, QR codes linked to social media posts were included in the promotional overbands of participating fruit loaves to educate shoppers on upcycling.
- Apart from upcycling unsold returned bread into animal feed, Gardenia Singapore also collaborated with a local food tech startup, CRUST Group, in 2021 to convert returned bread into sustainable beverages for food service and retail partners.



Gardenia Singapore provided shoppers at grocery stores with reusable shopping bags carrying the message, "Gardenia Cares, Save the Environment".

• At the Group's factory in Johor, wastewater discharge from production is treated to Standard A of the Environmental Quality Act 1974, the highest standard required by the Department of Environment ("DOE") for the discharge of industrial effluent. Wastewater analysis is performed weekly and test reports are submitted online to the DOE on a monthly basis. All tests are carried out at an accredited laboratory. Waste disposal at the factory is undertaken by a licensed collector authorised by the DOE

Philippines

- Gardenia Philippines complies with all relevant water discharge regulations set out by the Philippine government, such as the requirements of the Department of Environment and Natural Resources. Wastewater discharged from Gardenia's factories are treated at wastewater facilities before being discharged into sewers. Gardenia Philippines also conducts monthly testing and regular monitoring of standard effluent parameters such as pH value, discharge temperature, oil and grease, biological oxygen demand and total suspended solids to ensure that the effluents meet water quality standards. Furthermore, self-monitoring reports and compliance monitoring reports are submitted on a quarterly and semi-annually basis to the relevant authorities.
- Gardenia Philippines' packaging upcycling initiative aims to minimise the amount of discarded or unusable packaging waste and its environmental impacts by reducing the amount of plastic waste generated. Its research and development department is engaged in the development of an eco-friendly and economical packaging that will not affect the quality of its bread products. It hopes to finalise the development of the new packaging by 2022.
- To promote recycling and waste segregation, Gardenia Philippines continued to implement the 5S system of good housekeeping (Sort, Set in Order, Shine, Standardise, and Sustain) at all its factories and offices to maintain uniformity of waste disposal procedures across the organisation. A predefined baseline is used to monitor total waste generated.

Bakers Maison Australia

- In Australia, BMA's water discharge system is completely handled by the National Water Management System. Wastewater is discharged through grease traps before being released into the sewer and quarterly inspections and cleaning of grease traps are performed. BMA's maintenance manager, approved contractors and service providers carry out reviews on a quarterly basis and the outcomes of such reviews are discussed with senior management. There were no incidents of regulatory non-compliance for FY2021.
- BMA also supports local farmers with regular donations of edible waste from its production processes, which are then mixed with grains and recycled into animal feed.
- BMA is committed to reducing cardboard waste during bulk packaging of its products and has been recycling its cardboard since 2017. During the year, BMA recycled nearly 42,000 kg of cardboard.

Sustainable Sourcing

Gardenia Singapore strives to source responsibly through its supply chain. In this regard, it assesses its suppliers' business practices and prefers locally produced raw materials, where possible. It also uses sustainable palm oil from sources which practice a policy of "No Deforestation, No Development on Peat and No Exploitation of People and Local Communities" for selected bakery products.

BMA sources approximately 90% of its raw materials locally, indirectly reducing carbon emissions from the transportation of raw materials for its business.

PEOPLE

We strive to provide a workplace where our people may perform and achieve in a healthy, safe and inclusive environment.

Material EESG Topic Our People



FY2021 Targets



FY2021 Achievements



FY2022 Targets

Health and safety

- 1. Gardenia Singapore plans to organise in-house Occupational First Aid training for its employees and refresher Food Hygiene/Hazard Control Plan and Food Allergy training for its production workers. It is scaling up to conduct more monthly Workplace Safety and Health training for different groups of employees and organise Hygiene talks and Audiometric tests for production workers.
- Gardenia Philippines is committed to providing Basic Occupational Safety and Health training in compliance with the Philippines Department of Labor and Employment requirements.

Training and education

 BMA is committed to investing in the education and development of its people to build knowledge, skills and internal capabilities.

- 1. In April 2021, QAF was ranked by The Straits Times as one of "Singapore's Best Employers 2021".
- In October 2021, QAF was named one of Forbes "World's Best Employers 2021".
- 3. Gardenia Singapore organised various occupational health and safety training for its production workers and office staff, including monthly Workplace Safety & Health trainings, annual Food Hygiene training, Quality & Safety talks, Fire Safety Manager courses, safety courses related to performing work at height, and an occupational first aid course for appointed first aiders.
- An executive staff at the Group's factory in Johor was sponsored to undertake the FSSC 22000 Lead Auditor Training course. The employee has since completed the course.
- In 2021, Gardenia Philippines conducted 12 batches of virtual Basic Occupational Safety and Health ("BOSH") training attended by approximately 220 employees.
- BMA introduced a new policy, the WHS Monthly Committee Meeting Policy, to better regulate the meetings procedures and to encourage more participation from the production floor in order to increase safety awareness.
- 7. In 1Q2021, BMA's employees participated in "The Walk for Autism" Workplace Team Challenge in which the company donated A\$50 (up to a maximum of A\$400), for each employee who completed 10,000 steps a day over an eight-day period.
- B. BMA provided free influenza vaccinations for its employees.

Health and safety

- . BMA will run in-house first aid training, food safety refresher training and fire safety training every year. It will also conduct monthly WHS committee meetings to review safety concerns and near-miss incidents that occurred during the month and take all necessary corrective action.
- Gardenia Singapore will continue to organise Occupational First Aid training for its employees and refresher Food Hygiene/Hazard Control Plan training for its production workers. It will continue to run more Workplace Safety & Health training for different groups of employees and organise annual audiometric examination tests for production workers.
- Gardenia Philippines will continue to conduct Basic Occupational Safety and Health training for all newly hired employees as mandated by the labor and employment department of the Philippines.

Training and education

- Gardenia Singapore will conduct a yearly departmental training plan to review the training requirements of its employees.
- BMA remains committed to investing in the education and development of its employees in order to build their knowledge, skills and capabilities.

Awards and Accolades

We are committed to creating a work environment that fosters the well-being of our employees in order to achieve a healthy, safe and inclusive workplace. During the year, QAF was honoured with two awards, the Straits Times "Singapore's Best Employers 2021" award in April 2021, and the Forbes "World's Best Employers 2021" award in October 2021.

The "Singapore's Best Employers 2021" was based on anonymous employee surveys and research conducted on more than 1,700 companies. QAF was ranked No. 47 out of 200 companies.

The Forbes "World's Best Employers 2021" was based on anonymous surveys covering approximately 150,000 workers from 58 countries. QAF was ranked No. 262 out of 750 companies.

Health, Safety and Well-Being

Gardenia

Singapore

- Gardenia Singapore is accredited with BizSAFE Level 4 by the Workplace Safety and Health Council.
- At Gardenia Singapore's factories and the Group's factory in Johor, employees working in areas with high noise levels are provided with earplugs and earmuffs to reduce noise exposure. All Gardenia Singapore's production employees also undergo mandatory annual audiometric examinations. At the Johor factory, a DOSH-accredited external consultant undertook periodic monitoring, testing and review. Chemical health risk assessments were also performed to assess the level of chemical exposure received by employees and to assess whether appropriate personal protective equipment were issued to employees to reduce or eliminate their risks of chemical exposure.
- In celebration of the Lunar New Year festival and Singapore's National Day, goodie bags were distributed to all employees. In addition to food items, employees received a \$10 supermarket voucher, a jacket with the *Gardenia* logo and a Covid-19 antigen rapid test kit.
- To support staff well-being, antigen rapid test kits were given to all Gardenia Singapore's employees and masks were also provided to departments handling bread production, distribution, quality control and machine maintenance and checks. To encourage employees to adhere to safe distancing at the workplace, posters on physical distancing guidelines were also placed across Gardenia Singapore's factories.

- To promote the health and safety of the company's workforce, contract workers were frequently required to go for routine Covid-19 swab tests.
- During the Covid-19 pandemic when it was not possible or feasible for QAF and Gardenia Singapore employees to utilise their annual leave due to movement restrictions, employees were allowed to encash a portion of their unutilised annual leave.

Philippines

The Covid-19 pandemic has changed how employees work in the Philippines, including the kind of support needed by employees. One of the ways in which Gardenia Philippines has supported its employees' physical and mental well-being is by providing employee wellness programmes. These include vaccination programmes for influenza, hepatitis, cervical cancer, and Covid-19, as well as weight management programmes, wellness initiatives, and teleconsultation opportunities, especially for non-emergency care. Other initiatives undertaken in 2021 to promote employee well-being include:

- Gardenia Philippines continued to implement the "Covid-19 Preventive Measures Programme". It supplied its staff with surgical and reusable face masks, face shields, hand sanitisers, alcohol wipes and multivitamins. Thermal scanning of employees and guests are conducted at all entrance gates of its premises. Use of QR codes is required to access company premises, and health information checklists are used to screen for possible carriers of the Covid-19 virus. On-site employees are regularly reminded to practice physical distancing, hand washing and sanitising through signages and hourly announcements via the public announcement system. Common areas and facilities were regularly disinfected and thoroughly cleaned. Videos on Covid-19 updates from the World Health Organisation, Department of Health, and Centers for Disease Control and Prevention were shown at canteens. Employees serving home quarantine were also given home medical kits comprising face masks, digital thermometers, hand sanitisers, medicines, multivitamins, antigen saliva test kits, and guidelines for home quarantine.
- "Weight for Me", a three-month weight management programme launched by Gardenia Philippines designed to help employees lower their Body Mass Index ("BMI") scores by promoting regular physical activity and a healthy diet. The programme aims to help employees achieve their healthy weight goals and reduce risks of developing cardiovascular diseases like hypertension, diabetes and dyslipidemia. Registered employees with a BMI of 25 or higher are signed up as pairs of "Body Buddies" to encourage and help each other to attain their weight reduction goals together.

- "Zoomba", a free virtual Zumba activity designed to promote physical activity and provide employees with an opportunity to connect with one another virtually via the Zoom video conferencing application.
- Gardenia Philippines' Health Programme for Hypertension and Diabetes provided a wellness guidebook for employees who are at risk of developing cardiovascular disease by encouraging them to regularly monitor their health and undergo monthly check-ups with the company physician.
- In-house virtual wellness fairs and webinars, including free webinars on nutrition and immunity-building organised by Registered Nutritionists and Dieticians.

Sharing Drive campaign for community pantries

• Gardenia Philippines launched a two-week Sharing Drive campaign to provide a venue for employees to participate in the community pantries that had sprung up all over the country amid the pandemic. The community pantries displayed the Bayanihan spirit of the Filipinos and provided free food and groceries to those in need. The Sharing Drive campaign collected about 2,000 loaves of Gardenia bread from pledges made by 113 employees. Gardenia Philippines matched its employees' donation of 2,000 loaves of bread and a total of 4,000 loaves were donated to eight community pantries.

Employee engagement

 Gardenia Philippines celebrated occasions such as Valentine's Day and Mother's Day through virtual engagements with its staff. In celebration of Father's Day, Gardenia Philippines recognised the strength and resilience of all fathers in the company with a short programme and small tokens of appreciation.

Employee benefits

To assist employees who wanted to take advantage of the government's housing loan programme, Gardenia Philippines gave employees an option to increase their PAG-IBIG voluntary contributions. Contributions to the PAG-IBIG are shared by both the company and the employee and an increased contribution enabled employees to borrow the maximum allowable housing loan from the government. Twenty-five percent of Gardenia Philippines' employees participated in the voluntary upgrade programme as of 31 December 2021.

Malaysia

 Gardenia Malaysia conducted regular online refresher training on food handling, hazard control and food allergen for its production workers during the year. The

- company also conducted an ISO 22000:2018 awareness programme which was attended by all departments.
- Gardenia Malaysia also extended support and help to its very own employees who were gravely affected by the December 2021 floods. This was done through monetary aid to more than 750 employees, including foreign workers, as part of the company's efforts to facilitate the workers on their road to recovery post the flood devastation. The company also extended assistance to employees whose vehicles were stranded at the factory during the floods by providing monetary aid to ease their burden. The total sum of monetary aid amounted to approximately RM274,000 and this resonated with our "Gardenia Cares" initiative.
- In conjunction with Children's Day, Gardenia Malaysia organised a special colouring competition for employees' children to strengthen the bond between the company, its staff and their family members. The contest for children aged 6 to 12 years old has showcased the artwork of many talented children who have even surprised their parents. This family activity was well received by the staff. A similar coloring competition was also organised on Gardenia Malaysia's Facebook page and the activities created high engagement among its followers.



Gardenia Philippines launched a Sharing Drive campaign to provide a venue for employees to participate in the community pantries.



Gardenia Malaysia organised a special colouring competition for employees' children to strengthen the bond between the company, its staff and their family members.

Bakers Maison Australia

- To encourage workplace health and well-being, all BMA employees were encouraged to participate in "The Walk for Autism" Workplace Team Challenge held in March 2021. The goal of the challenge was for each participating employee to complete 10,000 steps a day for eight days. For every employee who completed 10,000 steps a day during the eight days, BMA donated A\$50, up to a maximum of A\$400, on the employee's behalf to the
- BMA employees across all departments were given the opportunity to take an influenza vaccination before the start of winter. A medical practitioner came on site to administer the vaccinations and distribute flyers containing health tips on how to reduce the chances of catching influenza.
- During the year, a new policy, the WHS Monthly Committee Meeting Policy, was introduced to better regulate meetings procedures and to encourage more participation from the production floor in order to increase



Cultural diversity at Bakers Maison Australia was celebrated on Harmony Day with employees bringing a dish from their home countries to share with colleagues.



Employees who completed 5 years and 10 years of service at Bakers Maison Australia were recognised with long service awards.

- safety awareness. Near misses and safety incidents are recorded electronically in the Employment Hero platform and all incidents are reviewed during the monthly WHS committee meetings in order to take corrective action that would be followed by follow-up sessions.
- In an effort to increase mental health awareness, BMA introduced the "Acacia" Employee Assistance Programme in 2020. The programme provides confidential counselling and support services to BMA's employees, available 24 hours over the phone on mental health issues such as anxiety, depression, work-related stress, amongst others. This programme was continued in 2021 and mental awareness leaflets were issued and distributed by the provider regularly.
- BMA is a community consisting of many nationalities. Their cultural diversity was celebrated on Harmony Day in 2021 with employees generously bringing a dish from their home countries to share with colleagues. Harmony Day has been celebrated by BMA every year since 2013, but 2021 saw the highest turnout of employees. Participants at the celebration took part in a cultural quiz and prizes were awarded to the winners and runners-up.
- In 3Q2021, BMA took note of "RUOK? Day", the national suicide prevention day in Australia. BMA employees were encouraged to participate in a webinar on "the appropriate steps one should take" when recognising that someone may be struggling. A virtual coffee catchup was also organised to enhance communication and to keep in touch with employees who had been working remotely due to the lockdown. To increase awareness on suicide prevention, posters issued by the "R U OK?" harm prevention charity were posted in the production and office areas.
- In 4Q2021, BMA organised an end of year party to thank its staff for their efforts in achieving business success despite the pandemic. Production and logistics employees celebrated with food and drink supplied by the company. Another team event was also organised for office-based employees. As an expression of the company's sincere gratitude, employees who completed 5 years and 10 years of service were recognised with long service awards and cash incentives.

Training and Education

We believe in empowering our employees with the right expertise, skills and work experience in order to not only improve their professional performance, but also to enhance their overall personal development and keep abreast of the constantly changing market requirements and developments.

Gardenia

Singapore

- Gardenia Singapore will create a yearly departmental training plan to review the training required by its employees based on the relevance of their job roles and the new knowledge or skill sets required.
- In 2021, Gardenia Singapore continued to organise various occupational health and safety training for its workers, including workplace safety and health training, annual mandatory audiometric examinations, annual food hygiene, quality and safety talks, occupational first aid courses for newly appointed first aiders, refresher occupational first aid courses for existing first aiders, fire safety manager courses, and safety courses related to performing work at height.
- Staff training, seminars and webinars run by external training providers in 2021 included courses related to ecommerce management training, occupational first aid courses, BizSAFE Risk Management courses, financial budgeting and income tax workshops, and courses on food standard strategic planning, effective payroll, salary, compensation and benefits administration. In 2021, 53 employees attended these staff training programmes.
- At the Group's factory in Johor, employees received training as health and safety officers, authorised entrants for confined spaces, food handlers, certified environmental professionals in scheduled waste management, and operators of industrial effluent treatment systems in physical chemical processes in compliance with regulatory requirements. Staff training requirements are submitted by the individual Heads of Departments each year for the company's Annual Training Plan. Employees who had completed an external training course are required to conduct in-house training sessions to share the knowledge they have gained with other employees. During the year, an executive staff was sponsored to undertake the FSSC 22000 Lead Auditor Training course. The employee has since completed the course and passed the written examination, qualifying him as a registered Lead Auditor for FSSC 22000 audit.

Philippines

 People development has always been prioritised by Gardenia Philippines. Its corporate Annual Training Plan and Departmental Training Plan are focused on developing employees at different levels. All training recommendations were based on the semi-annual training needs analysis that assesses and addresses the learning gaps in employees' competencies. Cross-skills training programmes are also conducted to produce more well-rounded employees.

- During the year, Gardenia Philippines sponsored two employees to attend and complete the Certified Professional in Purchasing certification programme.
- Coping with the pandemic has helped Gardenia Philippines to facilitate the development of virtual training programmes and the digitisation of manual forms. Virtual learning has become a way of life for the majority of employees. In 2021, employees of Gardenia Philippines attended several company-sponsored and free webinars. Key webinar topics included people management, psychological first aid, analytics, developing mental health programmes, key accounts and trade marketing management, employee relations and engagement, and online learning tools, among others.
- Safety is a priority at Gardenia Philippines. Certification training programmes were provided for pollution control officers and safety officers who in turn, conducted an 8-hour mandatory BOSH training for all production staff. Gardenia Philippines' annual two-day first aid and CPR/ AED training and its biannual eight-hour fire safety training, typically run by the Philippine Red Cross and the Bureau of Fire Protection respectively, were temporarily replaced by training videos due to the Covid-19 temporary suspension on classroom trainings.
- Gardenia Philippines also provided training programmes to its employees on the ISO 9001:2015 quality management system, updates on HACCP Codex, HALAL, food safety, food defence, and food fraud. Compliance with the ISO Standards was verified through regular internal and external audits. There were no findings of significant incidents of non-compliance during the 2021 audits.
- All training programmes were conducted either by in-house trainers or subject matter experts, or by external training providers who may also be utilised to help in customising training programmes.

Bakers Maison Australia

BMA employees are given the opportunity to attend work health and safety ("WHS") training. Every employee is given a WHS training induction on their first day of employment and educated on the expected level of safety awareness and incident reporting system of BMA. Furthermore, BMA provides fully funded annual safety-related training such as fire safety training, food safety training and first aid training to its employees.

- In 2021, BMA's employees successfully completed the Food Safety Update training conducted by Australian Food Microbiology. The course covered topics such as food safety programmes, the risks of food poisoning, and the different types of contaminations. Participants were required to take a quiz in order to pass the course.
- BMA's Frontline Leadership Programme, which was introduced in 2020, was extended to more participants, including supervisors from production and logistics. Topics covered included goal settings, team skills, problem solving and change of management. Participants were required to concurrently apply the skills learnt to real-life workplace situations.
- A cross-skills training matrix was developed to enable production staff to learn new skills, to multi-task and to

- train others in order to boost levels of productivity and to improve staff retention rate. This training was conducted throughout 2021 and has helped to upskill production employees.
- In 3Q2021, BMA's logistics supervisor participated in a two-day new leader training programme to help in her transition into a leadership role. This programme, fully funded by BMA, was conducted by the Australian Institute of Management. In 4Q2021, BMA's IT Manager also participated in a two-day online training programme conducted by Microsoft 365 to improve capabilities on using Microsoft Teams for remote working of BMA employees. In 4Q2021, seven employees from various departments participated in the Microsoft Excel Intermediate Training Course to upgrade and enhance their skills and enable them to complete their tasks more efficiently.



Gardenia Singapore sponsored the nation's 56th National Day Parade by contributing products, publicity support and cash sponsorship.

PEACE AND PARTNERSHIPS

We believe in supporting and uplifting the communities in which we operate.

Material EESG Topic Enriching Communities⁷



FY2021 Achievements

- 1. Contributing to society through Gardenia Singapore's support of philanthropic, community and charitable causes such as the South West CDC, Bishan Community Centre ("CC") and Malay Youth Literary Association to help low-income families.
- Reaching out to the elderly through Man Fut Tong Welfare Society as well as collaborating with numerous community
 centres to motivate the vulnerable senior generation to get their Covid-19 vaccinations and protect themselves and their
 families.
- 3. Showing appreciation to frontline healthcare workers in various healthcare organisations including Tan Tock Seng Hospital, Singapore General Hospital, Ng Teng Fong General Hospital and Seng Kang Hospital, and essential workers such as migrant workers and cleaners in the North East estates with *Gardenia* bakery products.
- 4. Sponsoring the nation's 56th National Day Parade ("**NDP**") by contributing approximately \$103,000 worth of products, publicity support and cash sponsorship.
- 5. Providing hope and comfort to Singaporeans during the pandemic and strengthening *Gardenia's* brand relevance by launching two branding campaigns on social media: "Spread the Love, Live Healthier" and "Always Here with Love". The campaigns encouraged consumers to eat healthier and aimed to promote love, kindness and positivity within the community by assuring consumers that Gardenia Singapore would always be there, delivering freshly baked bread to all parts of Singapore every day.
- 6. Gardenia Philippines supported the community pantries in 177 areas in NCR and Region 4A-Calabarzon with bread donations of more than 28,000 *Gardenia* loaves.
- 7. BMA's Managing Director, Mr. Pascal Chaneliere, participated in the CEO Dare to Cure challenge by having his head shaved to raise money for the Children's Cancer Institute.

ENRICHING COMMUNITIES

Our CSR initiatives aim to impact the lives of our local communities by supporting a range of philanthropic, community and charitable causes, investing in our future generations, providing Covid-19-related aid, and promoting good health, love and positivity within the community. Our initiatives also reflect our continued commitment to delivering positive social impact and our continued support of the SDGs.

Supporting Philanthropic, Community and Charitable Causes

Gardenia

Singapore

Under its "Gardenia Cares" programme, Gardenia Singapore provided sponsorships to various community and charitable organisations in 2021, supporting underprivileged families, the disadvantaged, the disabled and the vulnerable elderly who had been badly hit by the Covid-19 pandemic.

⁷ Non-material EESG topic.

Supporting vulnerable and lower-income families

- Following the first round of bread distribution to 440 vulnerable families living in Hong Kah North in 2020, Gardenia Singapore continued to reach out to another 560 households living in rental blocks as part of its commitment to assist 1,000 households under the South West District. As part of the Lunar New Year celebrations, 560 loaves of *Gardenia* wholemeal white bread and more than 1,000 pieces of *Gardenia* cream rolls together with mandarin oranges, were distributed by volunteers from both Gardenia Singapore and Hong Kah North Grassroots Organisations. The VIP of the event was Dr. Amy Khor, Senior Minister of State, Ministry of Sustainability and the Environment and Ministry of Transport, and Adviser to Hong Kah North Grassroots Organisations.
- In collaboration with Central Singapore CDC's "Give & Take" Market initiative, Gardenia Singapore sponsored approximately 450 loaves of *Gardenia* wholemeal bread for needy families in Kampong Glam and Kim Seng in October and 4Q2021. "Give & Take" Market is a new initiative that aims to build a community of givers among corporations, local merchants and individuals. Vulnerable families can enjoy 'shopping' for the items of their choice at the "Give & Take" Market.

Donation to the Malay Youth Literary Association

• Gardenia Singapore made a donation to the Malay Youth Literary Association, which will go towards funding numerous sustainable programmes in 2021. These include "Ramadan-on-Wheels" to help the low-income community and the elderly, "FRENZ Mentoring" to help students from the Institutes of Technical Education (ITEs) who may have behavioral or self-esteem issues, "Youth Edge" to help young children and teenagers of incarcerated families, and "Light Your Future" to boost reading literacy among pre-school children from low-income families.

Supporting the Food, Drinks and Allied Workers Union

 In 4Q2021, Gardenia Singapore supported the Food, Drinks and Allied Workers Union's "Gift from the Heart 2021" event by sponsoring approximately 2,000 pieces of *Gardenia* cream rolls that formed part of the bags of daily necessities presented to approximately 2,000 lower-income union members in the hospitality, food and chemical industries.

Ramadan charity distributions

- To spread kindness to the Muslim community during the Ramadan period, Gardenia Singapore sponsored Healthier Choice products to two self-initiative food distribution groups:
- A family had organised a self-initiative food distribution for the month of Ramadan by setting up a Kindness Corner stocked with groceries and food items outside their HDB flat at Tampines for residents in need. Gardenia Singapore sponsored the initiative with 100 loaves of Gardenia wholemeal white bread and 200 pieces of Gardenia wholemeal cream rolls.
- In collaboration with Ghifari Events Management, a group
 of charity volunteers that come together to raise funds
 for the underprivileged, mosques, madrasahs and people
 with special needs, Gardenia Singapore sponsored 500
 Gardenia wholemeal cream rolls during the Ramadan
 period to underprivileged families living in flats in Pasir Ris.

Supporting the elderly

 During the year, Gardenia Singapore continued its monthly sponsorships to the elderly under the Man Fut Tong Welfare Society by distributing approximately 3,700 loaves of Gardenia bread.



Gardenia Singapore distributed Gardenia bread and cream rolls with Dr. Amy Khor, Senior Minister of State, Ministry of Sustainability and the Environment and Ministry of Transport, and Adviser to Hong Kah North Grassroots Organisations, to households living in rental blocks in Hong Kah North division within the South West District.

Supporting the nation's National Day celebrations

- In support of the 56th National Day celebrations, Gardenia Singapore sponsored cash and products including approximately 13,500 pieces of *Gardenia* wholemeal cream rolls for the parade participants at the rehearsals, cash and publicity materials. To celebrate the nation's birthday with Singaporeans, Gardenia Singapore featured the 2021 National Day theme, "Together Our Singapore Spirit" on the commemorative overbands of the packaging of *Gardenia Enriched White Bread, Fine Grain Wholemeal*, and 100% Wholemeal Extra Soft & Fine Bread. Other publicity platforms highlighting Gardenia Singapore's support included a full-page advertisement in the NDP 2021 Commemorative E-Book, ShopperPlus panels at FairPrice supermarkets and on social media channels.
- As part of the National Day celebrations and to communicate the message that Gardenia Singapore has faithfully been bringing freshly baked bread to generations of Singaporeans daily, a multi-generation National Day virtual cooking class in collaboration with Yoripe Cooking App was held in August 2021. A live cooking class was conducted online through Zoom and shared on the Friends of Gardenia Facebook page. The main chefs included a three-generation Chinese family (consisting of a grandmother, mother and daughter) and a twogeneration Indian family (consisting of a mother and a pair of 7-year-old twins). Using Gardenia wholemeal and country loaves, the families created several Asianflavoured recipes and used creative ingredients to create a representation of Singapore as a beautiful Garden and Lion City.



Gardenia Singapore provided bread sponsorships to support a family's Kindness Corner outside their HDB flat unit.

Supporting persons with disabilities

In support of the Purple Parade, Singapore's largest inclusive movement for persons with disabilities since 2013, Gardenia Singapore organised a Facebook contest which featured several of its management and employees in the official Purple Parade T-shirt, holding statements to support inclusion and celebrate abilities of people with disabilities. The contest received very encouraging response from the public who shared their message of support with the hashtags of #SupportInclusion, #CelebrateAbilities and #AlwaysHereWithLove. The Gardenia brand name was also credited at the end of the Purple Parade Virtual Concert, which attracted about 20,000 viewers.

Philippines

During the year, Gardenia Philippines supported many charities, foundations and philanthropic causes with bread donations providing approximately 384,000 loaves to more than 400 organisations in NCR, Calabarzon, Cebu, Cagayan de Oro ("CDO"), and Pampanga. Other philanthropic, community and charitable causes include the following:

Supporting Community Pantries

In 2Q2021, community pantries sprouted all over the Philippines to help the needy. These food banks were found in various neighbourhood communities and carried the slogan, "magbigay ayon sa kakayahan, kumuha batay sa pangangailangan", meaning "give according to your means, take only what you need". Gardenia Philippines supported the community pantries in approximately 177 areas in NCR and Region 4A-Calabarzon with bread donations of more than 28,000 Gardenia loaves.



Management at Gardenia Singapore wore the official Purple Parade T-shirt and held statements to support inclusion and celebrate abilities of people with disabilities.



Gardenia Philippines donated bread to community pantries in NCR and Region 4A-Calabarzon.



Gardenia Philippines continued its Nutrition Assistance Programme, a feeding programme for malnourished public elementary students.

Nutrition Assistance Programme

Gardenia Philippines continued its Nutrition Assistance Programme, a feeding programme for malnourished public elementary students. The programme aims to help improve the nutritional condition of malnourished students and consequently improve the students' performance in class. During the 2020-2022 school year, Gardenia Philippines donated approximately 25,000 loaves of bread to about 1,800 students in four schools in Biñan, Laguna.

Daily Bread Nutrition Programme

Under the Philippines' Daily Bread Nutrition Programme, Gardenia Philippines donated approximately 514,000 packs of bread to 84 charitable organisations in several areas in the country, such as, NCR, Calabarzon, Cebu, Tarlac, Pampanga, Bataan, CDO, Davao, General Santos, Butuan and Zamboanga. The Daily Bread programme aims to help improve the nutritional condition of the beneficiaries and help sustain food needs.

Quick Response Disaster Relief

Gardenia Philippines remained committed to providing immediate food relief to Filipinos affected by natural calamities and disasters. Through the Quick Response programme, Gardenia Philippines distributed more than 2,000 loaves to nearly 1,600 families affected by the volcanic activities of Taal Volcano in 3Q2021. As part of disaster relief efforts, Gardenia Philippines also donated approximately 42,000 packs of *Gardenia* bread to about 24,000 families affected by fires and typhoons in various areas.

Malaysia

During the year, Gardenia Malaysia played an active role in the community, extending the #GardeniaCares brand promise through a series of community-care programmes.

 Gardenia Malaysia supported more than 80 charitable homes and centres including old folks' homes, orphanages, centres and schools for the disabled and those with special needs, and rehabilitation centres, by delivering complimentary fresh products every day. Eight of these homes have been in Gardenia Malaysia's delivery list since the early 1990s. Gardenia Malaysia also delivered nutritious breakfasts to help alleviate hunger and provide better nutrition to more than 350 underprivileged students in several schools across Kuala Lumpur and Selangor.

- Gardenia Malaysia donated more than 25,000 pieces of cream rolls, buns and snack cakes to underprivileged students from 16 schools in Klang Valley, Pahang, Johor and Perak. Approximately 5,000 students had the *Gardenia* products for breakfast before sitting for their exams.
- Gardenia Malaysia's annual *Bag-2-School* Programme donated backpacks to students from low-income communities to help ease the burden of their families. During the year, Gardenia Malaysia's staff were invited to participate in the *Bag-2-School* Programme by contributing *Gardenia* water bottles to the students. The involvement of the staff in the charity programme has helped to foster a helpful and caring culture towards the underprivileged. Approximately 1,150 *Gardenia* backpacks, water bottles and goodie bags were distributed to 18 schools for the 2021 school-year students via the Department of Social Welfare Malaysia and several NGOs.



Gardenia Philippines donated approximately 42,000 packs of Gardenia bread to about 24,000 families affected by fires and typhoons in various areas.

Realising the increase in mental health cases in the community arising from the pandemic, Gardenia Malaysia collaborated with Mental Illness Awareness and Support Association to organise a Facebook live discussion in conjunction with the World Mental Health Day 2021. The discussion was based on the findings from a survey conducted by Gardenia Malaysia's social community partner, Cilisos Media, on how Malaysians were coping during the lockdown and identified the mental health red flags most people tend to miss. Being a brand that cares, Gardenia Malaysia initiated the on-going conversation on mental health, where experts covered tips for healthier mental well-being to help the community to move forward into the new norm. A "Wellness Begins at Home" mental health panel discussion was hosted on Gardenia Malaysia's Facebook page. Gardenia Malaysia aims to keep the conversation on mental health going in the hopes of cultivating greater action towards mental wellness especially within families at home.



- During the flood calamity in 1Q2021, Gardenia Malaysia donated bread baskets to approximately 4,900 families in three critically affected areas – Temerloh, Kuala Lipis and Raub. A total of more than 11,000 units of *Gardenia* products were distributed by the Department of Social Welfare to the families at the relief centres.
- Gardenia Malaysia delivered its products to approximately 7,500 flood victims in the Temporary Evacuation Centre within the close vicinity of its factory immediately after the floods hit Shah Alam in December 2021. Gardenia Malaysia also partnered Shah Alam City Council (Majlis Bandaran Shah Alam) and Fire and Rescue Department of Selangor (Jabatan Bomba dan Penyelamat Selangor) to deliver products to other impacted areas. In total, more than 140,000 units of Gardenia products were delivered to 33 Relief Centres and individuals during the December 2021 flash floods.



Gardenia Malaysia donated more than 140,000 units of Gardenia products to 33 Relief Centres and individuals during the December 2021 flash floods.

Bakers Maison Australia

- BMA supported Cancer Council Australia by ordering its corporate "Thank you" cards from Charity Greeting Cards, an organization that has been working with Australian charities since 1999. The organisation donates a portion of the sales proceeds of the cards to the senders' charity of choice.
- As part of its ongoing waste management initiative, BMA continued to support local farmers with regular donations of edible waste from the production process. The edible waste is mixed with grains and recycled into animal feed.
- In 1H2021, BMA's Sales and Customer Experience departments hosted Australia's *Biggest Morning Tea*, where BMA employees and the public were encouraged to purchase items in a "2 for A\$1" drive to raise funds for Cancer Council Australia.



Gardenia Malaysia's annual Bag-2-School Programme donated Gardenia backpacks, water bottles and goodie bags to students from low-income communities to help ease the burden of their families.

- In 4Q2021, BMA donated 2 pallets of bread rolls to OzHarvest Australia, which is an organisation which collects and distributes donated food to charities or sells the donated food in weekly markets to raise funds to help people in need.
- In 4Q2021, BMA's Managing Director, Mr. Pascal Chaneliere, participated in the CEO Dare to Cure challenge by having his head shaved to raise funds for Children's Cancer Institute. Funds raised will be mainly spent on research and scientific activities to help cure childhood
- In 4Q2021, BMA donated gift packs to students in Broderick Gillawarna School as a Christmas giveaway. Broderick Gillawarna School caters for students aged 4 to 18 years old with moderate to severe intellectual disabilities, autism and physical disabilities.

Investing in the Future by Developing Young Students and Talent

Gardenia

Singapore

The Gardenia Bursary programme

• The Gardenia Bursary programme, established by Gardenia Singapore in 2017, involved the pledge of a gift of \$100,000 each to the National University of Singapore's Faculty of Science, and Nanyang Technological University's School of Mechanical and Aerospace Engineering, and School of Biological Sciences' Food Science and Technology Programme. The Gardenia Bursary seeks to help talented students achieve their educational and career aspirations and is awarded over a period of five years. In 2021, the bursary amounts were disbursed to award recipients.

Work Study programme and ITE Internship programme

- The Work Study and ITE Internship programmes aim to assist students by providing them with a head-start in careers related to their disciplines of study. Under the Work Study Programme in 2021, Gardenia Singapore engaged a student studying for an Advanced Diploma in Applied Food Science at Singapore Polytechnic for 18 months as an R&D technician. She was trained on the job to perform baking tests and microbiological tests for baking ingredients.
- Under the ITE Internship programme, Gardenia Singapore provided an internship opportunity to a special needs student with dyslexia and visual processing disorder from the Institute of Technical Education (ITE) College Central Ang Mo Kio. To help him gain experience in the corporate world, the student was given an opportunity to provide technical support and assist in reports, presentations and administrative duties in Gardenia Singapore's sales department over two months. A full-time Gardenia Singapore staff was appointed to coach and guide the intern in carrying out his duties as well as undertake a performance assessment at the end of his internship. For 2022, Gardenia Singapore plans to offer two industrial training internship positions, one for a Temasek Polytechnic student and the other for a Singapore Polytechnic student.

Malaysia

To help local university undergraduates prepare for future employment, Gardenia Malaysia offered 15 internship positions in 2021 to students from different fields of study to provide them with real-life working experience.



Bakers Maison Australia's Managing Director, Mr. Pascal Chaneliere, participated in the CEO Dare to Cure challenge by having his head shaved to raise funds for Children's Cancer Institute.



In appreciation of the hard work by frontline healthcare workers during the Covid-19 pandemic, Gardenia Singapore distributed Gardenia wholemeal cream rolls to various healthcare organisations.

Contributing to the Community during the Covid-19 Pandemic

Gardenia

Singapore

Appreciating our frontline healthcare and essential workers

• In appreciation of the hard work by frontline healthcare workers during the Covid-19 pandemic, about 2,500 pieces of *Gardenia* wholemeal cream rolls were distributed to various healthcare organisations including Tan Tock Seng Hospital, Singapore General Hospital, Ng Teng Fong General Hospital and Seng Kang Hospital in 2021. As a gesture of appreciation, Gardenia Singapore also presented fifty-four loaves of *Gardenia wholemeal* bread to essential workers such as migrant workers and cleaners in the North East estates through the North East CDC.

Singapore Kindness Day

• In celebration of Singapore Kindness Day, Gardenia Singapore supported its long-term corporate partner, Singapore Kindness Movement (SKM) in a social media contest to encourage the public to show their appreciation to frontline workers. Members of the public were invited to follow a step-by-step guide and create a DIY Kindness Gerbera (flower) Card using any yellow-coloured Gardenia packaging. To spread love and kindness in the community, participants were invited to pen a thank you note or encouraging message to our frontline workers.

To encourage wider participation, the Kindness activity was also incorporated into the programme at Gardenia Singapore's virtual factory tour and this received positive feedback from the participants. A collage of all entries received was featured on social media as part of the celebration for Singapore Kindness Day.

Helping vulnerable families in Bishan

Through a collaboration with Bishan Community Club, 70 vulnerable families living in Bishan were supported by Gardenia Singapore with weekly sponsorships of *Gardenia Super Soft & Fine Enriched Wholemeal White Bread* for a three-month period. The initiative aimed to provide the families with better nutrition during the Covid-19 pandemic. A total of 980 loaves were distributed over the three-month period.

Encouraging seniors to get their Covid-19 vaccinations

To support the vaccination drive and encourage more seniors to get their Covid-19 vaccinations, Gardenia Singapore sponsored 480 healthier wholemeal loaves to the vaccination centres of various community centres such as Nee Soon East CC, Bishan CC and Marine Parade CC.

Philippines

In the Philippines, Gardenia continued its bread donations to frontline workers, distributing about 37,000 packs of bread loaves to medical workers in 65 hospitals located in NCR, Laguna, and Cavite.



Gardenia Singapore held a social media contest to encourage the public to create a DIY Kindness Gerbera (flower) Card to show their appreciation to frontline workers.



Gardenia Philippines donated bread to medical workers in hospitals.

Malaysia

- Gardenia Malaysia collaborated with several NGOs and the Department of Social Welfare to distribute bread baskets to vulnerable B40 families whose incomes were most affected by the Covid-19 pandemic. In 2021, approximately 505,500 units of *Gardenia* products with a value of approximately RM1 million were donated through the "Gardenia Covid-19 Aid Programme".
- In support of the National Covid-19 Immunisation Programme and to show appreciation to the medical staff and volunteers on duty at the vaccination centres, Gardenia Malaysia contributed more than 140,000 units of *Gardenia* products, including sweet and savoury buns, cream rolls, muffins and cakes to 185 vaccination centres. The snacks were individually packaged and could be conveniently consumed during the frontliners' breaktimes.

Bakers Maison Australia

 To support vulnerable communities suffering from food shortages during the Covid-19 pandemic, BMA donated 48 cartons of hot dog rolls to *Foodbank*, Australia's largest food relief organisation, during Australia's lockdown in September 2021. The products were subsequently distributed to the needy across NSW.

Branding Campaigns to Promote Good Health, Love and Positivity Within the Community

Through branding campaigns, Gardenia Singapore promotes good health, love and positivity within local communities and aims to assure consumers about its continued commitment in providing quality products.



Gardenia Malaysia collaborated with several NGOs and the Department of Social Welfare to distribute bread baskets to vulnerable B40 families whose incomes were most affected by the Covid-19 pandemic.



Gardenia Malaysia contributed Gardenia products to show appreciation to the medical staff and volunteers on duty at Covid-19 vaccination centres in Malaysia.

Gardenia

Singapore

"Spread the Love, Live Healthier" branding campaign

- The Covid-19 pandemic has caused a major change in consumer behaviour and mindset. With uncertainty from the health risks caused by Covid-19 and financial impacts of the economic downturn, consumers became increasingly concerned about consuming healthier foods to enhance wellness while being more cautious with their expenditure, especially on staple foods.
- In support of this increased concern for healthier lifestyles and focus on price affordability, Gardenia Singapore launched the "Spread the Love, Live Healthier" campaign in 1H2021 to encourage consumers to opt for a healthier diet by sharing engaging content on social media about the benefits of wholegrains and the different nutritional benefits of Gardenia's range of low-sugar and low-glycemic index loaves. To further promote the campaign message, a series of retail promotions for Gardenia's wholemeal products were launched in-store. In addition to highlighting the benefits of wholegrains, the price-off promotions provided consumers with more affordable prices and savings during the economic recession.

"Always Here with Love" branding campaign

To provide hope and comfort to Singaporeans facing difficult and uncertain times during the Covid-19 pandemic, Gardenia Singapore continued to spread positivity, gratitude and warmth to the community in a continuation of its 2020 "Spread the Love" branding campaign.

- The "Always Here with Love" branding campaign was launched in July 2021 to evoke emotions that would resonate with consumers. The campaign aimed to evoke familiar and warm memories of Gardenia as a loyal and caring local brand which was always around, serving multiple generations of families in Singapore through thick and thin.
- The campaign was launched close to Singapore's National Day 2021 to leverage on the positive Singapore spirit during the national celebrations and to promote the spirit of unity and inclusivity for a kinder and more loving Singapore.
- Gardenia Singapore communicated its support of diversity
 and inclusivity on its social media platforms, aligning with
 the national day theme of "Together Our Singapore Spirit".
 A social media contest was held to encourage Facebook
 fans to share how they show love and embrace an inclusive
 community to win enamel mugs, featuring beautiful art
 pieces of local scenes painted by differently abled makers
 from i'mable Collective.
- As part of the campaign, a branding video was launched to highlight Gardenia Singapore's commitment to supporting inclusive hiring practices. The video showcased how the company had fostered a conducive working environment for people with disabilities through the story of a deaf and mute employee who has been working in Gardenia Singapore's bun factory for 10 years.

- To further strengthen the campaign's message of Gardenia Singapore being a homegrown brand which is committed to providing quality products of good value, another branding video was created and launched in 3Q2021 to communicate how Gardenia Singapore provided for the needs of the community. This is done through a story of a Gardenia van salesman who continued to stay and work in Singapore to provide for his family in Malaysia during the pandemic. In the same way that the van salesman showed love for his family, the message was that Gardenia Singapore would always be there for its consumers, through its commitment to provide freshly baked bread.
- From November 2021, the "Always Here with Love" campaign focused on showing appreciation to delivery personnel who had been working tirelessly to deliver essentials and food to all parts of Singapore especially during the pandemic. A social media contest was launched in November to encourage Gardenia Singapore's Facebook fans to create "Thank you" cards for delivery riders by making flower origami using Gardenia bread packaging. In December, Gardenia Singapore collaborated with five Fraser Malls in Singapore to distribute approximately 300 loaves of Gardenia festive bread and "Thank you" cards to the food delivery riders.



Gardenia Singapore held a social media contest to encourage its Facebook fans to share how they showed love and embraced an inclusive community.



Gardenia Singapore's Facebook fans were encouraged to create "Thank you" cards for delivery riders by making flower origami using Gardenia bread packaging.

