

QAF LIMITED



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SUSTAINABILITY REPORT

ABOUT THIS REPORT

QAF Limited (the “**Company**” or “**QAF**”) and its subsidiaries (the “**Group**”) is pleased to present our sixth annual Sustainability Report which covers our approach towards sustainability in our business operations for the period 1 January 2022 to 31 December 2022 (“**FY2022**”).

Report Scope

This report covers the Group’s Bakery businesses in Singapore (where QAF is headquartered), the Philippines, Australia, and Malaysia under our two key brands, *Gardenia* and *Bakers Maison*. 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

This report is prepared with reference to the Global Reporting Initiative’s (“**GRI**”) Standards 2021 and we have applied the following principles to define the report content and quality of information:

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

GRI data was collected at the subsidiary level and where appropriate has been aggregated to provide a group-level view. GRI Standards has been selected to guide our reporting as we believe it provides robust disclosure guidance and is widely accepted as a global standard for sustainability reporting. The GRI content index relevant to this report can be found on pages 96 to 97.

This year, we also commenced adopting some of the recommendations of the Taskforce on Climate-related Financial Disclosures (“**TCFD**”) in our climate reporting. Our TCFD disclosures can be found on pages 92 to 95.

This report is aligned with the reporting requirements of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Rules 711A and 711B.

Our last sustainability report was published in March 2022. We publish our sustainability reports annually and our reports for previous years are available on our website www.qaf.com.sg.

The Company does not currently conduct external assurance on its sustainability reporting.

Feedback

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



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BOARD STATEMENT

With effect from 1 January 2022, Singapore Exchange Limited (“**SGX**”) has required companies listed on SGX-ST to adopt certain enhancements for their sustainability reports, including climate-related disclosures which have to be adopted on a “comply or explain” basis in FY2022 and on a mandatory basis in FY2023 for listed companies in the food industry.

We are pleased to present our sustainability report for QAF Limited (“**QAF**” or the “**Company**”), which provides information on the material environmental, social and governance (“**ESG**”) performance of QAF and its subsidiaries (the “**Group**”) for FY2022 pursuant to the reporting requirements of SGX-ST Listing Rules 711A and 711B. We highlight efforts and initiatives taken in the reporting year in this context as we continue to embrace our commitment towards pushing the sustainability agenda across the Group and generating positive impact for our employees, the communities and the wider environment.

As the Board of a listed company, we maintain our stance of upholding sustainability values in our Group and monitoring the ESG factors that are relevant and material to our business and the above SGX requirements. For example, all of our Directors have attended SGX-ST prescribed sustainability training course(s) offered by the Singapore Institute of Directors. For FY2022, we worked with an external independent sustainability consultant to refresh our materiality assessment. With cyber-crimes on the rise globally, we have identified one new material ESG topic, Data Protection and Cybersecurity.

We also continue to recognise the following United Nations’ Sustainable Development Goals (“**UN SDGs**”), namely SDG 3: Good Health and Well-being and SDG 12: Responsible Consumption and Production. The material ESG topics identified, as well as the topic of economic performance, have been categorised under the five key dimensions of the UN SDGs: Prosperity, Products & Process, Planet, People, and Peace & Partnerships (the “**5Ps**”).

Prosperity

For our economic performance in FY2022, please refer to the rest of our FY2022 Annual Report for a holistic picture.

An example of our sustainability practice is in the area of corporate governance. QAF acknowledges the importance of robust corporate governance policies. In FY2022, QAF successfully maintained its place in the Singapore Exchange’s Fast Track list in recognition of its high corporate governance standards and good compliance track record. QAF had earlier participated in the Goods and Services Tax (“**GST**”) – Assisted Compliance Assurance Programme (“**ACAP**”), initiated by the Inland Revenue Authority of Singapore (“**IRAS**”). In recognition of its efforts in establishing a good structure to ensure GST compliance and its commitment to incorporate GST risk management as part of good corporate governance, QAF has been awarded “ACAP Premium” status for 5 years. QAF also plans to participate in programmes to strengthen its corporate income tax governance and the Company is currently working with its tax advisors, with a view to participate in two new initiatives by IRAS, namely Tax Governance Framework and Tax Risk Management and Control Framework.

Another example is in the area of cybersecurity. In 2022, we appointed a senior IT manager to oversee and improve the Group’s IT environment, including cybersecurity practices. The Group has since aligned the IT policy and procedures to govern the proper use of email, internet, and computer antivirus software. In addition, we have invested in training our employees on data and cybersecurity practices to promote awareness across the organisation. Simulated email phishing exercise has also been conducted to test the preparedness and response of the employees in handling email phishing. In addition, we have strengthened our configurations to detect and prevent email spoofing and phishing attacks as well as account hacking. The Group continues to review and enhance their local and remote backup and recovery process and technology to further strengthen data protection and recovery. The Group will also continue to review and enhance current security technology and controls to stay relevant so that an effective layered defence capability is in place. In FY2021, the Group was affected by two major cyberattacks, but through effective management, the scammers were unsuccessful in their attempted theft of the Group’s monies. Following the attacks, the Group strengthened and continues to enhance its processes in respect of future cybersecurity attacks.

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Products and Process

As an established food player in the region with strong regional brands, QAF strongly believes in our social responsibility to improve the nutrition and quality of our products and promote healthy diets. The Group achieves this through product innovation. Combining consumer insights and technical excellence, existing products' formulations are improved, or new products are launched to meet shifts in consumer demands. For example, Gardenia Philippines re-launched their *NeuBake Wheaten Bread*, which emphasises both the fibre benefits and softness of wheaten bread, catering more to health-conscious consumers. Gardenia Philippines also launched the *Neubake Monggo Bread Roll* and *Choco Bread Roll*, which contains vitamins and minerals including Vitamin A, Vitamin B1, Folate and Iron. Gardenia Singapore also improved the recipe of *Gardenia Hokkaido Hi-Calcium Milk Bread* in 2Q2022. Made with Hokkaido skimmed milk powder, the new *Gardenia Hokkaido Hi-Calcium Milk Bread* contains Prebiotics, Calcium, Iron and Vitamins B1 and B3. These products offer consumers with options that are also higher in nutritional value.

While the Covid-19 pandemic has subsided in FY2022, the geopolitical crisis in Europe has exacerbated pre-existing inflationary pressures and resulted in escalating cost of living for consumers. To maintain affordability for the mass market, Gardenia Singapore provides a diverse range of products through a multi brand approach by offering more affordable bread for the price-sensitive consumers under its different brands, as well as held several nationwide retail promotions to provide savings for consumers throughout the year. In FY2022, Gardenia Malaysia launched *NuMee* in a reduced size, the 380g packet, which offers a more economical option for smaller families. Gardenia Malaysia's *Gardenia Bonanza Keluarga*, a 500g white loaf, and Gardenia Philippines' *NeuBake* bread range were also offered at affordable prices to cater to the lower income mass market. In partnership with the national government, Gardenia Philippines also introduced the *Pinoy Coco Pandesal*, which is made with 90% wheat flour and 10% coconut flour, an ingredient that is more sustainable and locally available. This initiative serves to address the rising cost of wheat flour so that we can continue to offer products at affordable prices.

Apart from product development, the Group continues to upgrade our factories with hygiene, food safety and quality in mind. Gardenia Philippines' two factories at Philfoods and Nutrimax were awarded ISO 9001: 2015 and HACCP

certifications in 1Q2022. The Group's factory in Johor upgraded its food safety management system to FSSC 22000 version 5.1 in 1Q2022. The Group's other factories have all managed to maintain their food quality and safety certifications. As we regard food safety as our top priority, despite the Singapore government's removal of the mandate to wear masks in August 2022, Gardenia Singapore still mandates mask wearing, regular disinfection, sanitisation of common areas, as well as health and travel declarations for its production department. Posters are pasted around the factories to remind employees to practise good personal hygiene.

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 mitigated. We also continue to make our products easily accessible to our consumers through the Group's extensive distribution channels and e-commerce business.

Planet

Through our energy, waste and effluent management initiatives, we have taken steps to reduce our environmental impact and carbon footprint.

At Gardenia Malaysia and Bakers Maison Australia ("BMA"), we have solar rooftop panels to generate renewable energy. To partially offset the higher increases of electricity, Gardenia Singapore and Ben Foods Singapore are currently exploring the feasibility of installing solar panels at their Singapore based sites. Gardenia Malaysia also replaced the mercury halide lights and conventional fluorescent lights at the production lines, warehouse, and office areas of selected factories with LED lights. Since October 2021, BMA also used natural gas as a source of direct energy instead of liquefied petroleum gas. BMA also sources approximately 90% of its raw materials locally, indirectly reducing carbon emissions from the transportation of raw materials for its business. In 2022, Gardenia Philippines launched its SustainabilityTEAM program, which involves the implementation of activities that advocate "Great Products, Good People, and a Greener Planet". For example, tree planting activities were conducted where Gardenia Philippines' employees volunteered in planting more than 3,000 seedlings in the Philippines. To reduce energy consumption, during the year, Gardenia Singapore changed to a new freezer system using a more environmentally friendly refrigerant, thereby reducing the carbon footprint of its freezers and improving energy efficiency.

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As part of our sustainability efforts to reduce plastic used in packaging, Gardenia Singapore has commenced the reduction of packaging thickness of *Gardenia* cream rolls in 3Q2022. In an effort to reduce paper consumption, Gardenia Philippines has implemented digitization in its plants where selected departments have transitioned to online processing. At BMA, in celebration of World Environmental Day, a campaign was conducted to donate clothing to a recycling organisation for recycling. 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 approximately 52 tonnes of cardboard waste. BMA also donated approximately 104 tonnes of edible dough waste to local farmers, which is then recycled into animal feed by the farmers. In FY2022, Gardenia Singapore and Gardenia Philippines also upcycled unsold returned bread into animal feed. QAF has also embarked on partnerships to develop innovative solutions for a more sustainable supply chain. For example, since FY2021, Gardenia Singapore collaborated with its key food service partner, Burger King, to use certified "Roundtable on Sustainable Palm Oil" in the formulation of a product.

People

As one of the larger regional employers with more than 9,000 employees, the Group, including its joint venture, makes important economic and social contributions through provision of employment principally in Singapore, Philippines, Malaysia and Australia, and the recruitment of foreign workers from Malaysia, China, Vietnam, Bangladesh, Indonesia and Nepal. Safeguarding the health, safety and well-being of our people remains pivotal in maintaining employee satisfaction and long-term business success. For example, at Gardenia Malaysia, we extend various job benefits which are additional to what is mandated by law. Further, Gardenia Malaysia has commenced operating on a zero-cost recruitment fee basis for newly hired foreign workers. For more information on Gardenia Malaysia's human resource practices and the job benefits it provides to its foreign workers, please see "People" section of the report.

The Covid-19 pandemic has resulted in heightened focus on the importance of health and safety. To support staff well-being, Gardenia Philippines continued to provide staff with multivitamins on a monthly basis. At Gardenia Singapore, a complimentary health screening was organised for all employees in 4Q2022. Both Gardenia Philippines and BMA also provided free flu vaccines to their employees. In

January 2022, financial aid amounting to approximately RM274,000 was extended by Gardenia Malaysia to more than 750 employees who were gravely affected by the floods in December 2021. In recognition of its commitment to workplace safety, Gardenia Singapore is also accredited with BizSAFE Level 4 by the Workplace Safety and Health Council. The Group also continues to invest in the training and development of our employees.

Peace and Partnerships

At QAF, we strive to continue to make a positive impact to our communities by supporting a range of philanthropic, community and charitable causes and by promoting good health and positivity. In FY2022, more than 1.7 million units of *Gardenia* products were donated by the Group, including its joint venture, to the community. Through these bread donations, we have supported charitable organisations, students, frontline workers and vulnerable individuals.

We also continue to support local communities in disaster relief and recovery. For example, Gardenia Malaysia collaborated with the local authorities and the residents' associations surrounding our factories in Bukit Kemuning, Selangor, to embark on a flood mitigation project by improving the drainage system bordering our plants and the residential area. In line with its #GardeniaCares philosophy, Gardenia Malaysia has in 4Q2022, pledged a total of RM500,000 towards its 2022 national flood relief programme. The contribution was in the form of popular *Gardenia* products that were distributed to communities in affected areas and at relief centres with the cooperation of the Social Welfare Department. As part of disaster relief efforts, Gardenia Philippines donated bread loaves to families affected by the volcanic activities of Taal Volcano, the earthquake in Abra and Ilocos, as well as typhoons and fires in Luzon.

At the FairPrice Partners Excellence Awards 2023, Gardenia Singapore bagged 2 awards, namely "Top Business Partner of the Year Award" and "Most Popular Brand Award" for year 2022. The awards are a testament to its leadership and commitment in providing high quality products and services. In the Philippines, *Gardenia* was also awarded the "Best Brand for Year 2022" in the Baked Products Category by a major supermarket chain store in Mindanao in February 2023. This award was granted to Gardenia Philippines in recognition of its outstanding sales growth and consistent quality assurance.

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In 2023, Gardenia Malaysia was awarded “Putra Brand Platinum Award (Foodstuff Category)” for year 2022, the thirteenth consecutive year it has won the “Putra Brand Award” and the fourth consecutive year it was awarded the Platinum Award. This is a strong reflection of the credibility of the *Gardenia* brand in the community and consumers’ satisfaction with our products. Gardenia Malaysia was also awarded a Gold award under the Corporate Branding Category of the Malaysia Public Relations Awards 2022 organised by the Public Relations and Communications Association of Malaysia. The award was given in recognition of Gardenia Malaysia’s efforts to promote mental health literacy and increase mental health awareness through its “*Wellness Begins at Home*” campaign.

In addition to the material ESG topics identified in our materiality assessment, QAF recognises the growing importance of the impact of climate change on our society, environment, and economies. Changes in environmental conditions may result in disruptions to our supply chain including raw materials which are key for producing our food products. As such, we have taken our first step towards assessing climate-related risks and opportunities of our organisation by conducting a climate risk assessment on our manufacturing operations. We are also reporting climate-related disclosures consistent with

the recommendations of the Task Force on Climate-Related Financial Disclosures (“**TCFD**”) on a “comply or explain” basis for the first time, providing an overview of our climate governance, strategy, risk management approach, identified climate-related risks, and our metrics. Please refer to the “TCFD” section on pages 92 to 95 of this report for such disclosures.

This is the first year in which climate-related disclosures in the Sustainability Report are required to be consistent with the recommendations of the TCFD on a “comply or explain” basis. Companies, including QAF, have more to learn on how TCFD disclosures and sustainability practices can be refined and improved. We would like to express our gratitude to everyone who has contributed to our ongoing sustainability journey. Looking ahead, our priority for FY2023 is to adapt and develop our sustainability practices within our business and operations. Please refer to pages 51 to 91 of this report for our sustainability progress across the 5Ps during the year.

The Board of Directors

QAF Limited



Gardenia Philippines was awarded the “Best Brand for Year 2022” in the Baked Products Category by a major supermarket chain store in Mindanao.



Gardenia Malaysia was awarded a Gold award under the Corporate Branding Category of the Malaysia Public Relations Awards 2022 organised by the Public Relations and Communications Association of Malaysia for its “*Wellness Begins at Home*” campaign.

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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, together with our joint venture in Malaysia, currently employs over 9,000 employees. We are listed on the Singapore Exchange Securities Trading Limited.

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

BMA 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 food service 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 gluten-free by Coeliac Australia since 2018.



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AWARDS AND RECOGNITION



QAF maintained its place in the Singapore Exchange's **Fast Track list** in recognition of its high corporate governance standards and good compliance track record.



QAF achieved a ranking of 47 out of 200 companies for The Straits Times **"Singapore's Best Employers 2021"**.



QAF ranked No. 262 out of 750 companies for Forbes **"World's Best Employers 2021"**.



Gardenia Singapore secured **No. 1 status from NielsenIQ** in four categories, namely, "White Bread", "Wholemeal Bread", "Flavoured Bread" and "Non-filled Bun Bread", for the period January to December 2022.



At the FairPrice Partners Excellence Awards 2023, Gardenia Singapore received the following two awards for year 2022 for its leadership and commitment to providing high quality products and services:

- **"Top Business Partner Award"** for exceptional sales results with remarkable sales growth, providing strong partnership support and having a high level of customer centricity.
- **"Most Popular Brand Award"** awarded to *Gardenia* for its consistent quality assurance and brand philosophy.



Gardenia Philippines secured **No. 1 status from NielsenIQ** in four categories, namely, "White Bread", "Health Bread", "Flavoured Bread" and "Pandesal" for the period January to December 2022.



Gardenia Philippines was awarded the **"Best Brand for Year 2022"** in the Baked Products Category by a major supermarket chain store in Mindanao, LTS Retails Specialists Inc., also known as NCCC Supermarkets, at their Suppliers Conference in February 2023. This award was granted to Gardenia Philippines in recognition of its outstanding sales growth and consistent quality assurance.



Gardenia Singapore holds **Grade A status** for 28 consecutive years under the Singapore Food Agency's Food Establishment Licensing Scheme which covers food hygiene and safety standards.



In Malaysia, Gardenia was awarded **"Putra Brand Platinum Award (Foodstuff Category)"** for year 2022, the thirteenth year it has won the "Putra Brand Award" and the fourth year it has won the Platinum award.



Gardenia Malaysia was also awarded a **Gold Award** under the **Corporate Branding Category** of the Malaysia Public Relations Awards organised by the Public Relations and Communications Association of Malaysia. The award was given in recognition of Gardenia Malaysia's efforts to promote mental health literacy and increase mental health awareness through its *"Wellness Begins at Home"* campaign.

1 Gardenia Singapore is No. 1 in this category in volume sales.

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MANAGING BUSINESS CONTINUITY THROUGH COVID-19 AND GLOBAL SUPPLY CHAIN PRESSURES

QAF Limited remains committed to supporting our staff and communities during the ongoing Covid-19 pandemic, and the safety and well-being of our employees remains a priority for the Group. Since the onset of the Covid-19 pandemic, the Group has implemented and followed statutory health and safety measures imposed at each geographic jurisdiction in which it operates. To better protect the workforce against Covid-19 and the emerging Monkeypox epidemic, the Group continues to apply its own health and safety measures. These measures are routinely updated in accordance with the relevant public health advisories and restrictions, and they are communicated to Group personnel on a regular basis.

Safety and precautionary measures included mandatory wearing of masks at work, conducting virtual meetings for large groups, regular disinfection of common areas and facilities, dissemination of posters, hourly intercom announcements to remind employees of social distancing measures, hand sanitation, daily declaration and submission of daily health monitoring forms, and provision of masks, sanitisers and antigen rapid test kits. Temperature checks of all employees and guests were conducted at all entrances and reception areas of the Group's premises. At Gardenia Philippines, employees serving home quarantine were also provided a home medical kit comprising face masks, digital thermometers, hand sanitisers, medicines, multivitamins, antigen saliva test kits, and guidelines for home quarantine, as well as monitoring of employees and family members affected by the virus. Gardenia Philippines also administers periodic vaccination programs against flu and Covid-19. Employees were granted an additional one (1) day leave for booster vaccinations. Additionally, Gardenia Philippines circulates information on preventive measures against Monkeypox through email blasts and bulletin board postings to increase awareness on how to protect oneself from contracting the disease.

The Group seeks to reduce the risk of disruptions to the availability of our workforce and the supply of our products through its Covid-19 response methods and operational continuity plans. BMA was particularly affected by Covid-19 during January and February 2022, when Covid-19 cases

spiked across Australia's Eastern States. This caused a high level of absenteeism, disrupting supply chains and our operations. Total production output during this period was reduced by up to 40% of normal volumes. Since then, BMA's operations have returned to normal. Gardenia Singapore has maintained its workforce by sourcing manpower through local contractors and hiring additional temporary workers who were displaced from other industries.

Cross-border movement restrictions disrupted the Group's raw materials supply chains from countries such as Europe, Malaysia, and Thailand. Global shipping shortages affected the Group's production supplies, causing shipment delays and a rise in shipping costs. In addition to the Covid-19 effects, climate change has resulted in lower crop yields for certain ingredients such as sugar, wheat, and raisins. This, accompanied by geopolitical tensions, have contributed to higher raw material costs for the Group and its joint venture, particularly for flour.

Increases in production costs has necessitated price adjustments for our products, however these price increases have been moderated so that we remain competitive. In FY2022, Gardenia Malaysia launched *NuMee* in a reduced size, the 380g packet, which offers a more economical option for smaller families. In the Philippines, the *NeuBake* bread range and *Gardenia Pinoy Pandesal* cater to the needs of the lower income market.

Global supply chains have been negatively impacted due to the Pandemic and exacerbated due to the war in Ukraine. To mitigate rising costs due to inflationary pressures, Gardenia Singapore worked closely with suppliers of flour and key ingredients to maintain a steady supply of freshly baked bread in Singapore. In addition, Gardenia Singapore also prepared ingredients ahead of time to prevent disruption in supplies.


The Group remains devoted to making a positive difference on its people, communities, and continues to give back to society through its various programs. Where possible, the Group provides support, both financial and non-financial, 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 programs.

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STAKEHOLDER ENGAGEMENT AND MATERIALITY REASSESSMENT



Stakeholder engagement

The primary objective of the stakeholder engagement process is to better understand their perspectives on key issues and to build strong relationships. We also partner with international organisations, government bodies and NGOs, to understand relevant pressing concerns of the industry.





Key Stakeholders	Key Topics and Concerns	Engagement Methods ²	Frequency of Engagement
Employees 	<ul style="list-style-type: none"> Orientation for newly hired employees 	<ul style="list-style-type: none"> Discussion of expectations and employee commitments 	<ul style="list-style-type: none"> Weekly, or prior to deployment of new employees at Gardenia Philippines Prior to deployment of new employees at Gardenia Singapore and BMA Annually and prior to deployment of new employees at Farmland Malaysia
	<ul style="list-style-type: none"> Career progression/development 	<ul style="list-style-type: none"> Training and career development initiatives 	<ul style="list-style-type: none"> Periodically during the year
		<ul style="list-style-type: none"> Regular performance reviews 	<ul style="list-style-type: none"> 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 and Farmland Malaysia. Quarterly one on one discussions for existing employees at BMA. Annual review for performance appraisal at Gardenia Singapore
		<ul style="list-style-type: none"> Feedback sessions with manager at BMA 	<ul style="list-style-type: none"> One on one conversations quarterly
		<ul style="list-style-type: none"> Cross training for production staff at BMA 	<ul style="list-style-type: none"> Ongoing
	<ul style="list-style-type: none"> Compensation and other benefits 	<ul style="list-style-type: none"> Health and wellness related initiatives 	<ul style="list-style-type: none"> Quarterly "Wellness Week" event at Gardenia Philippines Periodically during the year at BMA
		<ul style="list-style-type: none"> Mental health support, and mental health and well-being programmes at Gardenia Philippines and BMA 	<ul style="list-style-type: none"> Periodically during the year
		<ul style="list-style-type: none"> Vaccination programmes at Gardenia Philippines and BMA 	<ul style="list-style-type: none"> Periodically during the year
		<ul style="list-style-type: none"> Discussion of performance and achievements 	<ul style="list-style-type: none"> Annual performance reviews Periodically during the year for Gardenia Philippines Quarterly one on one conversations at BMA

² Includes virtual engagements, where applicable.

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Key Stakeholders	Key Topics and Concerns	Engagement Methods ²	Frequency of Engagement
		<ul style="list-style-type: none"> Virtual and social team building activities 	<ul style="list-style-type: none"> Periodically during the year for Gardenia Philippines Quarterly for BMA
		<ul style="list-style-type: none"> Engagement with applicable trade unions 	<ul style="list-style-type: none"> As and when required
		<ul style="list-style-type: none"> Livelihood training for employee dependents at Gardenia Philippines 	<ul style="list-style-type: none"> Periodically during the year
	<ul style="list-style-type: none"> Sustainability Reporting 	<ul style="list-style-type: none"> Materiality reviews 	<ul style="list-style-type: none"> Annually
Shareholders 	<ul style="list-style-type: none"> Business and financial performance, strategy, and outlook 	<ul style="list-style-type: none"> Release of financial results and other announcements, and other relevant disclosures through SGXNet and QAF's website Publish Annual Report Annual General Meeting Extraordinary General Meeting(s), where necessary 	<ul style="list-style-type: none"> Half-yearly results announcements An Annual General Meeting is held once a year Extraordinary General Meetings are held as and when required
Customers 	<ul style="list-style-type: none"> Quality of products 	<ul style="list-style-type: none"> Participation in interactive roadshows held in conjunction with health promotion campaigns or initiatives. Participation in in-store promotions with health-related campaigns and initiatives 	<ul style="list-style-type: none"> Periodically during the year
	<ul style="list-style-type: none"> Nutritional content of products Use of trans-fat free and non-GMO products Availability/accessibility of products 	<ul style="list-style-type: none"> Digital Advertisements, Transit Ads, and marketing and sales promotions Interaction between brands and customers via websites and social media platforms Customer surveys 	<ul style="list-style-type: none"> Quarterly Daily monitoring of customer feedback and internal review meetings twice a year for Gardenia Singapore
	<ul style="list-style-type: none"> Customer and business partner relationships 	<ul style="list-style-type: none"> Gardenia Singapore and BMA conduct business reviews and updates with key customers/retailers 	<ul style="list-style-type: none"> Periodically during the year

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Key Stakeholders	Key Topics and Concerns	Engagement Methods ²	Frequency of Engagement
Suppliers and Business Partners 	<ul style="list-style-type: none"> Supplier and business partner relationships Quality of materials supplied On-time delivery of products 	<ul style="list-style-type: none"> Supplier and business partner meetings Regular audits of factories Audits by third parties and business partners 	<ul style="list-style-type: none"> Periodically during the year Ongoing for BMA Periodically during the year
Government and Regulators 	<ul style="list-style-type: none"> Compliance with relevant rules and regulations 	<ul style="list-style-type: none"> Routine and ongoing communication and collaboration Compliance with mandatory reporting requirements 	<ul style="list-style-type: none"> As and when required
Local Communities 	<ul style="list-style-type: none"> Promote healthier lifestyles and raise awareness of importance of food nutrition on overall mental and physical health Help improve the livelihoods and living quality of the local community 	<ul style="list-style-type: none"> 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 Activities to support various philanthropic, community and charitable causes 	<ul style="list-style-type: none"> Periodically during the year Periodically during the year
Industry Bodies 	<ul style="list-style-type: none"> Short and long-term interests of the industry body groups 	<ul style="list-style-type: none"> Collaboration with industry bodies like Philippine Baking Industry Group 	<ul style="list-style-type: none"> Periodically during the year for Gardenia Philippines

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Memberships and associations

The Group has memberships and is involved in industry organisations 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

Malaysia

- Federation of Malaysian Manufacturers
- Malaysia External Trade Development Corporation
- Malaysian Investment Development Authority
- SME Association of Malaysia (South Johor)

Philippines

- Employers Confederation of the Philippines, Inc.
- European Chamber of Commerce
- Filipino-Chinese Bakery Association, Inc.
- Laguna International Industrial Park Association, Inc.
- Makati Business Club
- Philippine Marketing Association
- People Management Association of the Philippines
- Philippine Baking Industry Group
- Philippine Chamber of Food Manufacturers, Inc.
- Philippine Institute for Supply Management
- Philippine Society for Talent Development
- The Wallace Business Forum

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

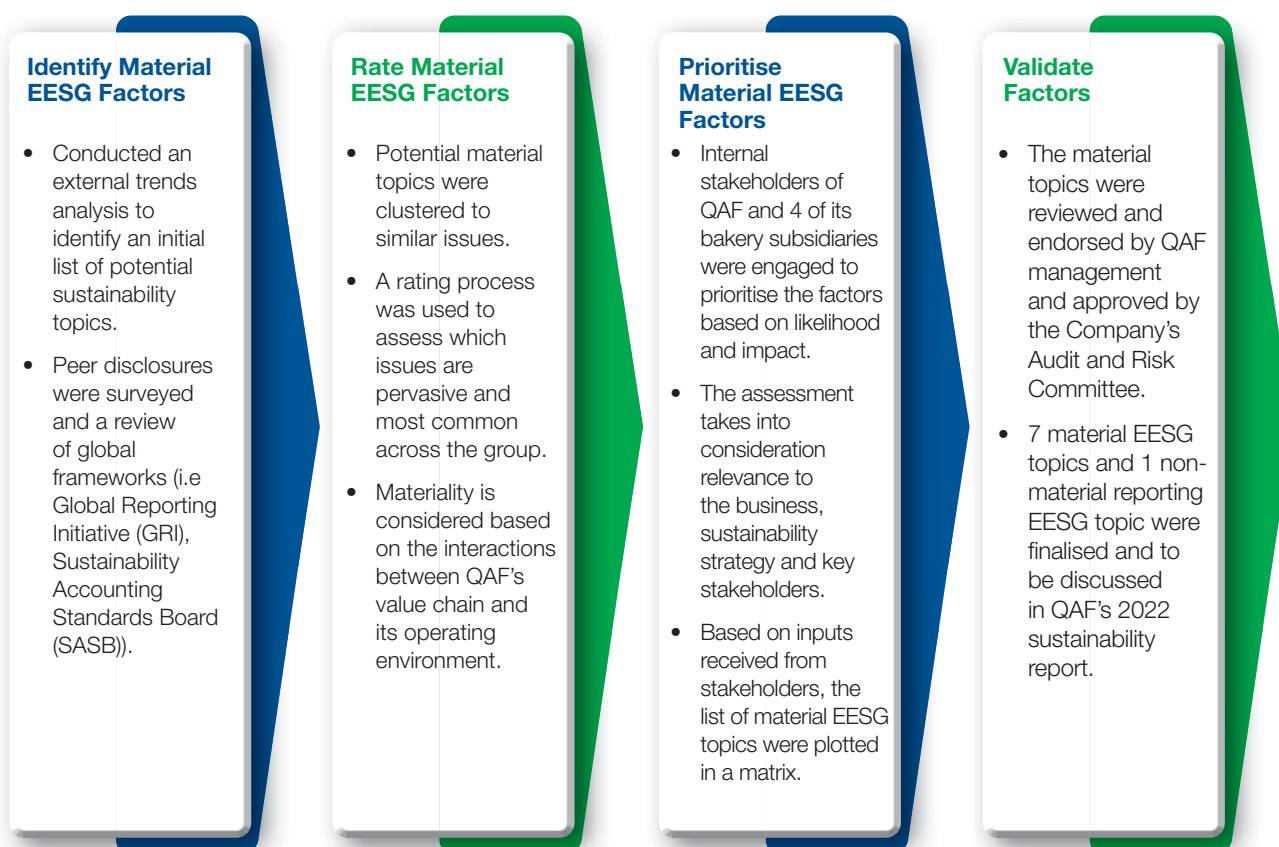
- Philippine Integrity Initiative

SUSTAINABILITY REPORT

Materiality determination process

The materiality assessment process is an ongoing exercise which helps identify and assess economic, environmental, social and governance (“EESG”) topics of significance to the business. Taking into account Rule 711B(1) of the SGX-ST Listing Manual and guidance from certain GRI Standards, the Group’s material EESG topics were refreshed this reporting year to determine and prioritise relevant EESG risks and opportunities. An independent sustainability consultant was engaged to facilitate the process. Our materiality methodology adopts a data-driven approach to evaluate our material stakeholders’ perspectives. Guided by the GRI Materiality Principle, the materiality assessment comprised of a four-step process which is summarised in the diagram below.





Figure 1: Overview of materiality assessment methodology



SUSTAINABILITY REPORT






Material mapping and topic boundary

The Group has, taking into account Rule 711B(1) of the SGX-ST Listing Manual and guidance from certain GRI Standards, identified the following material EESG topics which are relevant to the Bakery business. These topics have been further categorised into the 5Ps – Prosperity, Products and Process, Planet, People, and Peace and Partnerships, in alignment with the UN SDGs. The table below highlights the relevance of the material topics to the Group's business and its material stakeholders, as well as the related GRI Standards.


Alignment to 5 Ps	Material Topic	Materiality to QAF	Relevant GRI Disclosure	Stakeholder/s
Prosperity	Economic Performance 	Our financial performance is essential in delivering shareholder value and achieving long-term growth of the company.		<ul style="list-style-type: none"> Shareholders Employees
	Governance and Ethics (Ethical and Fair Business Practices) 	Our governance structure, business ethics, anti-corruption policies and procedures, and compliance against laws and regulations.	GRI 205: Anti-corruption 2016 <ul style="list-style-type: none"> GRI 205-3: Confirmed incidents of corruption and actions taken 	<ul style="list-style-type: none"> Employees Shareholders Government and Regulators
	Governance and Ethics (Data Protection and Cybersecurity ³) 	Promote governance in the management of cybersecurity.	GRI 3-3: Management of material topics	<ul style="list-style-type: none"> Consumers Government and Regulators Employees Shareholders
Products and Process	Consumer Health and Safety (Product Responsibility) 	Commitment to food safety and quality to our customers.	GRI 416: Customer Health and Safety 2016 <ul style="list-style-type: none"> GRI 416-1: Assessment of the health and safety impacts of product and service categories GRI 417: Marketing and Labelling 2016 <ul style="list-style-type: none"> GRI 417-1: Requirements for product and service information and labelling 	<ul style="list-style-type: none"> Consumers

3 New material EESG topic for FY2022.

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Alignment to 5 Ps	Material Topic	Materiality to QAF	Relevant GRI Disclosure	Stakeholder/s
Products and Process	Consumer Health and Safety (Product Responsibility) 	Commitment to food safety and quality to our customers.	GRI G4: Food Processing Sector Disclosures <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Consumers
	Consumer Health and Safety (Promoting healthy eating and lifestyles) 	Helping consumers lead healthy lives by catering to consumers' varying nutritional needs and tastes, spreading the benefits of a healthy diet and lifestyle.		<ul style="list-style-type: none"> Consumers
Planet	Resource Management (Energy Management, Waste Management and Water Management)   	Going beyond environmental compliance and running environmentally sustainable operations.	GRI 306: Waste 2020 <ul style="list-style-type: none"> GRI 306-2: Management of significant waste-related impacts GRI 303: Water and Effluents 2018 <ul style="list-style-type: none"> GRI 303-2: Management of water discharge-related impacts 	<ul style="list-style-type: none"> Shareholders Suppliers and Business Partners Government and Regulators

SUSTAINABILITY REPORT

Alignment to 5 Ps	Material Topic	Materiality to QAF	Relevant GRI Disclosure	Stakeholder/s
People	Our People (including Occupational Health & Safety, Employee Training & Development) 	<ul style="list-style-type: none"> • Creating safe working environments. • Investing in developing skills capabilities of our workforce. 	GRI 403: Occupational Health and Safety 2018 <ul style="list-style-type: none"> • GRI 403-1: Occupational health and safety management system • GRI 403-2: Hazard identification, risk assessment, and incident investigation • GRI 403-3: Occupational health services • GRI 403-4: Worker participation, consultation, and communication on occupational health and safety • GRI 403-5: Worker training on occupational health and safety • GRI 403-6: Promotion of worker health GRI 404: Training and Education 2016 <ul style="list-style-type: none"> • GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes 	<ul style="list-style-type: none"> • Employees

The Group has also identified one non-material EESG reporting topic that is relevant to all of its Bakery businesses, categorised via the table below.

Alignment to 5 Ps	Reporting Topic	Relevance to QAF	Relevant GRI Disclosure	Stakeholder/s
Peace and Partnerships	Community Engagement 	Supporting economic development and creating positive social impact of the less fortunate and fostering strong ties within the communities in which we operate.		<ul style="list-style-type: none"> • Local Communities

SUSTAINABILITY REPORT

OUR APPROACH TOWARDS SUSTAINABLE GROWTH – UN SDGs & 5Ps

Our sustainability approach is aligned with our overall business strategy and priorities. In this regard, we continue to focus sustainability areas with the UN SDGs, which is an internationally recognised blueprint to achieving a better and more sustainable future for all. In doing so, QAF has aligned its sustainability approach with the broader global sustainability mission.



The SDGs is a collection of 17 interlinked global goals designed to end extreme poverty, fight inequality, protect the planet, and maximise peace and prosperity for all people by 2030. The SDGs represent an opportunity for businesses to contribute through sustainable business growth, promoting new opportunities and partnerships while contributing to societal development and environmental protection. Global challenges such as those highlighted in the SDGs need solutions that the private sector can help to deliver and contribute towards, representing a growing market for business innovation.

In FY2019, in line with its organisational vision and strategy, QAF identified two priority SDGs for which opportunities existed to make a positive impact through our business practices, products, and community programmes.

Additionally, QAF believes in the importance of the 5Ps – Prosperity, Products & Process, Planet, People, and Peace & Partnerships. They represent key issues and concepts that wholly encapsulate the pillars that QAF prioritises in our sustainability approach. We also consider that the 17 SDGs can be better categorised within the 5Ps to better assess the 17 goals. As such, whilst our core focus is on 2 SDGs, we consider all SDGs within the 5Ps.

We continue embedding the SDGs and 5Ps into our planning and operations, with a focus on those most relevant to our business. We have also aligned our sustainability reporting and frameworks with our priority SDGs and material topics mapped to 5Ps, to showcase our FY2022 sustainability performance and progress which is summarised in the following sections.



SDG 3: Good Health and Well-being

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

Why It Matters

According to the [2022 Global Nutrition Report](#), the global nutrition crisis has been exacerbated by the effects of Covid-19, the ongoing conflicts in the world, and the impacts of climate change. Malnutrition trends, from hunger to obesity, are concerning. People across the globe fail to meet minimum standards for healthy and sustainable diets with obesity and diet-related non-communicable diseases on the rise. Therefore, the need to promote good nutrition and healthy lives is a focus of QAF.

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 profiles. Beyond products, we work with our partners to promote healthy and active lifestyles.

SUSTAINABILITY REPORT

Our Key Contributions



Consumer health and well-being

- Gardenia Singapore continues to work actively with government agencies, healthcare organisations and community partners to promote healthy eating and well-being. It advocates healthy eating habits via its involvement in the outreach activities by the Singapore Health Promotion Board (“HPB”). In 2022, Gardenia Singapore worked with HPB to educate and encourage consumers to increase their intake of wholegrains, sponsoring our *Hokkaido Hi-Calcium Milk Bread* with the Osteoporosis Society of Singapore to highlight the importance of calcium in consumers’ diets, as well as supporting the Diabetic Society of Singapore during World Diabetes Day 2022 by promoting the health benefits of low GI loaves.
- Gardenia Philippines continued its “Corporate Wellness Movement” program to help the private sector and government employees achieve their health and wellness goals. The company also continued its “School Nutri-Tour” program for public and private school students, 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 contain no 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

- With the return of a face-to-face working environment, Gardenia Philippines places a key emphasis on supporting employees in the transition. This includes vaccination programs for Covid-19, and a “Covid-19 Preventative Measures Program” supplying staff with essential multivitamins on a monthly basis.
- Gardenia Philippines launched “Weight for Me”; a three-month weight management program designed to address the elevated body mass index (“BMI”) scores of its employees. It promotes regular physical activity and a healthy diet to help employees achieve their healthy weight goal and reduce risk factors for cardiovascular diseases like hypertension, diabetes, and dyslipidemia. Employees with a BMI of 25 and above may register for the program and sign up as pairs of “Body Buddies”, who will encourage and help each other towards the attainment of weight reduction goals. Aside from attention to physical health, Gardenia Philippines also conducts webinars focusing on improving one’s mental health and well-being.
- During 2022, BMA introduced a variety of employee wellbeing programs, primarily focused on supporting personal development goals, promoting healthy eating, and building on essential life skills. In March, BMA celebrated National Harmony Day by encouraging employees to share their home country food with everyone and teaching each other how to say “Welcome” in their native language, celebrating a culture of inclusion and diversity. In April, BMA promoted healthy eating month by providing a free fruit basket shared among team members every Monday of the month. Within personal development, staff were encouraged to expand on their existing expertise through training programs such as having sales and marketing teams participate in training sessions to expand their presentation and negotiation skills, and IT manager increase their knowledge on cyber security. Core life skills and essential work safety training such as first aid and fire and emergency response training were also conducted for staff representatives.



To read more about our initiatives to promote health and well-being, refer to the “Promoting Healthy Eating and Lifestyles” section on pages 66 to 70 and the “Our People” section on pages 76 to 84 of this report.

SUSTAINABILITY REPORT



SDG 12: Responsible Consumption and Production

Ensure sustainable consumption and production patterns.

Why It Matters

The 2022 Asia and the Pacific SDG progress report by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), identifies the gaps that must be closed to achieve the SDG 12 goals by 2030. In particular, the region must reverse current trends on material consumption and the use of materials in production processes. 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, reducing hazardous waste, and improving renewable energy usage. Transformation of business practices in procurement, energy management, and disposal will help improve performance and progress against SDG 12. At QAF, we seek to do more and better with less through our business operations.

Our Key Contributions

In our Bakery business operations, we monitor and reduce our energy consumption and waste generation, and source sustainably, where practicable.



Energy management

- LED lights and movement sensors for toilet lighting are used at both of Gardenia Singapore's factories, as well as its corporate office and warehouse.
- To reduce energy consumption, during the year, Gardenia Singapore changed to a new freezer system using a more environmentally friendly refrigerant, thereby reducing the carbon footprint of its freezers and improving energy efficiency.
- The installation of solar rooftop panels at one of the factories of our joint venture in Malaysia was completed in late 2021. The investment has resulted in an annual saving of approximately RM90,000 in 2022.
- Gardenia Malaysia continues to replace the mercury halide lights and conventional fluorescent lights at its production lines and warehouse area with LED lights.
- At the Group's factory in Johor, solar energy is used for factory fence lighting and rainwater is harvested for toilet flushing.
- Gardenia Philippines continues to deploy LED lights for lighting, inverter-type air-conditioning units with improved technology and energy-saving features, capacitor banks in electrical systems, and liquefied petroleum gas for major ovens to reduce overall energy consumption.
- With effect from 4Q2021, BMA replaced the use of liquefied 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 production facility generate approximately 6% of its electricity requirements.
- BMA has converted its freezer warehouse to LED lighting and sensor-activated lighting in 1Q2022. The new lighting system automatically turns off when there is no activity.



SUSTAINABILITY REPORT

Waste Management

- As a signatory to the Singapore Packaging Agreement, Gardenia Singapore seeks to reduce its packaging waste through product packaging development. As part of our sustainability efforts to reduce plastic use in packaging, Gardenia Singapore is adopting two main improvement plans, namely, the reduction in packaging thickness of selected products and consumer outreach to promote awareness of reusing and recycling our used packaging and kwik-loks. In 3Q2022, we commenced the reduction of the packaging thickness of *Gardenia* cream rolls.
- In collaboration with Sembcorp, Gardenia Singapore reached out to 40 primary and secondary schools to implement a recycling campaign. From April to July 2022, students were challenged to create useful objects or art pieces out of used *Gardenia* bread packaging and kwik-loks. Participants who created outstanding products were awarded with *Gardenia* hampers at the end of the campaign.
- 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 approximately 52 tonnes of cardboard.
- For FY2022, BMA provided approximately 104 tonnes of edible dough waste to local farmers, which was recycled into animal feed.



Sustainable Sourcing

- Gardenia Singapore seeks to source 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.
- Gardenia Singapore commenced working with key food service partners such as Burger King to develop clean ingredients with the replacement of palm oil to certified "Round Table Sustainable Palm Oil" in the formulation of selected products.
- BMA sources approximately 90% of its raw materials locally, indirectly reducing carbon emissions relating to raw material transportation.



To read more about our initiatives to promote resource efficiency, refer to the "*Resource Management*" section on pages 71 to 75 of this report.






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

SUSTAINABILITY REPORT

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 Topic Ethical and Fair Business Practices

 FY2022 Targets	 FY2022 Achievements	 FY2023 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.

Material Topic Data Protection and Cybersecurity

 FY2022 Targets	 FY2022 Achievements	 FY2023 Targets
No targets as this is a new material topic identified in FY2022.	Development and implementation of QAF Group IT Policy to promote awareness regarding data protection and cybersecurity practices across the organisation.	<ol style="list-style-type: none"> 1. To conduct annual cybersecurity awareness training and assessment for QAF and its bakery subsidiaries. 2. To conduct an annual simulated email phishing exercise for QAF and its bakery subsidiaries.

ECONOMIC PERFORMANCE

Our full year financial results can be found in our audited financial statements. Please refer to the rest of our FY2022 Annual Report for a holistic picture.

ETHICAL AND FAIR BUSINESS PRACTICES

Sustainability Governance

The Group's Audit and Risk Committee ("ARC") is responsible for overseeing and making recommendations to the Board on sustainability reporting. Pursuant to this, the ARC is responsible for approving the material EESG factors identified during the materiality assessment, as well as the review of the Group's sustainability policies, practices, performance, and targets for the purpose of such reporting. QAF has further appointed an independent consultant to advise the Group 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.

Figure 2: QAF Sustainability governance structure



SUSTAINABILITY REPORT

Tax Governance

Tax governance and tax risk management are essential to good corporate governance. Tax governance encompasses a well-defined and communicated corporate policy on taxation that is approved at the strategic level of a company, and reflects the attitude and culture of the company towards managing its tax risks. Tax risk management involves implementing a robust tax control framework to identify, mitigate and monitor key tax risks on an ongoing basis.

A company that adopts good tax governance and tax risk management practices can give confidence to its stakeholders and the general public that it is transparent in its tax matters and is contributing its fair share of taxes.

The Company is currently working with its tax advisors, with a view to participate in two new initiatives relating to corporate income tax introduced by IRAS, namely Tax Governance Framework and Tax Risk Management and Control Framework.

The Company had earlier participated in the GST ACAP, initiated by IRAS. In recognition of its efforts in establishing a good structure to ensure GST compliance and its commitment to incorporate GST risk management as part of good corporate governance, QAF has been awarded "ACAP Premium" status for five years from 2021 to 2026.

Anti-corruption

Corporate Governance

Our corporate governance is guided by the Singapore Code of Corporate Governance. More information can be found in our Corporate Governance Report on pages 99 to 127 of our FY2022 Annual Report. 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 trust and confidence of its material stakeholders. In addition to the Code of Business Conduct, some members of our Group have adopted local policies specific to their operations and jurisdictions.

Whistleblowing Policy

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 officers and employees to raise, in confidence, concerns regarding 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, whistle-blowers raising genuine concerns in good faith are not at risk of losing their jobs or risk suffering from reprisal from the Company as a result, even if they are 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 and lawyers to conduct further investigations or review.

In 2022, the Group received one whistleblower report of alleged corruption in respect of one of its units operating outside of Singapore. The ARC reviewed the report pursuant to the Whistleblowing Policy. External lawyers were engaged to look into the matter and they found no evidence of the alleged corruption.

It has to be recognised that the review of the Group's internal controls and risk management systems is a continuing process. Part of the Group's business is located in regional countries which are challenging with different control environments to operate in and where laws, practices and cultures differ from those in Singapore. The internal controls and risk management systems are designed to provide reasonable, but not absolute, assurance as to certain material risks. No such system can provide absolute assurance against the occurrence of, amongst others, corruption, fraud or other irregularities. We continue to review and look at areas of improvement.

SUSTAINABILITY REPORT

Gardenia

Singapore

In Gardenia Singapore, employees are required to maintain high standards of integrity and to conduct themselves in an 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, the Group's code of business ethics (which covers anti-corruption), and are required to confirm their understanding of the required standards upon joining the company.

Philippines

In Gardenia 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, which promotes common ethical and acceptable integrity standards in the business community. It requires its suppliers to sign commitments adhering to the company's integrity initiative.

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. Through a training needs analysis, BMA identifies appropriate employees who are 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 persons 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 and safe working environments. To achieve accreditation and compliance with its stringent customer standards, BMA has developed a formal framework for the handling and management of any suspected violation of child labour laws by a supplier or sub-supplier.

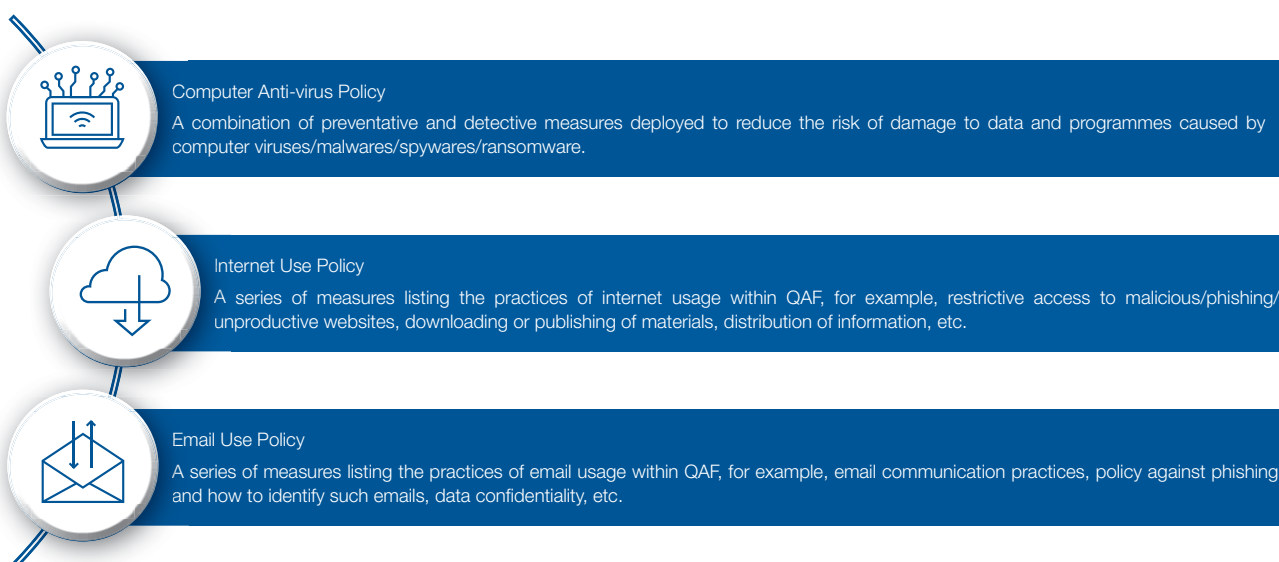
In FY2022, there were no confirmed incidents of corruption based on internal audits conducted, and therefore no follow-up actions taken.

DATA PROTECTION AND CYBERSECURITY

Data protection and cybersecurity has been identified as key to our organisation as we experience increased digitalisation throughout our operations. As a result, QAF focuses on system security and education across the group to improve our defence and readiness to protect our data against cyber intrusions.

QAF's Group IT Policy, created in June 2022, is practised by the Group. Key measures are highlighted below in Figure 3.

Figure 3: Summary of QAF's Group IT Policy



SUSTAINABILITY REPORT

Investing in People (The Human Firewall)

We believe our people can make a key difference in our defence against cyber threats. We continue to engage our employees in cybersecurity awareness education and to create a group wide cybersecurity risk aware and responsible culture.

- Newsletter on cyber related news and tips.
- Conduct cybersecurity awareness training and assessment.
- Conduct of Simulated email phishing exercise.

Gardenia

Singapore

Gardenia Singapore prioritises three key areas within data protection and cybersecurity, namely, ransomware data leakages and email phishing attacks. The following preventative measures are undertaken.

01

Ransomware attack resulting in data loss

1. Installation of antivirus software and restricting user permission to install third party software, mitigating instances of potential attacks.
2. Periodic installation of Windows security patch for protection from ransomware attacks.
3. User education on the risk of installing un-authorised software or freeware.

02

Data leakage resulting in the loss of confidential data

1. User hard-disk encryption and implementation of secondary password protection on all laptop access.
2. Degaussing and crushing of hard disk prior to disposal of old computers
3. Implementation of local and remote data backup.

03

Email phishing attack resulting in personal data and financial loss, as well as compromise of user accounts

1. Strengthening of email security configuration to prevent and detect phishing attacks.
2. Employee education on importance of a secure email account, phishing and how to identify potential phishing emails.
3. Implementation of two-factor authentication access control to email accounts.

SUSTAINABILITY REPORT

Philippines

Gardenia Philippines prioritises managing data protection and cybersecurity by limiting the impact of compromised accounts. Gardenia Philippines seeks to mitigate impacts such as a phishing attack which results from the introduction of malware to company through the following prevention and mitigation actions:

- System hardening (of computers, firewalls, e-mail, and the introduction of endpoint protection)
- Local and remote backup
- Data encryption
- Cyber training and drills on the topics of social engineering, e-mail phishing, and ransomware
- Vulnerability assessment and penetration testing
- Technology review and refresh

In addition to abiding by group policy, Gardenia Philippines also has local policies that enable us to avoid the instance of potential negative impacts. This includes policies on the acceptable use of IT resources, computer security practices to safeguard sensitive information, backup procedures, user access control procedures, and business continuity and disaster recovery.

Bakers Maison Australia

BMA applies robust digital-related policies that promote strong data protection practices. Aside from the Group's Must Know IT Policy, it has also strengthened Microsoft 365 email configurations to detect and prevent phishing attacks and account hacking by installing Multi-Factor Authentication ("MFA") into its systems. The introduction of local and remote backup and recovery has further strengthened data protection, lowering chances of loss of information.

An enhanced cybersecurity risk aware and responsible culture at BMA has been grounded and affirmed by an increased focus on cybersecurity education among employees. Methods of education and awareness include:




- Monthly newsletter to all employees regarding cyber news and tips.
- Periodic employee training and assessment on social engineering, email phishing, and ransomware.
- Annual simulated email phishing campaign.
- Annual vulnerability assessment and penetration test.

SUSTAINABILITY REPORT




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 Topic **Product Responsibility**

 FY2022 Targets	 FY2022 Achievements	 FY2023 Targets
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.	<p>Percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards:</p> <ol style="list-style-type: none"> 1. Gardenia: 99% 2. BMA: 100% <p>The percentage for Gardenia has increased in FY2022 as Gardenia Philippines' two factories at Philfoods and Nutrimax (which, in FY2021, had not yet been ISO and HACCP certified) had attained ISO and HACCP certifications in 1Q2022.</p>	Maintain the FY2022 percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards.

Material Topic **Promoting Healthy Eating and Lifestyles**

 FY2022 Targets	 FY2022 Achievements	 FY2023 Targets
<ol style="list-style-type: none"> 1. 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. 2. Gardenia Philippines aims to continue producing more innovative and healthier product offerings for different target markets. 	<ol style="list-style-type: none"> 1. Gardenia Singapore has continued to lead in the wholemeal bread segment by creating and promoting more awareness of the benefits of healthier Gardenia wholegrain products via social media outreach and through active participation in Government's health outreach initiatives such as "Eat, Drink, Shop Healthy 2022 Challenge" organised by the Health Promotion Board and the "World Diabetes Event" organised by the Diabetic Society of Singapore. 2. To further respond to the consumers' rising demand for healthier products, Gardenia Philippines' <i>High Fibre Whole Wheat Bread</i> now carries the "Nutri+Plus Advantage" label, a recognised trademark logo and overall health communication handle that denotes the product's high levels of immunity-boosting nutrients as well as other vitamins and minerals that support overall health. 3. Gardenia Philippines also relaunched the <i>NeuBake Wheaten Bread</i>, which emphasises both the fibre benefits and softness of a wheaten bread. <i>NeuBake Wheaten Bread</i> contains zero trans-fat, which complies with the National Policy on the Elimination of Industrially Produced Trans-Fatty Acids for the Prevention of Non-Communicable Diseases by the Department of Health. 	<ol style="list-style-type: none"> 1. Gardenia Singapore aims to innovate more functional bread to provide more nutrients for Singaporeans. This is aligned with the consumers' changing tastes and lifestyle. Gardenia Singapore will continue to innovate on new products with functional benefits. Gardenia Singapore will continue to introduce more "Grab & Go" single serve products targeting at consumers who are looking for convenience. 2. Gardenia Philippines aims to continue producing more innovative and healthier product offerings for different target markets.

SUSTAINABILITY REPORT

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 stringent 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. Their factories also meet the stringent requirements of the HACCP certification. In addition, both factories and all products produced are Halal certified.
- Gardenia Singapore continues to hold Grade A status for the 28th 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. Gardenia Singapore engages with about 200 suppliers both locally and internationally and has mechanisms in place to affirm that they only source from suppliers that meet its supplier screening requirements.
- The Group's factory in Johor has upgraded its food safety management system to FSSC 22000 v5.1 in March 2022. 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 5.1). The factory has also attained Halal certification for all its products and listed in the Whitelist Fast Track in 2022 that effectively shorten the period of approval of our application.
- Product labelling communicates information about product quality and safety to consumers. Gardenia Singapore complies with the Singapore Code of Advertising Practice and guidelines set by the Singapore Food Agency through allergen declaration on the ingredient list and printing of the "Use By" Date on the kwikloks. Key information such as "Nutritional information", "Low in sugar" logo (for products that

contains less than 5g sugar per 100g bread), Health Promotion Board's "Healthier Choice" logo (for all wholemeal products) and a Halal logo (for all Halal certified products) are clearly stated on our packaging. Through clear labelling, consumers are able to make more informed decisions on their purchases and be reassured that only products that meet the health and nutrition requirements are consumed. Our factory in Johor also monitors on a regular basis that its product labelling standards and practices adhere to local requirements and an allergen declaration is printed on all packaging of our products.

Philippines

- Gardenia Philippines has continued to sustain its ISO and HACCP certifications since 2003. All Gardenia factories in the Philippines, including factories in South Luzon, North Luzon, Cebu, and Cagayan de Oro, hold ISO 9001:2015 Quality Management Systems and HACCP certifications. Of these factories, two factories at Laguna (Philfoods) and Cagayan de Oro (Nutrimax) were awarded ISO 9001: 2015 and HACCP certifications in 1Q2022. With the exception of Philfoods Fresh-Baked Products, Inc., all plants, were also granted 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 IDCP Halal Certification and Accreditation Authority ("HCAA") granted Halal Accreditation to the Gardenia facility in Mindanao and all the products produced in the plant. The IDCP HCAA also granted Halal Accreditation to the Gardenia factories in Cebu and North Luzon in 2021, and Halal Certification to all items produced at the North Luzon factory. All facilities in the Philippines follow strict GMP procedures to consistently manufacture products that meet the Group's high-quality standards.
- Internal quality audits are conducted on a regular basis to confirm that quality management systems, food safety, and Halal standards are met. Gardenia Philippines has also implemented extensive protocols for its supplier accreditation process to assess and promote quality consistency. As part of the supplier accreditation process, it undertakes supplier audits and site visits to confirm that suppliers follow the company's requirements, product specifications, and standards. No significant findings were noted during the conduct of supplier audits in 2022. External laboratories accredited by the Food and Drug Administration of the Philippines, performed environmental and product microbiological analyses.

SUSTAINABILITY REPORT

Malaysia

- In Farmland Malaysia, every new product developed is assessed through three different evaluations, sensory, packaging and design, and compliance. For the compliance evaluation, products developed have to satisfy the requirements of key food safety certifications, including HACCP, ISO 22000, and FSSC 22000.
- The Group's joint-venture operations in Malaysia are ISO 22000:2018 and HACCP certified. In addition, all Gardenia Malaysia's factories and products have received Halal certification from the Department of Islamic Development Malaysia ("JAKIM"), the federal government agency that administers Halal certification. The factories are also included in Jabatan Agama Islam Selangor ("JAIS")'s whitelist, a list which recognises companies that are committed to the Halal certification requirements in Malaysia.
- All operational employees are aware of Halal requirements, through organised Halal Awareness Training. Employees from other departments are also encouraged to participate. The course covers the terms and conditions under Malaysia's requirements and certification as per JAKIM standards.

Bakers Maison Australia

- BMA assesses the health and safety impacts of its products in the various lifecycle stages. BMA engages with its valued customers through communication channels and analysis of market demand during the product development stage. During the production and manufacturing stage, the quality of the products is continuously monitored, and these processes are audited annually by a third-party certification body to confirm compliance with internal health and safety requirements. The same quality assurance process also applies to the storage, distribution, and supply of our bakery items. BMA is committed to delivering safe and high-quality products and has attained Safe Quality Food ("SQF") Food Safety Code: Food Manufacturing and SQF Quality Code Edition 9 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. The BMA Quality Assurance Team practises stringent quality and safety control checks throughout the shifts to maintain high standards. It also undergoes annual audits by the third-party certifying body of SQF, and by key customers. This provides customers with the reassurance that BMA produces, processes, prepares, and handles food products to the highest possible global standards.
- Taking an additional step in getting certifications for its products, four *Bakers Maison* products were rated "Green" (the highest classification), and three of these products were given a Health Star Rating of 3.5 stars out of 5 against the "Healthy Kids Nutrient Criteria" for 2022. The ratings are administered by Healthy Kids Association ("HKA") under the "Healthy Kids Product Registration Scheme", the leading food and drink registration program 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 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.
- In addition to monitoring compliance to product safety requirements in its manufacturing process, BMA adheres to local marketing and advertising policies. In accordance with Australian regulations, all products carry an allergen declaration, and declare the percentage of Australian components contained within each product.
- To make sure that employees keep abreast of food safety requirements, every year, each Production and Distribution employee at BMA attends a two-hour Food Safety Update course conducted by Australian Food Microbiology. This course is designed for any employee at any level working in the food industry. The course aims to remind employees of, and provide relevant updates on, topics including legislation; food safety hazards; temperature control; refrigeration, chilling, and cold holding; cooking, hot holding, and reheating; food handling; principles of safe food storage; cleaning; and food premises and equipment. At the end of the training session, all employees receive a Certificate of Participation after attending to indicate attendance.

SUSTAINABILITY REPORT

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 contain nutrients that contribute to good health and well-being.

The Group's in-house laboratories manage 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 27 staff to undertake research and development and compliance responsibilities for Gardenia. These staff comprise 10 professional staff, 3 laboratory technicians, 7 baking technologists and 7 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 trans-fat. According to the World Health Organisation, artificial trans-fats increase the risk of heart disease. Gardenia Singapore continues to move the bread market forward through the introduction of better and innovative products. In 2022, Gardenia focused on enhancing the visibility and distribution of products in the 'Gourmet Selections' range. These products include Gardenia Singapore's innovative artisanal country-styled sourdough loaves.

MALAYSIA

Gardenia Malaysia regularly reviews its existing products and introduces new products to meet changing consumer demands. To build a culture of innovation, the research and development team in Malaysia are continuously trained and exposed to global industry changes in anticipation of future challenges.

BAKERS MAISON AUSTRALIA

In Australia, most *Bakers Maison* products contain no added fat, preservatives, sugar, or artificial flavours and use only natural ingredients. 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.

SUSTAINABILITY REPORT

Engaging People Around Great Taste

Gardenia

Singapore

Exposure to international cuisines influences the preferences of the Singapore consumer. In recent years, the strong following of Japanese culture has generated a huge interest in food made with ingredients from Japanese origin. In recognising this shift, Gardenia Singapore launched in February 2022, the *Hokkaido Butter Rolls*. These rolls are made with Hokkaido butter blend and are targeted at consumers who prefer soft buns that have a creamy and buttery taste. In April 2022, *Gardenia Hokkaido Hi-Calcium Milk Bread* was introduced. This latest offering is made from creamy Hokkaido milk and contains Prebiotics, Iron and Vitamins B1 and B3. The bread has a soft texture and creamy taste which appeals to milk bread lovers. In addition, the *Hokkaido Hi-Calcium Milk Bread* contains calcium content, which helps support the building of strong bones and teeth.



The new Gardenia Hokkaido Hi-Calcium Milk Bread introduced by Gardenia Singapore contains Prebiotics, Calcium, Iron and Vitamins B1 and B3.

Philippines

- The Covid-19 pandemic has raised consumer awareness on the importance of healthy eating and Gardenia Philippines has continued to cater to the growing demand for healthy foods. It has extended the application of its Nutri+Plus Advantage concept, which is now a registered trademark logo and overall health communication handle, to its *Gardenia High Fiber Whole Wheat Bread*. The *Nutri+Plus Advantage logo* serves as a marker to consumers that the bread contains immunity-boosting nutrients and other vitamins and minerals that promote overall health.
- For its *NeuBake* brand, Gardenia Philippines reintroduced the *NeuBake Wheat Bread* which emphasises both the fibre benefits and softness of a wheat bread. Gardenia Philippines also launched the *NeuBake Monggo Bread Roll* and *Choco Bread Roll* which contain vitamins and minerals including Vitamin A, Vitamin B1, Folate and Iron.



Gardenia Philippines' Gardenia High Fiber Whole Wheat Bread contains immunity-boosting nutrients and other vitamins and minerals that promote overall health.

SUSTAINABILITY REPORT

Malaysia

- In March 2022, Gardenia Malaysia launched its 380g yellow noodle, *NuMee*. The introduction of the new pack size offers consumers a more economical option suitable for small families. The *NuMee* yellow noodle range is now available in 3 pack sizes, 380g for the small family, the standard 450g, and the 900g pack for the hotel, restaurant, and café sector.
- In the same quarter, Gardenia Malaysia introduced a new variant to its spread range, the *Gardenia Delicia Salted Caramel*, a Flavoured Chocolate Spread. The creamy, thick textured and rich caramel taste chocolate spread comes in 2 pack sizes: 200g and 375g.
- In 2Q2022, Gardenia Malaysia has achieved a new milestone with the launch of its *NuMee Instant Noodles*. *Gardenia NuMee Instant Noodles* offers rich aroma, good taste and great noodle texture that caters for all Malaysians. It comes in three flavours, namely Curry, Chicken and Fried Noodles Original Flavour.
- Gardenia Malaysia has sharpened its strategic focus on wheat-based products by relaunching the *Gardenia Wholemeal* and *Canadian Purple Wheat* loaves as *Gardenia Breakthru* wholemeal bread with the tagline of "Breakthrough All Barriers". The *Gardenia Breakthru* loaf is packed with healthy and nutritious benefits which are trademarked as "8CTIVE".



Gardenia Malaysia's *Gardenia Breakthru* loaf is packed with healthy and nutritious benefits which are trademarked as "8CTIVE".

Bakers Maison Australia

BMA introduced 5 new single pack products for the retail market in 4Q2022. These five products, namely *Milk Bun*, *Continental Medium*, *Brioche Bun*, *Demi Baguette* and *Croissant Bent* were introduced to the market with a QR code printed on the pack that directs the consumer to meal creation recipes using the product. These single pack products were launched aiming to deliver food service quality products with better food hygiene for the retail market.

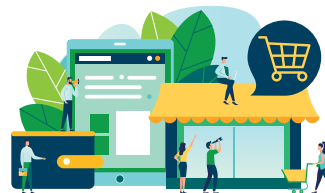


Milk bun was one of the 5 single pack products launched by Bakers Maison Australia with the aim to deliver food service quality products with better food hygiene for the retail market.

SUSTAINABILITY REPORT

PROMOTING HEALTHY EATING AND LIFESTYLES

Making Our Products Accessible



GARDENIA

With sixteen factories located in four countries, our distribution channels include supermarkets, hypermarkets, convenience stores, mini marts, petrol kiosks, caterers, restaurants, hotels, hospitals, airlines, and schools. This extensive network assists in the 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 consumers with greater convenience and accessibility to Gardenia bread and bun products 24 hours a day.
- With the growing trend out-of-home consumption in Singapore, more quick service restaurants ("QSR") are expanding their footprint in Singapore. Gardenia Singapore is the major supplier of buns to QSR customers such as KFC, Jollibee, Burger King, A&W. Food and beverage customers are converting to Gardenia as we are committed to providing a consistent supply of products despite the logistic disruptions in the supply chain during this pandemic period.

PHILIPPINES

- In the Philippines, Gardenia continues to market its products through major e-commerce platforms such as Lazada, Shopee, and Pandamart. Online grocery delivery apps like MetroMart and Pickaroo offer safe and convenient online shopping experience to consumers. In addition, it has expanded its online availability and e-commerce support through the grocery delivery services of 'bricks-and-mortar' supermarkets through their respective online channels including SM Markets Online, PureGo, WalterMart Delivery, Landmark and Robinson's GoCart.

MALAYSIA

- With seven factories located within a 20-kilometre radius in the Klang Valley, and one in Johor Bahru, coupled with more than 36,000 distribution outlets that include supermarkets, hypermarkets, convenience stores, mini marts, groceries shops, petrol kiosks, caterers, restaurants, hotels, hospitals and schools, *Gardenia* products are made easily available to consumers, providing Malaysians great access to their favourite choice of *Gardenia* products.

BAKERS MAISON AUSTRALIA

In Australia, *Bakers Maison* products are distributed as far as Tasmania, Western Australia, and the Northern Territory, using third-party distribution 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 impacts.

SUSTAINABILITY REPORT

Encouraging Healthier Choices

Gardenia

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 14 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.
- 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 45,200 Gardenia loaves and buns were sponsored to the community, of which approximately 24,400 units were "Healthier Choice" wholemeal products.
- Gardenia Singapore is committed to the promotion of healthy eating initiatives through nutrition. Gardenia Singapore partnered with HPB to promote healthy eating with wholegrains to the consumers. It committed to HPB's main campaign, the "Eat Drink Shop Healthy 2022" ("EDSH") challenge with S\$35,000 worth of product prizes, eVouchers, POS presence and cross marketing publicity.
- In support of HPB's EDSH challenge, Gardenia Singapore also launched a three-month long "Play to Get, Eat to Win" Campaign with more than \$28,000 worth of prizes. The campaign included a gamified microsite to educate consumers on the information of wholegrain as well as the benefits of Gardenia wholegrain bread.
- To spread the message of healthy eating to the heartlands, Gardenia Singapore sponsored 100% *Wholemeal Extra Soft & Fine Bread* to support 25 HPB roadshows in September 2022. The 100% *Wholemeal Extra Soft & Fine Bread* jumbo 600g loaf is a newly launched healthier choice product of Gardenia Singapore that was innovated with an improved recipe which includes 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's wholemeal and multi-grain range carry the Health Promotion Board's "Healthier Choice" symbol.

SUSTAINABILITY REPORT

- In support of World Osteoporosis Day 2022, Gardenia Singapore sponsored our *Hokkaido Hi-Calcium Milk Bread* to the Osteoporosis Society of Singapore to encourage consumers to increase the in-take of calcium as well as to promote the benefits of *Hokkaido Hi-Calcium Milk Bread*.
- In line with the Singapore government's national initiative to reduce sugar intake and the fight against diabetes, Gardenia Singapore supported the World Diabetes Day 2022 organised by the Diabetic Society of Singapore through product sponsorship. Through the event, Gardenia Singapore also reached out to the public by promoting the health benefits of the two low glycaemic index loaves and to help Singaporeans incorporate healthier choices in their daily diets.

Philippines

As the ongoing pandemic resulted in raised consumer awareness of the importance of healthy eating, Gardenia Philippines has continued to cater to the growing demand for healthy foods. The Nutri+Plus Advantage concept is now a registered trademark logo and overall health communication handle and is planned to be extended to *Gardenia Classic White Bread* and *Gardenia High Fibre Whole Wheat Bread*. The Nutri+Plus Advantage logo serves as a marker for the consumers' reference that the bread contains high levels of immunity-boosting nutrients and other vitamins and minerals that promote overall health.

Making Our Products Affordable

Gardenia

Singapore

The escalating cost of living has resulted in consumers expecting more affordability. Gardenia Singapore has been monitoring price changes and has actively managed its higher costs through various means to help customers manage inflationary pressures.

- To support lower income groups who are facing financial difficulties, Gardenia Singapore held several price promotions at various retail outlets. These promotions at major supermarkets and online retailers allowed consumers to enjoy savings.



Gardenia Singapore held several price promotions at various retail outlets to allow consumers to enjoy savings.

- In July 2022, a promotion that allowed consumers to obtain \$0.30 savings for *Gardenia California Raisin Loaf* was held in selected retail outlets. During the same period, a bundle deal promotion for *Gardenia Fine Grain Wholemeal Bread* and *California Raisin Buns* allowed consumers to save \$0.40 for each bundle. As part of their year-end festive celebrations in December 2022, a promotion of \$0.40 savings for the *Gardenia Fruit & Nut Loaf* was held island wide.
- Gardenia Singapore organised Weekend Specials which provided complimentary *Gardenia* wholemeal hotdog buns with the purchase of selected *Gardenia* wholemeal loaves.

Philippines

- In 2022, as many Filipino consumers have demonstrated a shift in their consumption behavior and spending habits, Gardenia Philippines launched several in-store promotions, bundling activities and value pack offers to provide affordable products. These in-store deals featured its white bread, wheat bread and snack products in supermarkets and convenience stores.
- During the year, Gardenia Philippines also joined 12 *Diskwento Caravans* in the National Capital Region. The program is a government-led initiative between the Department of Trade and Industry and local food manufacturing companies to sell basic goods and basic commodities at discounted prices to selected communities.

SUSTAINABILITY REPORT

Malaysia

- 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.

Reaching out to the Community

Gardenia

Philippines

- Gardenia Philippines continued its “Corporate Wellness Movement” to help the private sector and government employees achieve their health and wellness goals. This program consisted of nutrition consultations administered by Gardenia Philippines’ Registered Nutritionist-Dietitians via video conference applications and the provision of bread samples. The workshops are free and open to corporate offices and institutions. From January to December 2022, more than 16,000 employees from about 225 offices participated in the workshops.
- Through its “High Fiber Helps Boost Immunity and Feel Lighter, Better, Healthier with Gardenia” campaigns, Gardenia Philippines collaborated with medical experts such as doctors and nutritionists to promote healthy eating, active lifestyles, and proper nutrition. Digital webinars were produced to discuss topics such as

the importance of checking the nutrition facts on food products, proper family meal planning, and the role of fibre in our diet. The bite-size webisodes were uploaded through the Gardenia Philippines Nutrition and Wellness page.

- 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 Philippines Facebook page, with a total of 8.2 million actual views and 104,000 link clicks that lead to Lazada and Shopee official stores.



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

SUSTAINABILITY REPORT

Reaching Out to Schools

Gardenia

Philippines

- The “School Nutri-Tour” is Gardenia Philippines’ health and wellness program, providing nutrition education, sandwich recipe demonstration, entertainment activities and bread sampling for public and private school children. In 2022, Gardenia Philippines catered to approximately 39,000 students from about 213 schools in an hour-long online program.
- The “Train the Trainers” Program is Gardenia Philippines’ health & wellness program for the community through the Barangay Nutrition Scholars. By providing webinars and training materials about reading nutrition labels and healthy meal preparation to about 892 Barangay Nutrition Scholars, Gardenia Philippines extended nutrition education to about 656 barangays (or districts), reaching more than 18,000 residents.

Educating through Bread Factory Tours

Gardenia

Philippines

In 2022, Gardenia Philippines’ online plant tours were attended by approximately 30,834 students from about 245 schools. This program also included the special online edition wherein more than 657 students whose schools were not implementing official school field trips, were able to experience learning activities outside of their regular online class modules. Physical plant tours recommenced from January 2022, with about 40 schools visiting with a total of approximately 4,000 participants.






In 2022, Gardenia Philippines catered to approximately 39,000 students from about 213 schools through the “School Nutri-Tour”.

SUSTAINABILITY REPORT

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 Topic **Resource Management**

 FY2022 Targets	 FY2022 Achievements	 FY2023 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 non-compliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.	Maintain no incidents of material 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 the over-exploitation of natural resources harms the health of ecosystems and the well-being of people.

Gardenia Singapore assesses supplier business practices to source responsibly through its supply chain. It 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. Since FY2021, Gardenia Singapore started to work with a key food service partner, Burger King, to use certified “Round Table Sustainable Palm Oil” (“**RSPO**”) in the formulation of a product.

In the face of the current growing environmental concerns, we need to exercise our responsibility and care towards the resources we depend on, such as energy and water. As a group, we will continue to monitor and seek to implement further reductions in our energy consumption and waste generation.

Energy Management

Gardenia

The Gardenia operations in Singapore and the Philippines use liquefied petroleum gas (“**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 seek to ensure that they are in good running condition and are fuel efficient thereby reducing air pollution.

Singapore

Gardenia Singapore is committed to reducing its energy consumption and its carbon footprint. Our initiatives are as follows:

- To enhance efficiency and reduce waiting time for Van Salesmen, trays of bread are 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.
- To promote energy efficiency, Gardenia Singapore uses high lumen LED lights at its factories, corporate office and warehouse and movement sensors are used for toilet lighting.

SUSTAINABILITY REPORT

- To reduce energy consumption, during the year, Gardenia Singapore changed to a new freezer system using a more environmentally friendly refrigerant, thereby reducing the carbon footprint of its freezers and improving energy efficiency.
- Solar energy is used at the Group's factory in Johor and the electricity generated is used to power the factory fence lighting.

Philippines

Gardenia Philippines' energy-saving measures include the use of LED lights for lighting in all factories, corporate offices, and warehouses in its Laguna plant; utilising inverter type air-conditioning units with improved technology and energy-saving features, and capacitor banks in electrical systems.

Malaysia

- Upon completion in late 2021, the installation of solar rooftop panels at Gardenia Malaysia's facility in Section 15, Shah Alam, has reduced its energy consumption from the grid. The panels generate approximately 235,000 kilowatt-hours ("kwh") of electricity per year and has resulted in an annual saving of approximately RM90,000 in 2022.
- In 2022, Gardenia Malaysia has extended its continuous energy saving initiative, to the plant in Puchong. Halide lights and conventional fluorescent lights in the office and canteen areas and lights on the streets have been replaced with LED lights. This has resulted energy saving of approximately 37,000kwh and approximately RM22,000 in 2022. Another of our Group factories in Malaysia also replaced 56 units of conventional lights with LED high bay lights, which has resulted in energy savings of approximately 88,300 kwh and approximately RM52,000 for 2022.

Bakers Maison Australia

- BMA's 2,100 sqm "green-rated" solar panel system generates renewable energy to displace approximately 6% of its electricity grid requirements.
- Since 4Q2021, BMA changed its fuel mix to cleaner fuels by switching to natural gas as a source of direct energy instead of using LPG.
- BMA sources approximately 90% of its raw materials locally, indirectly reducing carbon emissions from the transportation of raw materials for its business.
- BMA has converted all the lighting systems in its freezer warehouse to LED lighting and sensor-activated lighting in 1Q2022. The new lighting system automatically turns off when there is no activity.



Solar panels installed on the rooftops of BMA's production facility.

SUSTAINABILITY REPORT

Waste Management

Gardenia

Gardenia is conscious of our environmental footprint, and we aim to improve our operations and supply chains, so they are more efficient. During the reporting year, we implemented initiatives across the Group and worked with local partners to reduce and better manage waste.

Singapore

- As part of our sustainability effort to reduce plastic used in packaging, Gardenia Singapore adopted two main improvement plans. The first is packaging thickness reduction for some products and the second is a consumer outreach to promote awareness of re-using and recycling our used plastic packaging and kwik-loks. The reduction of packaging thickness of *Gardenia* cream rolls occurred in 3Q2022.
- During the year, Gardenia Singapore encouraged consumers to 'go green' by distributing reusable shopping bags with purchase of selected *Gardenia* wholemeal loaves.



During the year, Gardenia Singapore encouraged consumers to 'go green' by distributing reusable shopping bags with purchase of selected *Gardenia* wholemeal loaves.

- In collaboration between Gardenia and Sembcorp, 40 schools (Primary & Secondary) participated in a recycle challenge campaign. Students used *Gardenia* bread packaging & kwik-lok to make into useful objects or art pieces. Campaign period was April to July 2022 and *Gardenia* hampers were awarded to the winners. Winning entries were broadcasted on the "*Friends of Gardenia*" Facebook page to promote sustainability efforts.
- Farmland Malaysia has also taken actions to manage significant impacts from waste generated. Bakery products that cannot be sold due to appearance quality measures (e.g., size, shape, colour) are sold for animal feed to reduce impact to our environmental footprint.
- In addition to reducing overall waste, Farmland Malaysia selects third-party service providers from Malaysia Department of Environment approved certified service providers and uses the appropriate provider for the type of waste services required according to the providers' certified schedule waste codes. Each contractor is managed in-line with their contractual and legislative obligations, for example, each provider must provide the official receipt from the landfill, which is compared to the recorded weight waste generated from Farmland Malaysia.

Philippines

- Gardenia Philippines currently prevents upstream and downstream waste generation through recycling and reusing sanitation chemicals from soaking.
- Gardenia Philippines has also taken actions to manage impacts from waste generated. These actions include:
 - Waste segregation.
 - Improving waste staging areas to prevent pest infestations; this also has the co-benefit of reducing the cost of residual waste hauling.
 - Recycling rags and knitted gloves are washed and reused for cleaning purposes.
 - Continuing to implement the 5S system of good housekeeping (Sort, Set in Order, Shine, Standardise, and Sustain) at all its factories and offices. This enables the company to maintain uniformity of waste disposal procedures across the organisation. Moreover, a predefined baseline is used to monitor the total waste generated.

SUSTAINABILITY REPORT

- Gardenia Philippines engages with third parties to manage waste generated. The third-party waste hauler submits certification from the accredited landfill where they process and dispose of Gardenia Philippines waste, in accordance with contractual and legal obligations. Gardenia Philippines also partners with the third-party waste haulers to collect and monitor waste-related data by implementing truck weighing for the residual wastes and quantities are recorded.
- To reduce paper consumption and waste, Gardenia Philippines has also implemented digitization in its plants with several departments having transitioned to online processing.
- To further reduce paper consumption and waste, 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.
- BMA's commitment to recycling and reducing waste extends to its community engagement efforts. To celebrate World Environmental Day, BMA organised a clothing donation campaign in June 2022. In supporting this year's World Environmental Day campaign slogan "Only one earth", with a focus on "Living sustainability in harmony with nature", collected clothes were handed over to a recycling organisation called "Clothing clean up" for recycling. It became another well received project by all the staff at BMA.

Bakers Maison Australia

- BMA empties general waste bins daily and bread dough waste is collected twice weekly to alleviate the potential for odour.
- Waste generated by BMA in its activities are managed by third party waste disposal contractors, Veolia and Cleanaway. All wastage operators must operate in conjunction with the New South Wales Environmental Protection Authority (NSW EPA) standards.
- BMA is implementing the collection and monitoring of waste-related data, with carton wastage data provided by Veolia and captured in rolling reports.
- BMA donated approximately 104 tonnes of edible bread and pastry dough waste to local farmers, which is then mixed with grains and recycled into animal feed by the farmers.
- 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 approximately 52 tonnes of cardboard.
- To reduce paper consumption and waste, BMA implemented a Document Management System ("**DMS**") 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 allows all delivery documents to be signed electronically via electronic tablets, was completed in 1H2022.

Water Management

Gardenia

Singapore

- Gardenia Singapore's factories are located in a designated flood zone and all wastewater discharge is handled by the Public Utilities Board ("**PUB**"). The trade effluent is analysed in accordance with the latest edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Water Works Association and the Water Pollution Control Federation of the United States. These standards are in accordance with the Singapore Environmental Protection and Management (Trade Effluent) Regulations.
- Wastewater from Gardenia Singapore facilities 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 FY2022, there were no incidents of non-compliance with the applicable regulations and wastewater requirements of the local authorities on water quality discharge.

SUSTAINABILITY REPORT

- Gardenia Singapore is committed 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 prevent oil, grease or sludge from entering sewages. The interceptors are maintained every month and Gardenia Singapore's operations team monitors the waste generated from production on a daily basis.
- 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 DOE for the discharge of industrial effluent. Wastewater analysis is performed weekly and test reports are submitted online to the DOE monthly. Farmland Malaysia has developed an internal checklist and operating manual to make sure that effluent water is discharged according to the local standard. All tests are carried out at an accredited laboratory.
- For reducing water consumption, the Group's factory in Johor harvests rainwater for toilet flushing.

Philippines

Gardenia Philippines complies with all relevant water discharge regulations set out by the Philippine government, Department of Environment and Natural Resources. Wastewater discharged from Gardenia Philippines' factories is 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 make sure that the effluents meet water quality standards is aligned with the Discharge Permit issued by the Laguna Lake Development Authority (LLDA). Issuance of the discharge permit is pursuant to the provisions of RA 9275 (Philippine Clean Water Act) and LLDA Board Resolution No. 33, series of 1996. Limitations on the effluent characteristics are based on the characteristics of the receiving water body and the monitored parameters are based on the significant effluent quality parameters per sector. In addition to complying with local regulations, Gardenia Philippines has considered both sector-specific standards and the profile of the receiving waterbody.

Bakers Maison Australia

In Australia, BMA's water discharge system is handled by the National Water Management System. Water utilised on site is discharged via sewer lines, in conjunction with New South Wales Environmental Protection Authority (NSW EPA) guidelines. Rainwater is collected and discharged via stormwater drains. 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 FY2022.

Conserving the Environment

Gardenia

Philippines

In 2022, tree planting activities were implemented where employees volunteered in planting more than 3,000 seedlings in Biñan and Siniloan, Laguna. There were also partnerships with local government units and offices for tree planting in Mabalacat City, Pampanga in celebration of Arbor Day 2022, as well as coastal clean-up, bamboo planting and mangrove planting in Tagoloan, Misamis Oriental.



Tree planting activities were implemented in 2022 where Gardenia Philippines' employees volunteered in planting more than 3,000 seedlings in the Philippines.

SUSTAINABILITY REPORT

PEOPLE

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

Material Topic **Our People**



FY2022 Targets

Occupational Health and Safety

1. BMA will run in-house first aid training, food safety refresher training and fire safety training every year. It will also conduct monthly Workplace Health and Safety ("WHS") committee meetings to review safety concerns and near-miss incidents that occurred during the month and take all necessary corrective action.
2. 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.
3. Gardenia Philippines will continue to conduct Basic Occupational Safety and Health training for all newly hired employees as mandated by the labour and employment department of the Philippines.

Employee training and development

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



FY2022 Achievements

Occupational Health and Safety

1. BMA ran in-house first aid training, food safety refresher training and fire safety training. BMA also conducted monthly WHS committee meetings to review safety concerns and near-miss incidents that occurred during the month and take all necessary corrective action.
2. Gardenia Singapore continued to organise the mandatory occupational health and safety training and safe driving courses for its production workers, delivery team and office staff. This includes the annual Food Hygiene training, Quality & Safety talks, Fire Safety Manager courses and safety courses related to performing work at height, Occupational First Aid course for appointed first aiders as well as Defensive Driving course. Gardenia Singapore also continued to organise annual audiometric examination tests for production workers.
3. In 2022, Gardenia Philippines conducted 11 batches of virtual Basic Occupational Safety and Health ("BOSH") training attended by approximately 189 employees.

Employee training and development

1. Gardenia Singapore continues to conduct an annual departmental training plan to review the training requirements of its employees.
2. BMA remains committed to investing in the education and development of its employees in order to build knowledge, skills and capabilities.



FY2023 Targets

Occupational Health and Safety

1. BMA will continue to 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.
2. 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 annual audiometric examination tests for production workers.
3. Gardenia Philippines will continue to conduct BOSH training for all newly hired employees as mandated by the labour and employment department of the Philippines.

Employee training and development

1. Gardenia Singapore will continue to conduct an annual departmental training plan to review the training requirements of its employees.
2. BMA remains committed to investing in the education and development of its employees in order to build knowledge, skills and capabilities.

SUSTAINABILITY REPORT

QAF Workforce Profile

Table 1: Total number of employees in FY2022, broken down by region.

Employee data	Philippines		Malaysia		Singapore		Australia		Group	
Total employees	4,427	47%	4,254	45%	693	7%	145	2%	9,519	100%

Health, Safety and Well-being

A high-quality working environment for each employee is fundamental to QAF's continued success. A lack of proper health and safety management may result in an increase in injury rates and lost day rates which can significantly impact employee wellbeing and our operations. QAF is committed to creating a work environment that fosters the well-being of our employees to achieve a healthy, safe, and inclusive workplace.

Committees

Gardenia

Singapore

Gardenia Singapore's Occupational Health and Safety Management System ("OHSMS") consists of a Safety Committee and Work Health and Safety Officers. The management system should continually be improved and therefore, undergoes BizSAFE audit every 3 years. The OHSMS covers different activities including production, dispatch, maintenance, and sales. Workers are involved and consulted in the development, implementation, and evaluation of the OHSMS through the monthly Safety meetings.

The Group's factory in Johor maintains continuous improvement of its occupational health and safety practices through training, regular inspection, review, and corrective actions. Its OHSMS covers all production process, maintenance work (including by external contractors), warehouse activity and its wastewater treatment plant work activity. All employees and non-employees are covered by the OHSMS.

Hazard identification and risk assessment based on type of work are discussed during Management Meetings and Safety Committee Meetings. The objective is to improve safety and health of all stakeholders, and to review the Safety Policy. The long-term goal of the Group's factory in Johor is to achieve zero major accidents per year and to reduce minor accidents. The Safety and Health Committee, which comprises Employer Representatives and Employee Representative of Farmland Malaysia meet 4 times a year.

Philippines

GBPI's OHSMS is led by 3 Safety Officers (1 representative per department), as required by the OSH Standard from Department of Labour and Employment (DOLE). Safety programs have been implemented and monitored on weekly, monthly, and yearly basis (e.g., safety audit, firefighting equipment monitoring, BOSH, occupational first aid and CPR training).

The scope of the OHSMS include:

- Accident Investigation identifies any unsafe conditions, acts, or procedures that may have contributed to the injury/illness to the worker and prevents others from being injured in the same manner.
- Record keeping, monitoring and verification of corrective actions.
- Safety Audits, including planning, execution, compilation of audit reports, setting corrective action plans and process improvements and communicating results. For example, annual audiometric examination is major safety audit for GBPI.

SUSTAINABILITY REPORT

- Safety Training involves conducting safety trainings related to workplace safety like BOSH, Fire Safety, Electrical Safety, Ergonomics and Material Handling.
- Emergency Response Team seeks to prevent injuries/casualties and to smoothly execute evacuation procedure when needed.
- Contractors Monitoring is done to determine their compliance with Work Health and Safety obligations relating to workplace and employee safety for all third-party contractors.
- The OHSMS covers all production lines, offices, utilities, and perimeter areas. Only sales personnel who are working outside the plant are not covered by the OHSMS, yet regular training related to safety driving is provided by GBPI to reduce the risk of accidents.

Work-related hazards and risks are identified through monthly safety audits and action plan reports (“APR”) from accident/incident report. Hierarchy of controls is used to manage hazard environments and mitigate risks with 5 distinct types of action, elimination (physically remove the hazard), substitution (replace the hazard), engineering controls (isolate people from the hazard), administrative controls (change the way people work) and Personal Protective Equipment (“PPE”). The two people in charge of this process respectively followed 8-hours and 40-hours OSH training. One of them followed a 48-hours Loss Control Management with Hazard Identification Risk Assessment and Control training and has 2 years of experience as a Safety Officer.

GBPI also created an Emergency Response Team (“ERT”) comprising ERT Chief, Secretary, Safety Officers, and individual representatives from other departments for high consequence-emergency incidents (contact with hot surface e.g., baking pans, tripping hazards, contact in moving trolley with trays, slipping hazards e.g., water, oil), natural disasters, public health crises, or other potential business disruptions.

Bakers Maison Australia

- BMA conducts monthly workplace health and safety meetings to discuss hazards, injuries and any safety related concerns recorded in an “Injury Record” or raised by safety representatives during the meeting. The OHSMS covers all the work-related activities of employees, contractors, or any person in the workplace

during work hours. Necessary prevention actions and upgrades to the system are implemented based on the factors identified in the process by the senior leadership team as guided by the Managing Director.

- Consultation with employees regarding any changes or amendments to Workplace Health and Safety (“WHS”) policies is a regulatory requirement under Work Health and Safety Act 2011. BMA consults employees via its representatives in the WHS committee. WHS committee includes representatives of management and elected representatives from production of each shift. Elected representatives from production make up at least 50% of the committee members. WHS committee meetings are held every month to discuss hazards or any other safety concerns identified via safety walks and injuries recorded on the injury register. Once reviewed, the committee discusses prevention actions for safety incidents and other necessary maintenance precautions to avoid these incidents happening in the future. All safety meeting minutes are finally reviewed by the Managing Director and executive and actions are taken where necessary.

Policies and Processes

Gardenia

Singapore

- Work-related hazards and risks are identified and assessed through the risk assessment management process. The risk assessment is conducted for every new process and then for every activity every 3 years. A hierarchy of controls is used to manage potential hazards and reduce risk. The person in charge of the process went for BizSAFE level 2 training to have the right level of competency.
- Some work-related hazards in Gardenia Singapore can pose a risk of high-consequence injury if they are not controlled. In order to determine which hazards pose such a risk, injured employees notify their superiors and then submit the incident to HR within 10 days from the accident. Other well-identified hazards such as noise exposure are subject to annual audiometric examination to protect the workers.



SUSTAINABILITY REPORT

Philippines

GBPI developed a seven-step process has been developed to answer work-related incidents:

- Step 1: Identify the Problem.
- Step 2: Establish the Scope of the Problem.
- Step 4: Find the Root Cause of the Problem.
- Step 5: Plan Corrective Actions to Fix the Root Cause.
- Step 6: Implementation of Action Plans
- Step 7: Verification of effectiveness

When it comes to determining improvements needed in the occupational health and safety management system, GBPI OHSMS committee identify the problem, create, and implement a solution, evaluate data for effectiveness and implement the plan if it's successful and document the final results.

Those processes create a safe working environment, less workplace injury and workers' compensation claims, improved health and wellbeing and increased individual, team, and organisational resilience.

Malaysia

- Farmland Malaysia also implemented policies to protect its workers' health and safety:
 - The person in charge of the identification and risk assessment of a hazard undertakes specific training on Health and Safety within the organisation.
 - Confidentiality is a key part of the reporting process. Any worker can report verbally work-related hazards/hazardous situations to their superior, with absolute certainty that worker's identity is kept confidential.
 - The procedure regarding health and safety cases is structured in 3 parts. First, a notification report is completed by the supervisor, it is then sent to the Safety-In-Charge within 48 hours. An investigation is then conducted and completed within 3 weeks. A meeting with the Safety Committee Members can be conducted to determine the corrective actions to implement.

- Under Occupational Safety and Health (NOISE EXPOSURE) Regulations 2019, Farmland Malaysia carried out Occupational Health Service ("OHS") testing to identify work related hearing impairment. The service is provided by Competent Person recognised by the Government Malaysia.
- A strict protocol regarding organisational health and Safety at Farmland Malaysia requires.
 - o Work permit application for all activities such as installation, repairing, cleaning, servicing, and modification that having safety risk assessed and approved by Safety Officer.
 - o Briefing on safety procedure related safety hazard (working from height, working on moving part, electrical hazard, confined spaces, etc.) before starting their task.
 - o Provide suitable PPE (gloves, safety glasses, hearing protection, harness, and respirators)
 - o Monitoring by person in charge on the safety compliance until the task is completed.
- Regarding non-occupational health and safety programs, Farmland Malaysia offers panel clinic services to all levels of employees. Health insurance is available to all levels of employees and a vaccination program for Covid-19 was launched. Workers were allowed to go for their vaccination during working hours and transport was provided to ease the movement of the workers to the clinics.
- At Gardenia Malaysia, we place importance on the well-being of our foreign workers and our obligations as employer under Malaysian labour laws, in particular the Employment Act 1955 of Malaysia (as amended by the Employment (Amendment) Act 2022 with effect from 1 January 2023). Notwithstanding such obligations under Malaysian labour laws, we extend various job benefits which are additional to what is mandated by law, such as free catered meals, medical insurance, as well as other medical and dental expenses. Gardenia Malaysia's human resource practices are evolving, taking into account feedback from relevant stakeholders and market conditions. For example, Gardenia Malaysia has commenced operating on a zero-cost recruitment fee basis for newly hired foreign workers.

SUSTAINABILITY REPORT

Bakers Maison Australia

- Access to information is provided to workers with safety minutes that are stored in a common folder. Preventive actions are communicated via the safety representatives and where necessary strengthened by toolbox talks.
- Safety walks are conducted monthly (and as necessary) by a trained return-to-work coordinator. Once the hazards and risks are reviewed, BMA takes necessary steps to prevent them from re-occurring in the future.
- Any worker can report a hazard or any work-related injury by uploading the relevant details into incident reporting system in Employment Hero software. During their induction, all the employees are shown how to report injuries.
- Work health and safety is a shared responsibility of both employees and employers, therefore, all the employees are protected from reprisals.
- BMA implemented policies and processes for workers to remove themselves from work situations that they believe could cause injury or ill health such as the HR 025 – Work, Health and Safety Policy, the WHSE -002 – Risk management policy and procedure, and the WHSE – 009 Safety and Emergency procedure (for freezer and chiller areas).

Initiatives

Gardenia

Singapore

- At Gardenia Singapore's factories and the 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.
- To confirm health and safety compliance, a Department of Occupational Safety and Health accredited external consultant conducts reviews and undertake periodic assessments at the Johor factory. Chemical health risk assessments were also performed to assess the level of chemicals employees are exposed to and to assess the effectiveness of personal protective equipment to reduce or eliminate employees' risks of chemical exposure.



- Gardenia Singapore also facilitates access to non-occupational health and safety through the company clinic and on-site annual employee health screening. It includes work permit renewal check-ups (for foreign workers), pre-employment medical check-up, re-employment check-ups (for employees of age 63), employee health screening (for everyone).
- Gardenia Singapore organised a complimentary health screening for all employees in December 2022 to encourage them to follow a healthier lifestyle and to take charge of their individual health status.
- In 2022, goodie bags comprising of supermarket vouchers and food items were distributed by Gardenia Singapore to all employees for Lunar New Year and Singapore's National Day celebrations to help staff defray rising cost of living.
- Gardenia Singapore has recognised the contributions of long serving staff members via a corporate video on YouTube with special emphasis on the hard work that staff have put in to serve our customers.

Philippines

With the return to face-to-face working, Gardenia Philippines continues to provide support to its employees through different HR programs that will benefit their physical and mental well-being. These include vaccination programs for Covid-19 and wellness activities that promote overall health. Other initiatives undertaken in 2022 to promote employee well-being include:

- Gardenia Philippines continued to implement the "Covid-19 Preventive Measures Program" where it supplied its staff with multivitamins monthly and required thermal scanning of employees and guests at all entrance gates of its premises. Submission of daily health information checklists is also mandatory to screen for possible carriers of the Covid-19 virus. On-site employees are regularly reminded to practice physical distancing, hand washing, and sanitizing through signages and hourly announcements via the public announcement system. Common areas and facilities were regularly disinfected and thoroughly cleaned. Employees serving home quarantine were also given home medical kits comprising face masks, digital thermometers, hand sanitisers, medicine, multivitamins, antigen saliva test kits, and guidelines for home quarantine.

SUSTAINABILITY REPORT

- Implementation of its Vaccination Program continued where employees, their dependents and household members were regularly encouraged to register for free Covid-19 vaccination and booster shots in coordination with the local government. In addition, flu vaccines were also given to a total of 892 employees.
- “Weight for Me” is a three-month weight management program designed to address the elevated Body Mass Index scores based on the APE results. It promotes regular physical activity and a healthy diet that will help employees achieve their healthy weight goal. This program also aims to reduce risk factors for cardiovascular diseases like hypertension, diabetes, and dyslipidemia. Employees with a BMI of 25 and above may register for the program and sign up as pairs of Body Buddies. The pair is encouraged and help each other towards the attainment of weight reduction goal.
- Aside from physical health, Gardenia Philippines provides webinars focusing on improving one's mental health and well-being.

Building good relationships among the employees is also a main priority of the company. With this, the HR Department spearheaded several activities including team-building activities, both physical and virtual, to strengthen the company's culture and allow the employees to find connections beyond work duties.

Malaysia

During the year, Gardenia Malaysia provided approximately RM274,000 of monetary aid to more than 750 employees who have been gravely affected by the floods in December 2021. This aid was provided to facilitate workers' recovery. The monetary aid also supported employees whose vehicles were stranded at the factory during the floods.



Gardenia Philippines organised physical team building activities during the year as part of its initiatives to take care of employees' well-being.

Bakers Maison Australia

- To promote its employees' non-occupational health and safety, BMA conducts a fitness to work assessment every other year.
- To address mental health issues, BMA has introduced an EAP provider named “Acacia”.
- As a part of annual Influenza vaccination program, all the BMA employees were given an opportunity to receive free flu vaccine in May 2022, just before the beginning of winter. A medical practitioner visited the premises and rolled out the in-house vaccination successfully. 37 employees participated in the event. Those who were unable to come on that day were given an opportunity to get the vaccine from a convenient location for them and BMA reimbursed the vaccination cost.
- BMA always encourages its employees to maintain a healthy lifestyle. This year's initiative to promote healthy living was to offer employees free fruit. The theme this year was healthy April. To promote adding fruit to daily meals, BMA provided a free fruit basket which was shared by the team members every Monday, throughout the month of April.
- In March, BMA celebrated National Harmony Day by encouraging employees to share their home country food with colleagues and teach each other's language, celebrating their culture of inclusion and diversity.



BMA celebrated National Harmony Day by encouraging employees to share their home country food with colleagues.

SUSTAINABILITY REPORT

- All BMA employees were invited to the end of year party held at Bankstown Sports Club. This year's theme was "Disco Glam". Among the fun events held at the party, crowd favourites were Karaoke and "The Best Dressed" awards. As an expression of the company's sincere gratitude, employees who completed 5 years, 10 years and 15 years of service were recognised with long service awards and cash incentives.
- As part of the Bakers Maison employee well-being program, a brand new lunch room was opened in 4Q2022 for all the employees to provide better facilities and a comfortable space for all the employees to relax and spend some quality time during their breaks.
- Safety of our delivery team is Gardenia Singapore's key responsibility. Gardenia Singapore organises a yearly training course for the delivery team to equip them with them with the techniques to understand the potential road hazards with driving on all road types and the techniques to recognise hazards, understand defensive driving and the ability to act in time.
- In 2022, Gardenia Singapore arranged for seminars, webinars, and workshops for its employees. The courses include Amazon SEA Seller Summit, BizSAFE Management courses, eCommerce workshops, financial budgeting, and income tax workshops as well as courses related to the food industry.

Employee Training and Development

Employee safety is promoted through the continuous training of QAF's employees, focusing on the latest requirements. We believe in empowering our employees with the right expertise, skills, and training experience 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 has continued to organise the mandatory occupational health and safety training and safe driving courses for its production workers, delivery team and office staff.
- Gardenia Singapore continues to 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.
- To provide continuous training for employees, Gardenia Singapore organised 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, safety courses related to performing work at height and BizSAFE trainings for department risk champions.
- At the Group's factory in Johor, various training is provided to employees including safety & health officers training, training for authorised entrants of confined spaces, firefighting training, food handling training, waste management training, and training for operators of industrial effluent treatment systems in physical chemical processes in compliance with regulatory requirements. Each year, Heads of Departments submit staff training requirements for the company's Annual Training Plan. Employees who have completed external training courses conduct in-house training sessions to share their knowledge gained with other employees.
- Farmland Malaysia invests in employee training through various courses such as first aid training and firefighting, training for emergency response team, forklift safety training, scaffold awareness training, confined space training, induction training, safety, and health officer training. Most training is tested to assess workers' abilities. Training is conducted on a needs basis but also follows annual requirements. All the expenses are covered by the Human Resources Development Fund and meals also provided during the training. All training conducted during paid working hours are free of charge to employees.

SUSTAINABILITY REPORT

Philippines

- Gardenia Philippines continues to prioritise the development of its employees. This is exemplified by its corporate Annual Training Plan and Departmental Training Plan which are focused on developing employees at different levels. All training recommendations are based on the semi-annual training needs analysis which assesses and addresses the learning gaps in employees' competencies. Moreover, cross-skills training programmes are also conducted to produce more well-rounded employees.
- The HR Department implemented the Building Blocks Training Programmes which covers new hire training, soft skills training, and government/regulatory updates. All employees are required to attend these training programmes that include Orientation for New Employees, ISO, HACCP, Food Safety and HALAL Training, BOSH Training, Financial Literacy, Sustainability Awareness Training, Business Communication Training, #1Life2Live: A Personal Breakthrough Training, and Developing Your Emotional Intelligence.
- The Expert's Track Training Programmes aim to help develop the specific functional expertise of employees. These include Quality Training Programmes (Internal Quality Auditor's Calibration, HACCP Team Calibration, Sensory Evaluation), Safety Training Programmes (First Aid, Fire Safety), and Technical Training Programmes such as Forklift Training/Assessment, Training the Trainers on Canva and Vyond as well as up-skilling programmes such as Excel Training and Google Workspace Tools.

- For supervisors, senior supervisors, and assistant managers, Gardenia Philippines has also implemented Leader's Track Training Programmes which aim to develop the leadership competence of employees for promotion. These include Developing Critical Thinking Skills, Employee Discipline and Grievance Handling, Developing Leadership Through Mentoring, and Crisis Leadership.

Training programmes are 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.



In 2022, Gardenia Philippines conducted 11 batches of virtual Basic Occupational Safety and Health ("BOSH") training attended by approximately 189 employees.

SUSTAINABILITY REPORT

Bakers Maison Australia

BMA makes training a priority for its employees. Production and distribution employees have special training opportunities such as annual food safety training, cross training, fire safety training, first aid training, and induction and safety training.

In terms of career development, all the supervisors, middle management members, administrative staff and senior management members participate in quarterly performance and career development process. In 2021, BMA introduced a conversation-based performance development system for those group of staff, named "One-on-one Conversations".

In 2022, BMA conducted numerous training sessions across multiple divisions to promote continuous learning and improvement. Trainings included:

- **Presentation and negotiation skills training** attended by the sales and marketing team as a part of their continuous training package for a high performing sales team.
- **Food Safety Update course** conducted by Australian Food Microbiology, attended by each Production and Distribution employee at BMA.
- **CISCO cybersecurity training** attended by IT personnel to encourage employee personal development goals.
- **Annual fire and emergency response training** attended by BMA fire representatives throughout the business to promote Workplace health and Safety regulation compliance and promote employee safety.
- **First Aid training** attended by all supervisors and employee representatives to make sure employees are trained in First Aid and CPR to attend into safety incidents promptly.
- **MAC training** attended by BMA logistics manager; this 10-week training program focused on increasing performance.
- **Manual handling training** completed by all production staff. Manual handling has been identified as one of the major reasons for the minor injuries occurring in production during past year and most of the production staff engage in manual handling labour in their day-to-day practices. BMA organised this training to increase staff awareness on correct manual handling techniques and to avoid wrong practices.
- **SAP training** were attended by all SAP users. The training covered basic SAP navigation and introduction on all SAP modules in use at BMA. User knowledge of SAP increased, and queries related to SAP were answered during the training session. All the participants were issued a certificate of participation to acknowledge their contribution.



Annual fire and emergency response training was attended by BMA fire safety representatives to promote workplace health and safety regulation compliance and promote employee safety.



BMA organised Manual Handling training for all production staff to increase their awareness on correct manual handling techniques.

SUSTAINABILITY REPORT

PEACE AND PARTNERSHIPS

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

Community Engagement



FY2022 Achievements

1. Contributing to society through Gardenia Singapore's support of philanthropic, community and charitable causes such as donations of bread products to the Southwest CDC, Bishan Community Centre ("CC") and Malay Youth Literary Association to help low-income families.
2. Sponsoring the nation's 57th National Day Parade ("NDP"). To celebrate this occasion, Gardenia Singapore incorporated the 2022 NDP message, "Stronger Together, Majulah" printed onto the overbands of the packaging for the top 3 *Gardenia* loaves.
3. In 2022, Gardenia Philippines supported several community pantries in NCR and Region 4A-Calabarzon with bread donations of more than 1,900 *Gardenia* loaves. Through its Quick Response donations, Gardenia Philippines has also extended support to more than 20,000 families who have been affected by natural calamities and fire incidents.
4. *Gardenia* Singapore continued to support Central Singapore CDC's "Give & Take" initiative by sponsoring about 2,000 loaves of *Gardenia* wholemeal bread to the needy families in Kampong Glam CC, Kreta Ayer CC, Kolam Ayer CC, Whampoa CC, and Kim Seng CC.

COMMUNITY ENGAGEMENT

Creating positive social impact for communities connected to our business activities is an important initiative of QAF. When all individuals and groups, regardless of ability, gender, or identity, fully participate in economic and social life, they contribute towards the growth of stronger community ties and values. QAF believes that detachment from the community poses a threat to our social licence to operate and hinder social mobility. Therefore, we aim to enhance the development of local communities by supporting a range of philanthropic, community and charitable causes and by promoting good health. Our initiatives reflect our continued commitment to delivering positive social impact and our continued support of the SDGs.

Supporting Philanthropic, Community and Charitable Causes

Gardenia

Singapore

- To support the lower income groups who are facing difficulties during this challenging period, Gardenia Singapore continued to reach out and contribute to the society through corporate social responsibility activities.
- Gardenia Singapore worked with MOS Burger to donate wholemeal bread to the lower income groups and the needy families living in Havelock rental flats.
- Gardenia Singapore worked with the Ministry of Social and Family Development through their ComCare Bread distribution programme in Bishan to sponsor bread for the lower income households during 1Q2022.

SUSTAINABILITY REPORT

- Gardenia Singapore donated healthier choice wholemeal bread to the foreign domestic helpers in Archdiocesan Commission for the Pastoral Care of Migrants & Itinerant People, Bayanihan Centre and Filodep to show comfort and care for them.
- Gardenia Singapore continued to support Central Singapore CDC's "Give & Take" initiative by sponsoring about 2,000 loaves of *Gardenia* wholemeal bread to the needy families in Kampong Glam CC, Kreta Ayer CC, Kolam Ayer CC, Whampoa CC and Kim Seng CC.
- To spread kindness to the Muslim community during the Ramadan period, Gardenia Singapore continued to support the Malay Youth Literary Association by sponsoring *Gardenia* products for the "Ramadan on Wheels" to help the low-income households, the vulnerable and the elderly.
- Gardenia Singapore is proud to be the major partner and sponsor of the 57th National Day Parade. To celebrate this occasion, Gardenia Singapore incorporated the 2022 NDP message, "Stronger Together, Majulah" printed onto the overbands of the packaging for the top 3 *Gardenia* loaves, namely the *Gardenia Enriched White Bread* 400g, *Fine Grain Wholemeal Bread* and *100% Wholemeal Extra Soft & Fine Bread*. This created high visibility of Gardenia Singapore's NDP sponsorship for brand goodwill and spread the NDP message.
- In 3Q2022, Gardenia Singapore launched a corporate video sending a strong message that Gardenia is always here to brave through challenging times together with the Singaporeans. It aims to emotionally engage the audience to develop trust in the brand. The video helps to create brand loyalty and goodwill that *Gardenia* bread is freshly baked in Singapore with the best quality delivered to every household. This video was featured on Facebook, Instagram, and YouTube.
- In partnership with the Singapore Cancer Society, Gardenia Singapore sponsored 1,000 loaves for the "Race Against Cancer" event in 3Q2022.



Gardenia Singapore donated healthier choice wholemeal bread to the foreign domestic helpers in Archdiocesan Commission for the Pastoral Care of Migrants & Itinerant People to show comfort and care for them.



Gardenia Singapore continued to support Central Singapore CDC's "Give & Take" initiative by sponsoring 2,000 loaves of *Gardenia* wholemeal bread to the needy families in various community clubs.

SUSTAINABILITY REPORT

Philippines

In 2022, Gardenia Philippines supported many charities, foundations, and philanthropic causes with bread donations providing approximately 366,000 loaves to more than 1000 organisations in NCR, CALABARZON, Pampanga, Cebu, and Cagayan de Oro ("CDO").

Philanthropic, community, and charitable causes included the following:

- In 2022, some community pantries have continued their operations to help the needy. These neighborhood food banks provided an opportunity for Gardenia Philippines to support families in the NCR and Calabarzon area with bread donations of more than 1,900 *Gardenia* loaves.
- Gardenia Philippines continued its Nutrition Assistance Programme, a feeding programme for undernourished public elementary students. The program aims to help improve the nutritional condition of these students and consequently improve their performance in class. In FY2022, Gardenia Philippines donated approximately 29,000 units of products to about 2,200 public elementary students in schools within Biñan in Laguna, Pampanga in Central Luzon, Cebu in Visayas and Cagayan de Oro in Mindanao.
- Under the Philippines' Daily Bread Nutrition Program, Gardenia Philippines donated approximately 580,000 packs of bread to 83 charitable organisations in several areas in the country including NCR, CALABARZON, Bulacan, Tarlac, Pampanga, Zambales, Bataan, Pangasinan, Ilocos Norte, Nueva Vizcaya, Isabela and Catanduanes in Luzon, as well as Cebu, Cagayan de Oro, Davao, and General Santos in the VisMin regions. The Daily Bread program aims to help improve the nutritional condition of the beneficiaries and help sustain food needs.
- Gardenia Philippines remained committed to providing immediate food relief to Filipinos affected by natural calamities and disasters. Through its Quick Response program, Gardenia Philippines distributed more than 36,000 loaves to approximately 20,000 families affected by the volcanic activities of Taal Volcano, the 7.0 magnitude earthquake in Abra and Ilocos, typhoons and different incidents of fire in Luzon in FY2022.
- Gardenia Philippines partnered with the Rotary Club of Alabang in the implementation of its Mobile Load Student Assistance Program wherein it donated Php500 worth of mobile data allowance to 50 public school students through the Department of Education Muntinlupa. This benefited students who were still attending online classes in 1H2022.



Under its Nutrition Assistance Programme, Gardenia Philippines donated approximately 29,000 units of products to about 2,200 public elementary students in schools within Biñan in FY2022.



Through its Quick Response program, Gardenia Philippines distributed more than 36,000 loaves to approximately 20,000 families affected by natural disasters and fires in FY2022.

SUSTAINABILITY REPORT

Malaysia

Gardenia Malaysia remains committed to maintaining strong positive relationship with the community. In 2022, Gardenia Malaysia, conducted initiatives that help support vulnerable individuals and create social equity. Contributions and achievements of Gardenia Malaysia includes:

- Under the “Gardenia Cares” initiative, Gardenia Malaysia has pledged a total of RM500,000 worth of *Gardenia* products towards 2022 National Flood Relief Programme. In collaboration with government agencies and NGOs that are involved in disaster relief and community welfare such as the Social Welfare Department and Yayasan Food Bank Malaysia, these products were distributed to communities located in affected areas and relief centres.
- In collaboration with local authorities and the residents’ associations surrounding our factories in Bukit Kemuning, Selangor, Gardenia Malaysia embarked on a flood mitigation project to improve the drainage system around our plants and the residential area. This project was completed in July 2022.
- During the year, Gardenia Malaysia’s annual Bag-2-School Programme provided support to 1,360 students from low-income families from nine schools in areas affected by the December 2021 floods. Through the distribution of backpacks, face masks and goodie bags, students were better prepared for the new school term.
- In 2022, Gardenia Malaysia donated a total of 53,000 units of *Gardenia* products to more than 28 schools. This provided breakfast to more than 8,000 students sitting for their Sijil Pelajaran Malaysia exam.
- Gardenia Malaysia sponsored 50,000 pieces of *Gardenia QuickBites* cream rolls that were distributed during the National Day celebration at the Dataran Merdeka, Kuala Lumpur, in August 2022. This demonstrates Gardenia Malaysia’s commitment to contributing to National events and efforts in commemorating national development.
- For more than 30 years, Gardenia Malaysia has provided support to charitable homes and centres. In 2022, Gardenia Malaysia supported more than 80 homes and centres, which included old folks’ homes, orphanages, schools for special needs, and rehabilitation centres. Daily delivery of *Gardenia* products has helped to alleviate hunger and provide better nutrition for people in these communities.
- As a reflection of strong support from consumers and the community, Gardenia Malaysia was awarded the Platinum Award of the Putra Brand Awards for the fourth consecutive year.
- For 2022, Gardenia Malaysia was also awarded the Gold Award under the Corporate Branding Category of the Malaysia Public Relations Awards organised by the Public Relations and Communications Association of Malaysia (PCRA Malaysia). This award is to recognise Gardenia Malaysia’s “*Wellness Begins at Home*” campaign, which promoted mental health literacy and encouraged families to seek mental health support to navigate stressors.



During the year, Gardenia Malaysia's annual Bag-2-School Programme distributed backpacks, face masks and goodie bags to 1,360 students from low-income families from nine schools in areas affected by the December 2021 floods.

SUSTAINABILITY REPORT



Under the "Gardenia Cares" initiative, Gardenia Malaysia distributed Gardenia products to communities located in affected areas and relief centres.

Bakers Maison Australia

- In way of strengthening bonds with the community, BMA donated two boxes of fully baked Croissants to East Hills Girl school for their Mother's Day event. The donation was appreciated by the attendees and the organising committee as it was their first on-site event since Covid-19 and the croissants were a great way of attracting guests back to the face-to-face world from the virtual world.
- In supporting Australian Cancer Council, BMA hosted the "Biggest Morning Tea" event in May 2022 to raise money for cancer research. This event was open for the employees and outsiders. During the two-hour session and with kind donations made by staff members, BMA managed to raise approximately \$1,309, exceeding the original fundraising goal of \$1,000. In addition to house baked goods, BMA introduced a \$2 barista made coffee at this year's event, which became a great hit among the employees and visitors.
- BMA organised a recycling clothing donation campaign in June 2022 to celebrate World Environmental Day. This campaign was organised, in supporting this year's world environmental day campaign slogan "Only one earth", with a focus on "Living sustainability in harmony with nature". Collected clothes were handed over to a recycling organisation called "Clothing clean up" for recycling. It became another well received project by all the staff by BMA.

- As a responsible corporate citizen, BMA always enjoys helping local community events. One such event which was organised by Bankstown Community was a street library with guest appearances. BMA donated one box of croissants, one carton of muffins and one box of Danish pastries.
- Lindsay Transport is one of the logistics providers for BMA and they reached out to us for product donations for their biggest morning tea fund raiser. In supporting stake holders of the business and the charity event, BMA donated two cartons of bread rolls.
- In June 2022, Broderick Gillarwana School ("BGS") hosted their Biggest Morning Tea to raise vital funds to support cancer research and those people impacted by cancer. Fostering the new friendship, BMA donated 60 Croissants to this event. BGS is a school for special needs kids situated in the neighbourhood close to BMA.
- BMA was also chosen as the main Croissant and bread sponsor for Milindra Farmer's breakfast event. This Annual Conference is a highlight of the state's agricultural calendar, with farmers, industry leaders and key thinkers coming together to discuss how they can grow the future of farming. It was their first face to face conference since 2019. BMA sponsored the event by donating eight boxes of croissants and eight boxes of milk buns.



In supporting Australian Cancer Council, BMA hosted the "Biggest Morning Tea" event in May 2022 to raise money for cancer research.

SUSTAINABILITY REPORT

- In 3Q2022, BMA took note of “Are You Okay Day”. This event aims to inspire and empower everyone to meaningfully connect with the people around them and start a conversation with those who may be struggling with mental health. BMA invited a Paralympian, Australia’s premier female Para snowboarder, to share her mental health journey after losing a leg, with BMA employees. Her story inspired employees to think differently and overcome everyday mental health struggles. Followed by the motivational speech, employees got together to enjoy a summer barbecue.
- In 4Q2022, BMA participated in “Movember” fund raiser to raise awareness for the key issues of mental health and suicide prevention, prostate cancer, and testicular cancer. By growing moustaches or hosting events, participants joined millions of people worldwide who are helping men live happier, healthier, and longer lives. “Movember” has funded 1,250 game-changing health projects so far. The men at BMA set themselves a bold task and an ambitious fundraising target to grow moustaches to raise funds. Seven members of the BMA team participated in this fun yet meaningful challenge, including the Managing Director, Mr. Pascal Chaneliere. Our goal was to raise \$500 but we exceeded the target by raising approximately \$1,120.
- BMA welcomed the Christmas month by bringing Christmas spirits into Broderick Gillarwana School. Continuing the tradition started in 2021, BMA’s leadership team visited the school in December distributing Christmas gifts to 64 primary school students. The team spent quality time with the kids and the special guest, Santa.
- BMA employees were given an opportunity to participate in a blood donation campaign organised by Australian Red Cross held in 4Q2022. Volunteers who participated in this blood donation campaign during the working hours were paid up to 2 hours pay as a token of appreciation.



Seven members of the BMA team, including the Managing Director, participated in a challenge to grow moustaches to raise funds to raise awareness for men's health.

SUSTAINABILITY REPORT

Investing in the Future by Developing Young Students and Talent

Gardenia

Singapore

- Under the Internship programme, Gardenia Singapore partnered with Singapore Polytechnic to provide internship opportunities to students. During the internship, students were given opportunities to undertake day to day operational tasks which helped them gain corporate experience and better prepare them to join the workforce. To enhance the internship experience, a full-time Gardenia Singapore staff member was appointed to coach and guide the interns in carrying out their duties. At the end of their internship, the students undertook a performance assessment, allowing them to evaluate their performance and identify areas for improvement.

- As part of Gardenia Singapore's effort to nurture aspiring young bakers, the company also partnered with Temasek Polytechnic to provide training opportunities for final year students through project collaborations. These collaborations include the innovation of new bakery products. The programme provides learning opportunities through hands on baking experience with Gardenia Singapore's Research & Development team. This year, Gardenia Singapore worked with final year students of Singapore Polytechnic to innovate two new and exciting premium fusion breads for the Singapore market.

Malaysia

Gardenia Malaysia continues to support in the development of future generations by nurturing young talents. During the year, Gardenia Malaysia offered internship positions to 17 local university students from various fields of study to provide them with real-life working experience.

SUSTAINABILITY REPORT

TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

In December 2021, the Singapore Exchange Regulation (SGX RegCo) announced that all issuers must provide climate reporting on a “comply or explain” basis within their sustainability reports, from FY2022 onwards. Within the agriculture, food, and forest products sector as identified by TCFD, climate reporting will be mandatory from FY2023. QAF has commenced adopting the recommendations of the Taskforce on Climate-related Financial Disclosures (“TCFD”) in our climate change reporting for FY2022.

This section details QAF’s approach to managing climate-related risks that may impact our business, with reference to the four key pillars of TCFD, namely Governance, Strategy, Risk Management, and Metrics and Targets. Understanding that the challenges associated with climate change is ever-evolving, QAF plans to continuously update our plans accordingly.

TCFD Pillar	Recommended Disclosure	QAF’s Approach	Report Section
Governance	a) Describe the Board’s oversight of climate-related risks and opportunities. b) Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>The Board is ultimately responsible for the Group’s sustainability reporting, which includes reporting on climate-related risks and opportunities and approves the disclosures in the Annual Report and Sustainability Report. In respect of climate-related risks and opportunities, QAF’s governance is evolving.</p> <p>The Group’s ARC is responsible for overseeing and making recommendations to the Board on sustainability matters, which includes the review of the Group’s sustainability policies, practices, performance, and targets. The ARC consists of non-executive independent Directors. The ARC is supported by the QAF Sustainability Working Group that consists of executives of the Company including the Chief Sustainability Officer who work with employees from relevant business units.</p>	Prosperity
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy and financial planning. c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<p>During FY2022, QAF conducted our first qualitative climate risk assessment exercise as a step towards a phased approach to SGX’s climate reporting regulations. This exercise involved identifying and assessing the potential climate-related physical and transition risks⁴ that our business and operations face. Workshops and awareness sessions were also held with senior management and members from various departments across QAF Group to determine key climate-related exposures and to assess the relative significance of these risks and opportunities. The key climate-related risks that QAF have identified are detailed in the section below, titled “Physical and Transition Risks”. As QAF is adopting a phased approach towards TCFD disclosures, QAF will incorporate time horizons (i.e., the short, medium and long term) as well as our climate-related opportunities as our climate reporting matures.</p> <p>The Group has conducted a high-level analysis on the impact of climate-related risks on the organisation’s business as outlined in the “Physical and Transition Risks” section below. We seek to improve and refine our climate risk assessment strategy in the future by conducting climate scenario analysis to better understand the impacts on QAF’s overall operations, manufacturing sites, our value chain, and ultimately our strategy and financial planning. Through this process, we expect to develop greater resilience in the business to the effects of climate change.</p>	Physical and Transition Risks

⁴ Climate-related risks are typically divided into physical and transition risks. Physical risks are related to the physical impacts of climate change on our environment, arising from extreme weather conditions (e.g., extreme heat, flooding, bushfires) known as acute impacts and long-term shifts in climate (e.g., sea level rise, water stress, prolonged drought) that are known as chronic impacts. Transition risks arise from the process of shifting towards a low-carbon economy, which include shifts in the market, policy and legal, technology and social landscape.

SUSTAINABILITY REPORT

TCFD Pillar	Recommended Disclosure	QAF's Approach	Report Section
Risk Management	a) Describe the organisation's processes for identifying and assessing climate-related risks.	QAF acknowledges the significance and impact of climate change in its Enterprise Risk Management ("ERM") Framework. QAF also recognises adverse weather conditions as a key risk and the potential impact that these events can have on operations at production sites and raw material supply and costs. The ERM Framework appears in our Annual Report, under the Corporate Governance Report.	Corporate Governance Report
	b) Describe the organisation's processes for managing climate-related risks.	Our risk management of adverse weather conditions is just beginning, however, our subsidiary, Gardenia Philippines, has already developed Business Continuity Plans ("BCP") for major events such as volcanic eruptions, fires, major earthquakes, and typhoons and floods.	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	QAF adopts a phased approach towards climate reporting and will continue the integration of different climate considerations into our enterprise decision-making, and our approach to identifying, assessing, and managing our climate risks and opportunities in the future.	
Metrics and Targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	The Group closely monitors its energy management, water management, and waste management consumption and QAF has adopted resource management as a key climate related metric. In line with the GHG Protocol Corporate Accounting and Reporting Standard ("GHG Protocol") methodology, QAF is reporting its Scope 1 and 2 GHG emissions for the first time. Results are provided in the "Scope 1 and Scope 2 Emissions" section below.	
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.	In the following phases of reporting against TCFD recommendations, QAF will be reviewing and considering materiality and relevant disclosure of Scope 3 GHG emissions. QAF has adopted a continuous improvement approach to assessing climate-related risks and opportunities. QAF will monitor our operating environment and review climate-related issues materially relevant to our business and consider disclosing the most appropriate metrics that support our strategic planning process in the future.	
	c) Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.	Moving forward, QAF will explore measurable and appropriate targets according to our strategic priorities, aligned with TCFD recommendations.	

SUSTAINABILITY REPORT

Scope 1 and Scope 2 GHG Emissions

Scope 1 and Scope 2 GHG emissions were calculated in accordance with the GHG Protocol, a set of “comprehensive global standardised frameworks to measure and manage GHG emissions from private and public sector operations, value chains and mitigation actions”.⁵ The below table illustrates FY2022 emissions:

Table 2: Scope 1 and Scope 2 Greenhouse Gas Emissions

Subsidiary	Scope 1 Emissions (tonne CO ₂ e)	Scope 2 Emissions (tonne CO ₂ e)
Bakers Maison Australia	544	2,930
Gardenia Singapore⁶	4,645	5,120
Gardenia Philippines	17,189	16,567
TOTAL	22,378	24,617

⁵ Please find more information on the GHG Protocol here: [About Us | Greenhouse Gas Protocol \(ghgprotocol.org\)](#)

⁶ Please note that Gardenia Singapore includes Farmland Malaysia.

SUSTAINABILITY REPORT

PHYSICAL AND TRANSITION RISKS

As part of the TCFD process, the Group carried out a qualitative climate risk assessment exercise involving identifying significant physical and transition risks that could be materially relevant impactful to our business. The key risks that the Group has identified and the impacts of the risks are listed below. As mentioned, our risk management approach is in development, and we have an ongoing BCP in our subsidiary, Gardenia Philippines, that addresses managing the risk of major physical events in that region. In the next phase, the Group will be considering the likelihood and impact of identified transition and physical risks at both Group and subsidiary levels. Existing and potential mitigation actions will be reviewed and enhanced to assess and qualify residual risks to our business.

Risk and Category	Impact of Risk
Physical Risk⁷	
Change in Precipitation: Increased intensity, frequency and/or duration of flooding	<ul style="list-style-type: none"> Potential impact on manufacturing capabilities, assets, and employee health and safety.
Extreme weather: Storms – Increased intensity, frequency and/or duration of storms	<ul style="list-style-type: none"> Potential impact on operations due to physical damage of facilities and/or public infrastructure, resulting in increased and prolonged operational disruptions at facilities. Potential impact to supply chain, manufacturing facilities, and employee health and safety.
Extreme weather: Droughts – Increased intensity, frequency and/or duration of droughts	<ul style="list-style-type: none"> Potential decrease in access to raw materials or water in the manufacturing facilities, impacting operations, strategy, financial planning, and/or operating costs and profit margins. Events of water shortages and water stress would further negatively impact employee health and safety.
Transition Risk⁸	
Market: Increased cost of raw materials	<ul style="list-style-type: none"> Potential impact on strategy and financial planning.
Reputation: Increased stakeholder concern or negative stakeholder feedback, including shifts in consumer preferences	<ul style="list-style-type: none"> Potential impact on strategy and financial planning should expectations for F&B companies change, such as consumers prioritising sustainability when purchasing goods.
Policy and legal: Mandates on and regulation of existing products and services	<ul style="list-style-type: none"> Potential impact on operations, strategy, and financial planning of QAF subsidiaries.
Policy and legal: Enhanced emissions reporting obligations	<ul style="list-style-type: none"> Potential impact on resource allocation to comply with enhanced emissions reporting obligations, e.g., data collection capacity. Potential impact on customer preferences.

⁷ Chronic physical risks have not been reported this year, but QAF will consider this in the future as our climate reporting evolves.

⁸ Risks associated with technological developments have not been reported this year, but QAF will consider this in the future as our climate reporting evolves.

SUSTAINABILITY REPORT

GRI CONTENT INDEX

Statement of use	QAF Limited has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location: Report section	Page No.
GRI 2: General Disclosures 2021	Organisation and its reporting practices		
	2-1 Organisational details	About this report, QAF – At a glance, Annual Report 2022	Page 10, 11, 35, 40
	2-2 Entities included in the organisation's sustainability reporting	About this report	Page 35
	2-3 Reporting period, frequency and contact point	About this report	Page 35
	Activities and workers		
	2-6 Activities, value chain and other relationships	QAF – At a glance, Annual Report 2022	Page 19-30, 40
	2-7 Employees	People	Page 77
	Governance		
	2-9 Governance structure and composition	Prosperity, Annual Report 2022 (Corporate Governance Report)	Page 55, 99-104, 119-120
	2-10 Nomination and selection of the highest governance body	Annual Report 2022 (Corporate Governance Report)	Page 106-108
	2-11 Chair of the highest governance body	Annual Report 2022 (Corporate Governance Report)	Page 105
	2-12 Role of the highest governance body in overseeing the management of impacts	Prosperity, Annual Report 2022 (Corporate Governance Report)	Pg 55, 119-120
	2-13 Delegation of responsibility for managing impacts	Prosperity	Page 55
	2-16 Communication of critical concerns	Prosperity	Page 56
	2-19 Remuneration policies	Annual Report 2022 (Corporate Governance Report)	Page 107-113
	2-20 Process to determine remuneration	Annual Report 2022 (Corporate Governance Report)	Page 107-113
	Strategy, policies, and practices		
	2-22 Statement on sustainable development strategies	Board Statement	Page 36-39
	2-26 Mechanism for seeking advice and raising concerns	Stakeholder engagement and materiality assessment, Prosperity	Page 43-45, 47-50, 56
	2-28 Membership associations	Membership and associations	Page 46
	Stakeholder engagement		
	2-29 Approach to stakeholder engagement	Stakeholder engagement and materiality assessment	Page 43-45, 47-50

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GRI Standard		Disclosure	Location: Report section	Page No.
GRI 3: Material topics	3-1	Process to determine material topics	Materiality determination process	Page 47
	3-2	List of material topics	Material mapping and topic boundary	Page 48-50
	3-3	Management of material topics	Prosperity	Page 57-59
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken	Prosperity	Page 55
GRI 303: Water and Effluents 2018	303-2	Management of water discharge-related impacts	Planet	Page 74-75
GRI 306: Waste 2020	306-2	Management of significant waste-related impacts	Planet	Page 73-74
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	People	Page 76-81
	403-2	Hazard identification, risk assessment, and incident investigation	People	Page 76-81
	403-3	Occupational health services	People	Page 76-81
	403-4	Work participation, consultation, and communication on occupational health and safety	People	Page 76-81
	403-5	Worker training on occupational health and safety	People	Page 82-84
	403-6	Promotion of worker health	People	Page 76-82
GRI 404: Training and Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	People	Page 82-84
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Products and Process	Page 61-63
GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labelling	Products and Process	Page 61-63
GRI G4: Food Processing Sector Disclosures	FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognised food safety management system standards	Products and Process	Page 60

