





A young boy with dark hair, wearing a light blue button-down shirt with a dark collar, is shown in profile, looking out a window. His hands are clasped in front of him. The background is a bright, out-of-focus view of a city or landscape.

# *Delivering* VALUE

We drive economic success and social progress through Innovation, Human Capital Development and Social Collaboration to create sustainable value for our consumers, customers, shareholders, employees and the local communities in which we operate.

## **MATERIAL ISSUES:**

- Economic Performance
- Innovation
- Talent Management
- Market Presence
- Creating Value for Society

## **CONTRIBUTING TO SDGs:**





# *Driving* Economic Value



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

Our Value Creation Business Model is explained in detail on pages 18 to 19 of this report. F&N economic performance depends upon all six capitals (financial, manufactured, intellectual, human, social & relationship, and natural). Thus F&N's ability to create financial value is supported by our sustainability initiatives.



## ECONOMIC PERFORMANCE

GRI 201-1

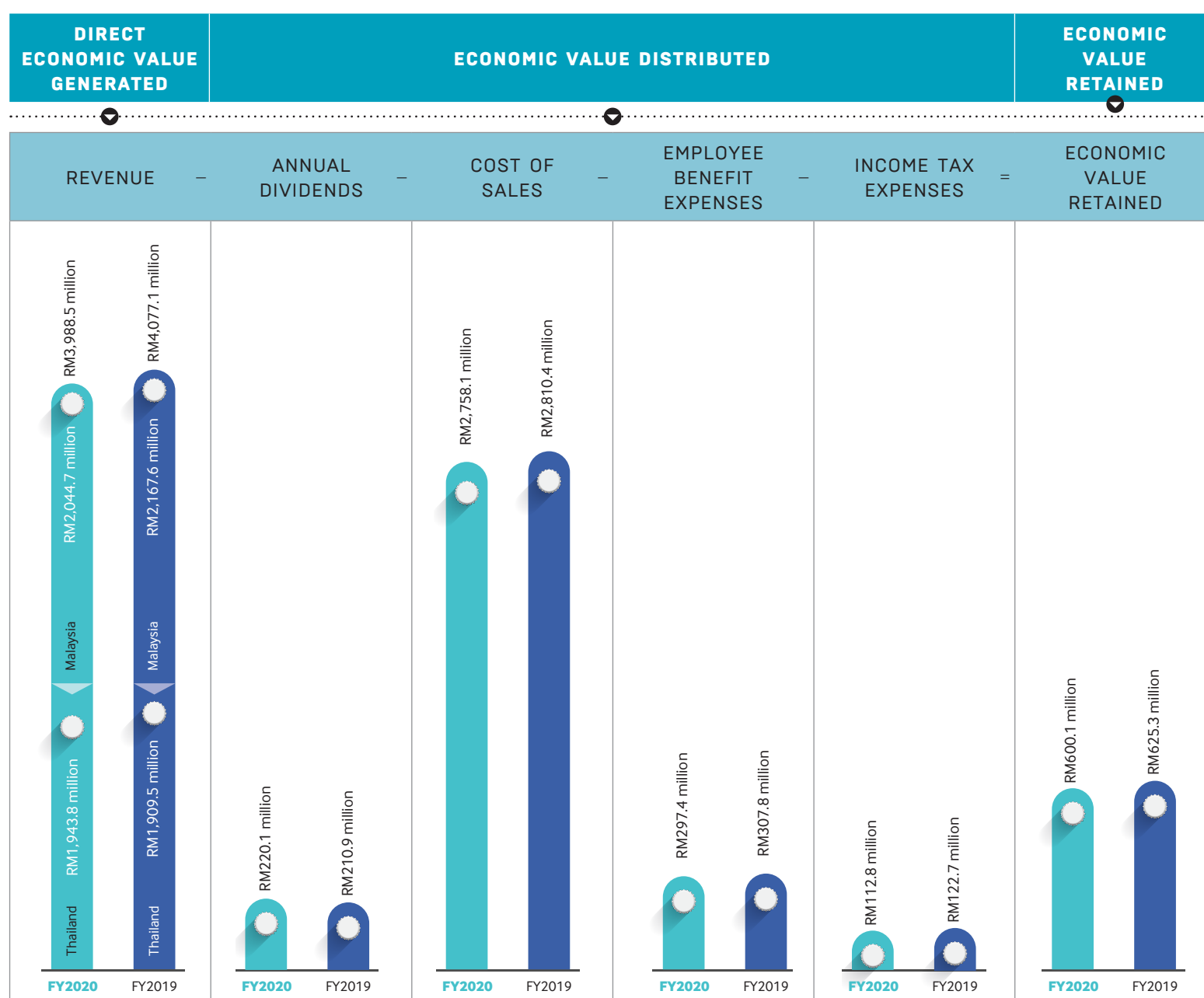
## Our Approach

F&N generates economic value in a number of ways. Full information is included in our audited financial statements, as part of our 2020 Annual Report.

 > [Read more in our Annual Report](#)

During 2020, F&NHB maintained a resilient economic performance in the face of external shocks, to continue delivering value for all stakeholders. We worked to maximise output despite a reduced workforce and production hours during the MCO period.

## Economic Performance



## Notes:

- (i) Employee benefit expenses comprise of wages, salaries, contributions to state plans, expenses related to defined benefit plans, share-based payment expense, one-off restructuring costs and other staff costs.
- (ii) Economic value retained is calculated by direct economic value generated (revenue) – economic value distributed (annual dividends, cost of sales, employee benefit expenses and income tax expenses). Community investments are not included.



## Driving Economic Value

### INNOVATION



#### Our Target

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

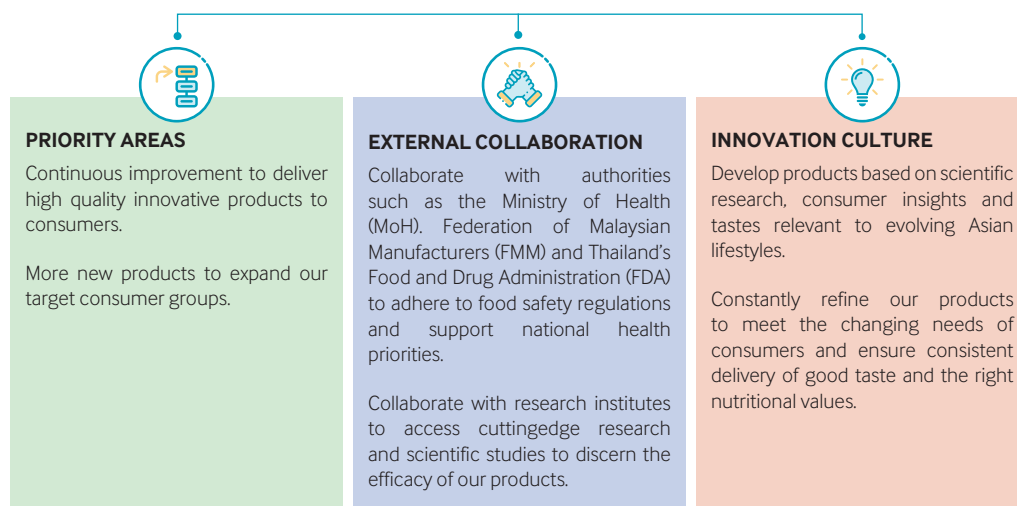
#### Our Performance in 2020

We have invested in product and process innovation to increase our product range, and improve efficiency and productivity.

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

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

#### OUR INNOVATION FRAMEWORK

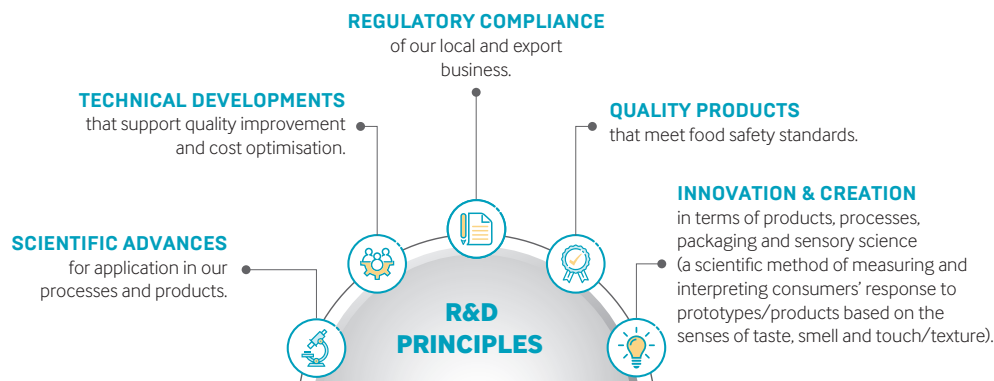


#### Our Approach

Our Research & Development (R&D) Unit in Singapore is supported by teams in Malaysia and Thailand. The unit leads efforts for continuous improvements to our product formulas according to changes in consumer preferences and the regulatory environment, while searching for ways to improve products' functional benefits and shelf-life.

F&N also collaborates with Nanyang Technological University (NTU), through the F&N-NTU F&B Innovation Lab in Singapore, to foster research that will result in better food packaging and the conversion of spent produce from food processing into valuable resources.

The goals of R&D at F&NHB are guided by the following principles:





## Our Initiatives

### CONSUMER-FOCUSED INNOVATION

At F&N, we strive to deliver our 'Pure Enjoyment, Pure Goodness' promise to our consumers by offering: more options in different product categories; healthier options without compromising on taste; and convenience through differentiation in packaging to cater to customers' evolving needs.

We launched ten new products during FY2020, with each one underwent comprehensive tests before they reached the shelves to ensure that they are safe for our consumers and of the desired quality.



1. 100PLUS Zero
2. F&N ICE MOUNTAIN Sparkling Water - Original, Lemon and Grapefruit
3. F&N Teh Tarik - Ori and Less Sugar
4. No Sugar OYOSHI Gold Kabusecha, No Sugar OYOSHI Gold Sencha
5. Sunkist Pure - Orange and Lemon Apple
6. TEAPOT Squeeze Tube - Plain, Gula Melaka & Pandan
7. F&N Fruit Tree Fresh Reduced Sugar Soursop with Nata De Coco

1. Carnation Plus SCM 0% Fat, 25% Reduced Sugar
2. TEAPOT Squeeze Tube - Matcha, Mango
3. Magnolia Milkies Tablet - Classic Malt, Hokkaido Milk, Strawberry Yogurt

### Increasing our offering of Healthier Choice products amidst COVID-19

Our product development team continued to introduce healthier product options, in responding to consumer demands for healthy products, amidst the challenging time of COVID-19. Among the new healthier additions are 100PLUS Zero, no sugar OYOSHI Gold green tea, no sugar F&N ICE MOUNTAIN Sparkling Water, Sunkist Pure Juices with higher fruit content and less sugar -> Carnation Plus SCM 0% Fat, 25% Reduced Sugar.

 > [Read more about 'Consumer Health & Safety', on pages 94 to 98 of this SR](#)

### Increased Convenience

The launch of F&N's flagship online store provides an easier platform for consumers to order their favourite F&N products at competitive prices, in bulk and get it delivered to their homes. Besides catering to consumers who enjoy convenience, F&N Life also offers product details and nutrition values, recipes and loyalty programmes. There are close to 250 SKUs available within the F&N Life platform, which was rolled out in January and was scaled up to support Malaysians through COVID-19.

We offer differentiated product packaging to cater to the different needs of consumers. This year, due to demand for greater convenience and flexibility, we have launched our TEAPOT condensed milk in Malaysia in a convenient squeeze tube for easy spread over food or desserts. Another innovative product launched this year in Thailand is the Magnolia Milkies, the milk tablets made with 100% New Zealand milk.

 > [Read more about 'Consumer Health & Safety', on pages 94 to 98 of this SR](#)

### Sustainable Packaging

F&NHB rolled out a new packaging solution for our F&N ICE MOUNTAIN Drinking Water where it is made from recyclable paper (Tetra Pak) carton packaging. The caps are also bio-based, made from sugar cane.

 > [Read more about 'Packaging', on pages 78 to 79 of this SR](#)



## Driving Economic Value

### PROCESS INNOVATION

Our R&D and Manufacturing teams constantly seek out the most up-to-date technical and scientific advances to improve the efficiency of our operations while minimising environmental impacts. Over the years, we have implemented innovative technologies to reduce post-consumption waste and automate processes to enhance efficiency.

#### FUTURE READY INVESTMENT

This year, we have invested approximately RM134 million in capital expenditure to improve energy efficiency by generating renewable energy, elevate product innovation and drive cost competitiveness.

Process innovation projects implemented are described in our Annual Report 2020, and include:



Solar Photovoltaic (PV) system at Shah Alam, Pulau Indah and Bentong plants, Malaysia with a total capacity of generating up to 10 MWp of energy.



State-of-the-art Regional Distribution Centre at Rojana, Bangkok with sophisticated Automated Storage Retrieval System (ASRS).



New manufacturing line at Rojana Plant, Thailand to produce our first milk tablets, Magnolia Milkies.

#### In-sourcing of Fresh Milk at our Pulau Indah plant

As part of our capacity building for in-sourced milk and juices, we have invested RM40 million in a new fresh milk line at Pulau Indah plant. Beginning 1 April 2020, we have started to produce chilled milk and juices at Pulau Indah plant and this has helped to reduce our operational cost. These milk and juices also come with the new and improved packaging – TetraEdge.

#### Proof of Delivery Solutions in Thailand

In Thailand, we have implemented a “Proof of Delivery” (ePOD) solution where transportation activities are monitored in real time through a tracking system. Through this solution, it provides real-time visibility and traceability of goods, along with instant and pro-active communications with our customers. This has also reduced the back-office administration.

#### Optimising Operational Efficiency through Our New Regional Distribution Centre

This year, we invested in a new regional distribution centre (RDC) in Rojana, Ayutthaya Province, Thailand, equipped with 287 million THB ASRS. Strategically located 1.7 km from our dairies manufacturing plant in Rojana, Ayutthaya Province, the 20,000 square metres RDC is expected to be operational in 2021. This RDC will serve as our regional distribution hub for F&N Dairies Thailand (FNDT)’s products.

Apart from optimising and reducing operational costs, and meeting storage capacity demand with smaller space requirement, the ASRS enables centralised inventory which will enhance stock management accuracy. Additionally, the system will create a fully integrated distribution centre with an enterprise resource planning system and efficient information flow. We will also be installing the same ASRS in our new warehouse in Shah Alam, which will be operational in 2021.

### Employee-Driven Innovation

To promote continuous improvement in productivity, quality, cost, delivery, safety, ethics and environment, F&N Dairies Thailand once again organised the World Class Manufacturing - Excel As One Convention 2020 on 17 September 2020, which encouraged manufacturing teams to propose and implement innovative and cost saving initiatives. The innovative ideas initiated through the convention have already successfully achieved an average saving of 30 million THB annually.

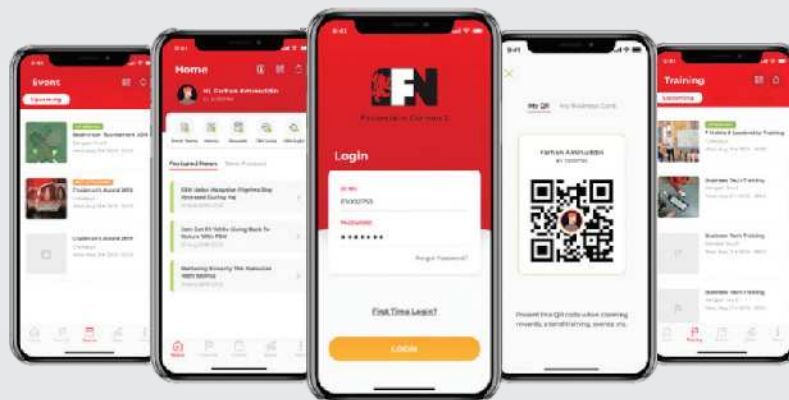
Themed 'Sport to Build Immunity Fighting COVID-19', they showcased innovative projects through exhibition boards and models.



### Changing the Way Employees Get Connected with the Company

In January this year, F&NHB launched the Fraserians Connect App in Malaysia, a mobile app that connects employees in Malaysia. The app serves as a faster and more efficient communication tool to all employees, as well as keeping them up-to-date with the latest news and happenings in F&N. Through the app, employees also have access to important policies such as employee's handbook and Collective Agreements at their fingertips.

During the COVID-19 MCO in Malaysia, we provided frequent and, timely updates to the employees about work arrangements, guidelines and memos related to the pandemic via the app.





# Empowering Our People

**Our people** are what differentiate F&N from our peers and determine our success. We strive to create a stimulating work environment for our employees where fresh perspectives are valued, talent is nurtured & rewarded and employees are engaged and empowered to perform to their highest potential, thereby enabling the company to meet our business objectives. F&N contributes to the UN SDG 8's target to achieve full and productive employment and decent work for all.





## TALENT MANAGEMENT

GRI 202-1; GRI 401-1; GRI 401-2; GRI 404-1; GRI 404-2; GRI 405-1



## Our Target

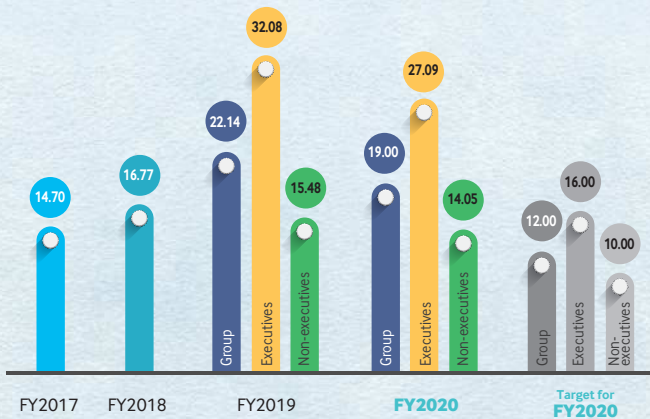
To provide an average of at least 12 training hours per employee per year by 2020

**Executives** : 16 hours

**Non-executives** : 10 hours

## Our Performance in 2020

Average of 19.00 hours per employee.



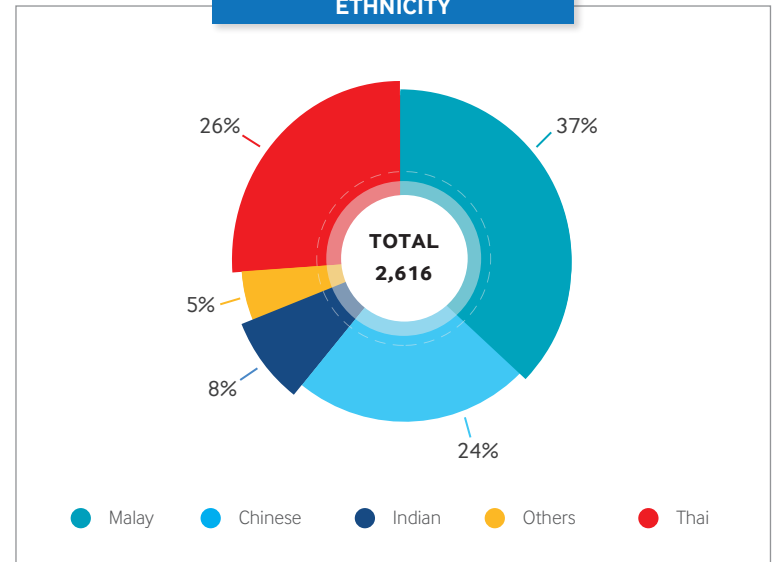
## Our Approach

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

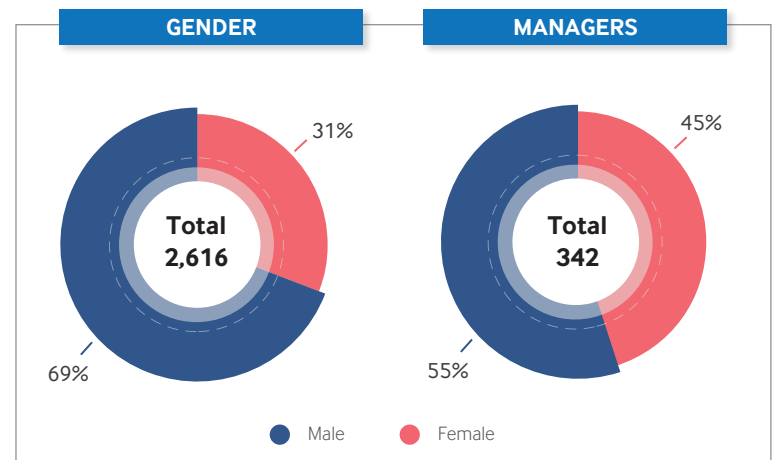
F&N strives to offer equal opportunities for all, regardless of an individual's race, gender, religion and any other attributes unrelated to employment expectations. We comply strictly with prevailing legislation on employment rights in the countries of our operation, including the prohibition of hiring minors.

While 31% of all employees at F&N are female, our positive approach to gender equity can be seen from the female representation at managerial levels, where 45% of managerial positions are held by female employees.

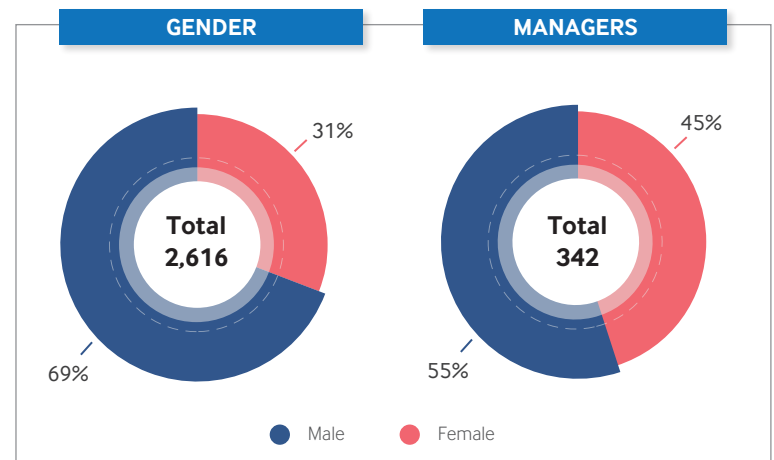
## ETHNICITY



## GENDER



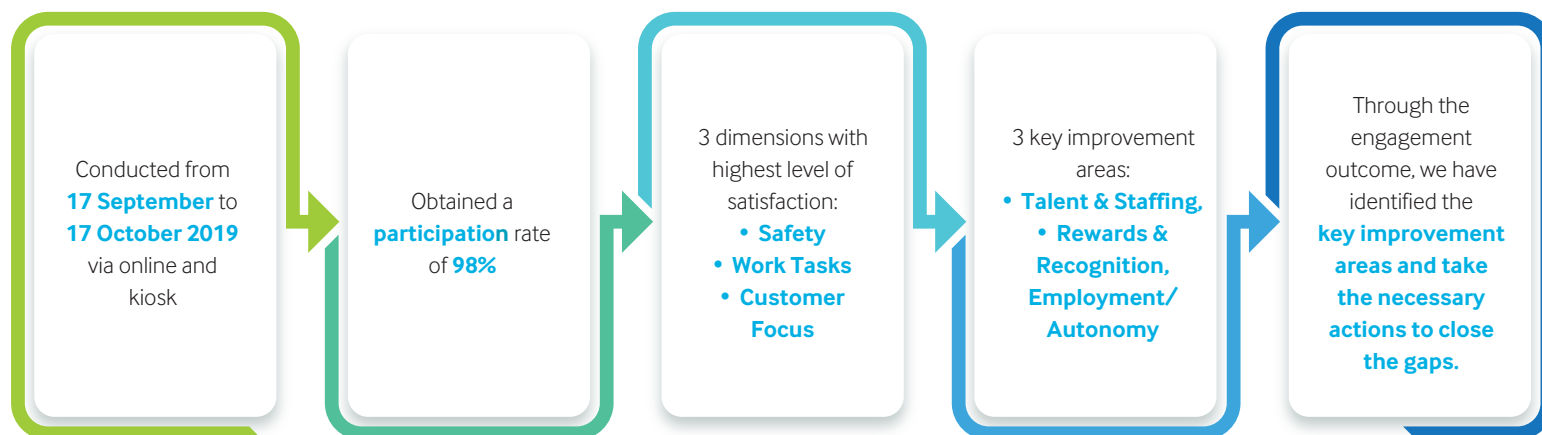
## MANAGERS





## Empowering Our People

### Employee Engagement Survey



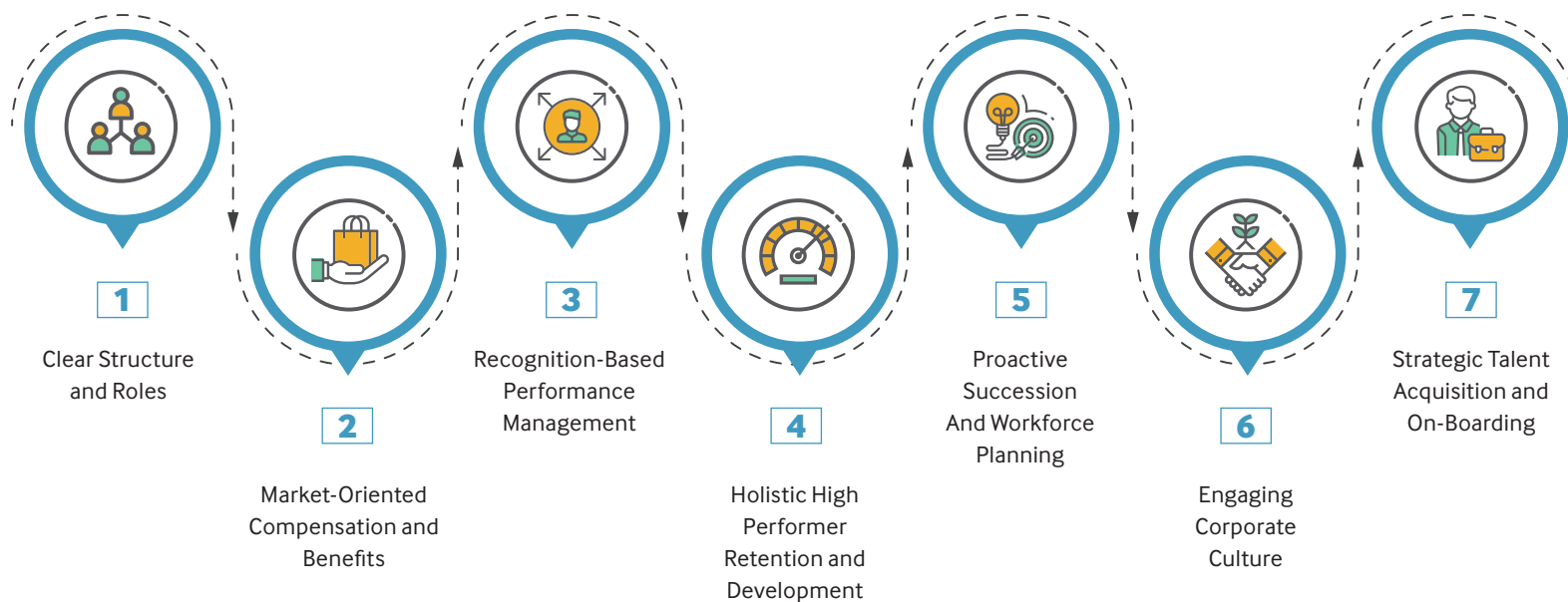
### Human Capital Roadmap and Strategy

F&NHB's strategic plan to be a preferred employer is guided by our Human Capital Roadmap to 2020, and specifically our seven 'Modules for Strategic Human Capital Transformation', each explained in more detail below.

### Five-Year Human Capital Roadmap



### 7 Modules For Strategic Human Capital Transformation



## 1. Clear Structure and Roles

We use the 'Beverest' total performance management system (TPMS) to integrate our human capital processes and systems across the Group for a range of human capital-related processes, from recruitment and on-boarding to setting goals, performance reviews and career development. This helps us to make sure that each employee is aware of the expectations and responsibilities of their role, their team and for the Group as a whole.



## 2. Market-oriented Compensation and Benefits

We pay our employees competitive wages and carry out regular reviews to ensure that our remuneration packages remain in line with those of our peers', and in harmony with other companies within the Group. Benefits provided to all full-time employees include life insurance, health care, disability and invalidity coverage, parental leave, retirement provision, and stock ownership options. F&NHB's human resources policies go beyond standard labour regulations and statutory requirements in Malaysia and Thailand. F&NHB does not restrict freedom of association and the management engages actively with our seven formal employee-unions for balanced collective agreements.

### STANDARD BENEFITS OFFERED TO FULL-TIME EMPLOYEES

<b>Life Insurance</b>	By job grade
<b>Health Care</b>	By job age, staff category and/or job grade
<b>Disability and Invalidity Coverage</b>	By job grade
<b>Parental Leave</b>	All eligible employees under the law
<b>Retirement Provision</b>	For certain categories of employees
<b>Stock Ownership</b>	By job grade - F&NHB Shares
<b>Others</b>	1. Enhanced Provident Fund 2. Long Service Award 3. Flexi-benefits reimbursement



## Empowering Our People

### 3. Recognition-based Performance Management

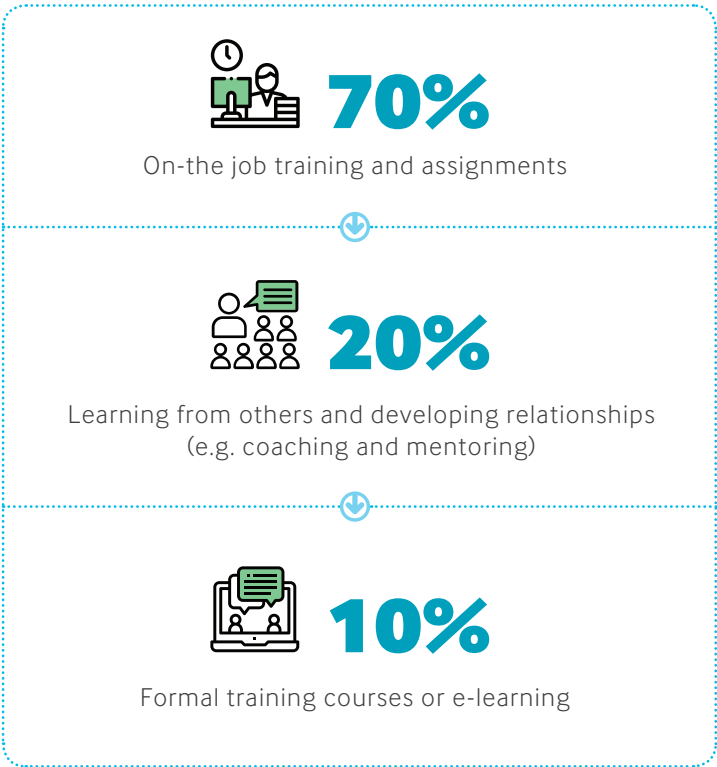
Employees collaborate with their supervisors to set SMART goals and KPIs for the year. A Performance Assessment Review takes place twice a year, to appraise outcomes and identify development opportunities.

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



### 4. Holistic High Performer Retention and Development

We give every employee the opportunity to grow with the company and contribute to a high-performing, sustainable organisation. It is part of the culture at F&NHB that each employee is supported to implement their IDP, using the 70/20/10 Learning Model.



### Some key development programmes include:

PROGRAMME	FOCUS	EMPLOYEES TARGETED
7-habits of Highly Effective People	Self-management and interpersonal skills	Executives & supervisors
Coaching & Leadership Skills	Leadership and management skills to increase team's productivity	Middle management, executives & supervisors
Design Thinking	Management development	Managers & senior managers
Finance & Strategy	Business acumen and competitive strategic thinking	Managers & senior managers
Sales Excellence	Strategic thinking and sales execution skills	Sales team
Personal Mastery	Self-management and motivation skills	Non-executive employees
Microsoft Office	Functional and technical skills	Executives & supervisors
Education Assistance Programme	For various technical and professional certification	Non-unionised employees
Functional & Technical Training	Functional and technical skills	Manufacturing team
Digital & Analytics Inspiration	Awareness and adoption of digital technology and analytics in transforming businesses	Senior Managers

## 5. Proactive Succession and Workforce Planning

Through our annual Talent Review and Succession Planning process, we identify employees who have the potential to become future leaders at F&NHB. Working alongside the Talent Management Team, those who have been identified as future leaders, chart their individual career development pathways to ensure they are in the best position to succeed at a high level. Initiatives include job rotations, transfers and project assignments to allow exposure to various operations within the company.

## 6. Engaging Corporate Culture

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



Senior management interact with employees through various channels such as town hall meetings and briefings, CEO roadshow sessions, Fraserians Connect mobile app, intranet updates, monthly employee email newsletters. Employees are encouraged to partake in sports and other physical activities through our in-house gym facilities, membership of internal sports clubs, and in employee badminton or golf tournaments.

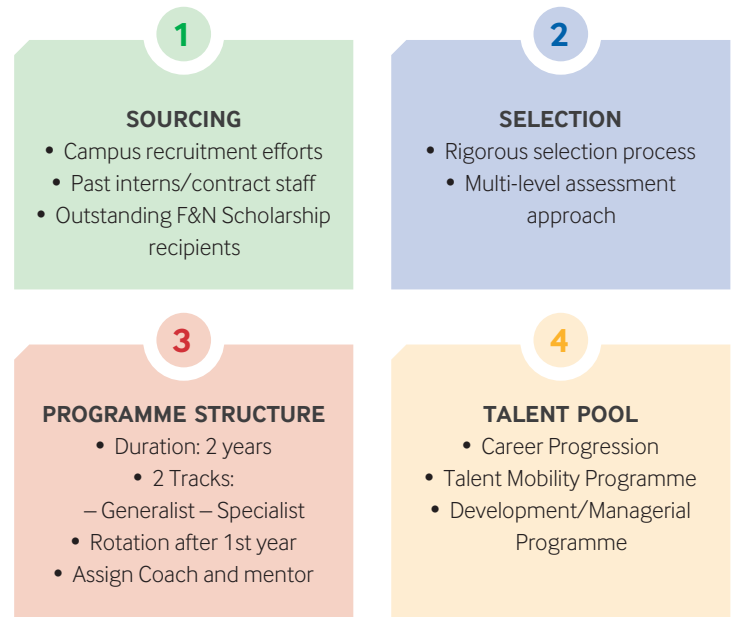
An engaging culture also means an active feedback platform. Employees are encouraged to share real-time feedback, ideas and suggestions directly with senior management via F&N Voice, a WhatsApp mobile messaging platform.

## 7. Strategic Talent Acquisition and On-boarding

F&NHB strives to promote from within and maximise opportunities for our own talent. Where this is not possible, our human capital team ensures that we are able to recruit external applicants with abilities that match the company's needs.

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

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

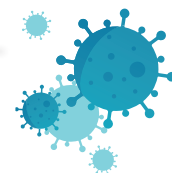


## *Caring For F&N Family*

Since 2003, F&NHB has been presenting the Chairman's Award to academically high achieving children of employees. The award is an employee appreciation initiative and provides motivation for their children to strive for excellence. A total of RM228,225 in cash was awarded to 99 recipients this financial year. To-date, F&NHB has disbursed RM4 million to over 2,000 children through the programme.



## Empowering Our People



### COVID-19 RESPONSE

This section also describes F&N's acceleration in our transition to the future of work in light of the unprecedented situation and impact on our people and activities caused by the COVID-19 pandemic.

#### Accelerating our transition to the future of work

As part of our efforts to increase our workforce's agility and acceleration towards the future of work, employees were encouraged to adopt new skills through upskilling. The trainings provided covered topics such as self-management, enhancing communication between different generations and cultures, professional writing, people management, working as a team in remote working environments, and more. This meant increased adoption of e-Learning, virtual classrooms, utilisation of learning management systems, platforms and apps to facilitate adaptation to the new normal of working from home and digital communication.

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

F&N recognised that COVID-19 will change the way our organisation works, and we looked into expanding succession plans to account for unforeseen emergencies and new national regulations and measures that might be put in place. We were prepared when the MCO and state of emergency were announced in Malaysia and Thailand respectively.

While some roles are re-designed to enable employees to work from home, no roles were made redundant due to the COVID-19 situation as roles and scope of work remain largely unchanged. Plans to hire contract workers and freelancers are also put in place to allow the company to be more nimble in adjusting manpower needs to business needs.

#### Supporting and caring for our employees remotely during tough times

We ensure that our staff's well-being is taken care of, even if we are not physically working together. Financial support has been provided to eligible employees, including:

- Special weekly allowances for all frontline employees including contract workers who have been approved to work in our production plants and warehouses during MCO
- Guaranteed full pay and medical support for all F&NHB employees
- Early payment of a contractual bonus in April and May to assist those whose families may require cash during this period. This also serves as an addition/alternative to the Malaysian Government's recent policy to allow partial withdrawal from the Employees Provident Fund (EPF)
- In addition, all monthly deductions from motorcycle loans with the Group have been deferred for four months

To care for our employee's well-being, we have created an employee assistance hotline that helps employees with work-related queries and/or issues that may impact their health and emotional well-being.

In Thailand, we have conducted a wellness programme under the concept "Healthy Challenge or Change Your Shape". We encourage our employees to exercise and have better health – showing positive changes in medical check-up reports, BMI and more.

We have also conducted a wellness programme in Malaysia that's open to all employees across the whole organisation. The wellness programme includes a 'The Biggest Loser' competition for weight-loss and general monitoring of health metrics including blood pressure, cholesterol, and sugar levels, as well as healthy diet and exercise tips while working from home.

## Our Performance Highlights

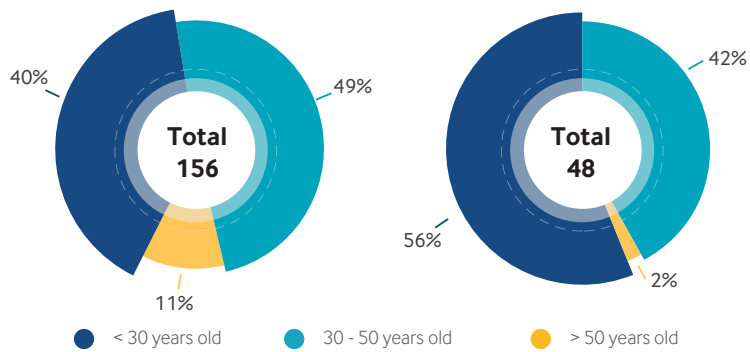
GRI-401-1



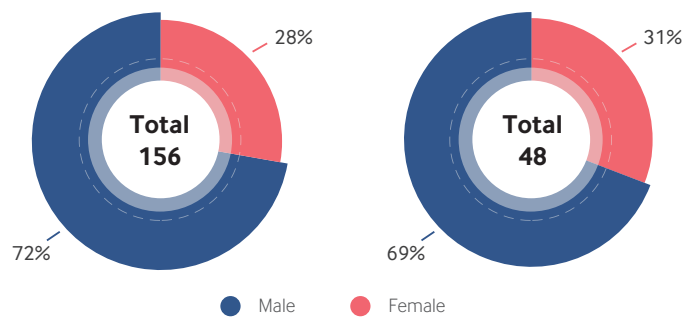
### NEW EMPLOYEE HIRES



#### New Employee Hires by Age Group



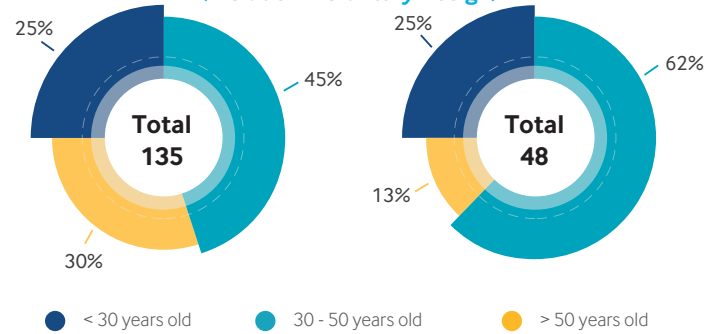
#### New Employee Hires by Gender



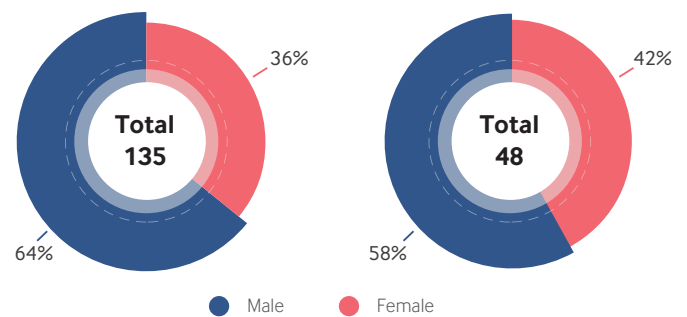
### EMPLOYEE TURNOVER



#### Employee Resign by Age Group (Include Involuntary Resign)

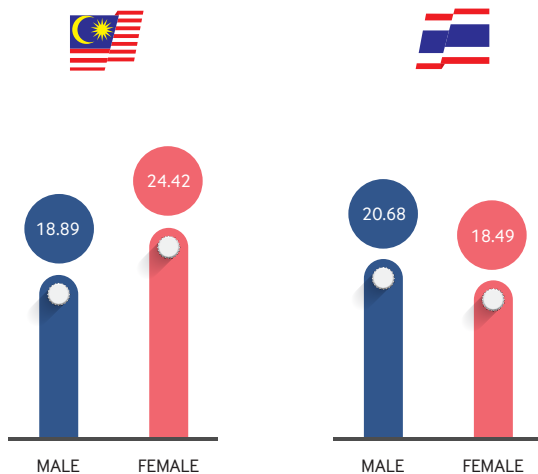


#### Employee Resign by Gender (Include Involuntary Resign)

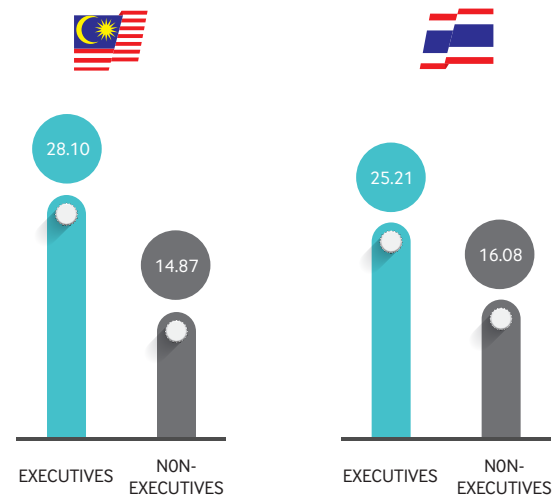


### AVERAGE TRAINING HOURS

#### Average Training Hours by Gender



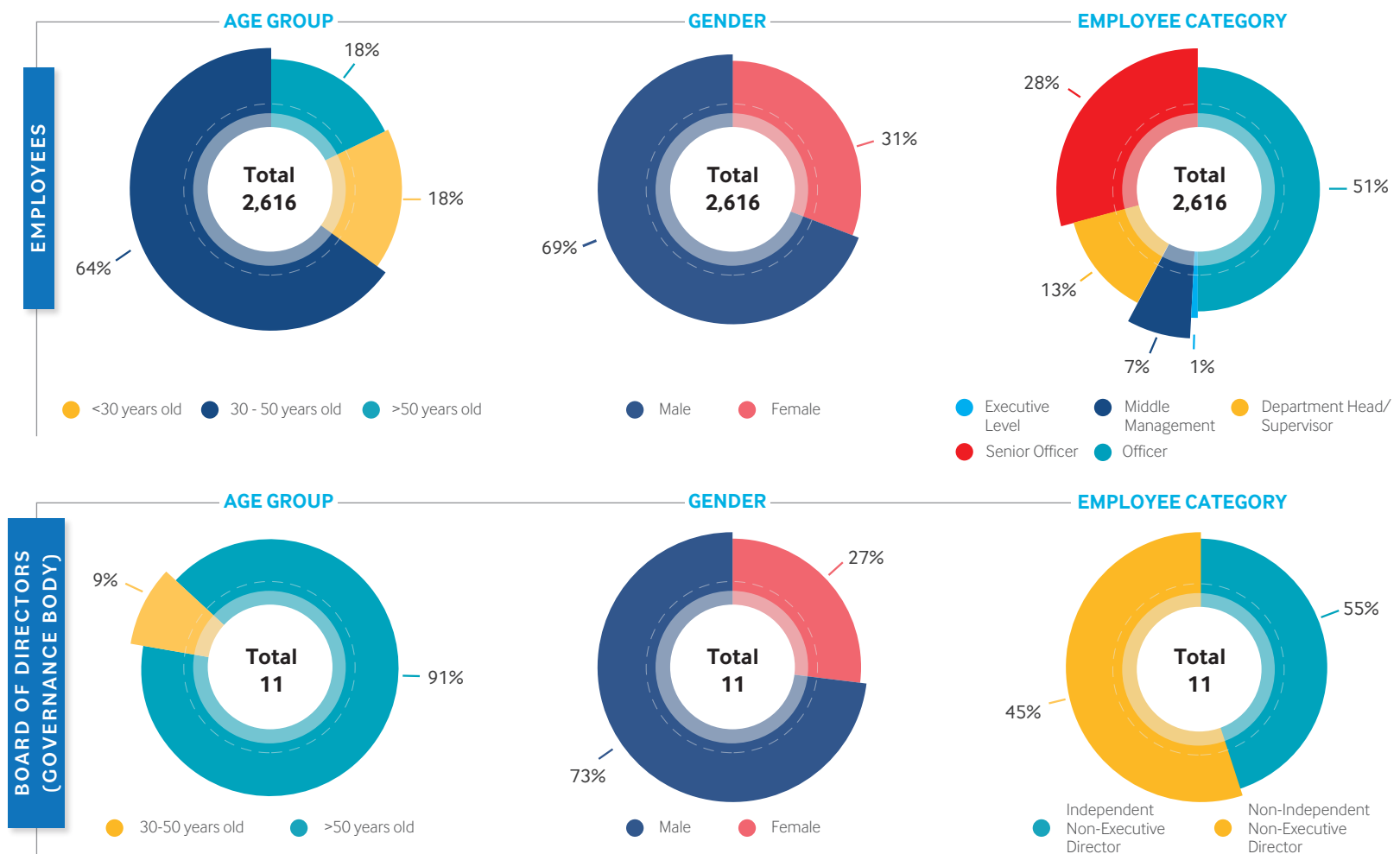
#### Average Training Hours by Employee Category





## Empowering Our People

### GRI 405-1: Diversity of governance bodies and employees



## MARKET PRESENCE

### GRI 202-2

#### Our Approach

F&N's hiring practices are aligned with the interests of the local economies in which we operate, and we are determined to be the employer of choice and a role model for others. We are proud that 100% of our senior management in Thailand and 97% of our senior management in Malaysia are hired from the local community. This helps to keep the value created by F&N within the local economy and ensures that we understand the local markets.

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

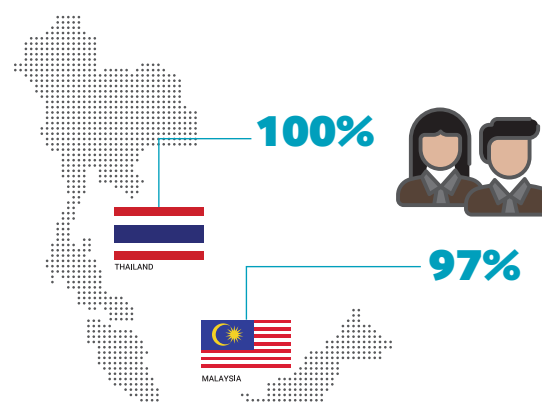
As mentioned in Our Sustainability Approach (page 22), F&N abides by internal and external human rights policies and does not participate in, nor condone, forced or child labour, the use of intimidation or any manipulation of workers.

#### Notes:

1. Local employees are defined as people who are either born in or who have legal rights to reside permanently in our significant locations of operations (which are in Malaysia, Brunei, Thailand and IndoChina).
2. Our significant locations of operations are Malaysia and Thailand.

#### Our Performance Highlights

### GRI 202-2: Proportion of Senior Management Hired from the Local Community





## Enhancing Social Well-Being

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

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





## Enhancing Social Well-Being

### CREATING VALUE FOR SOCIETY

GRI 413-1



#### Our Target

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

#### Our Performance in 2020

We have continued several outreach programmes in FY2020 to strengthen vulnerable groups, promote environmental consciousness, spread festive cheer, and promote active lifestyles.

#### Our Approach

In each market that we operate, we undertake a number of long and short-term programmes that serve to create greater social equity. To that end, we have developed four main thematic areas where we focus our community endeavours.

#### I. Strengthening Vulnerable Groups

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

The unprecedented situation caused by the COVID-19 pandemic has significantly impacted people. To show our support and solidarity with vulnerable communities, F&NHB also supported national efforts in Malaysia through product contributions to frontliners and underprivileged community including low-income families, stateless community and street friends.

#### II. Promoting Environmental Consciousness

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

#### III. Spreading Festive Cheer

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

#### IV. Promoting Active Lifestyles

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

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



### Our Performance Highlights

**GRI 413-1:** Operation with Local Community Engagement, Impact Assessments, and Development Programmes

**Percentage of operations with implemented local community engagement, impact assessment, and development programmes (%).**

- 100% of our operations refer to all our major operating sites in Malaysia and Thailand, which include the below major offices and plants.



#### MALAYSIA (100%)

##### Central Region

- Corporate Office (Q Kuala Lumpur • Dairy Plant (Q Pulau Indah
- Beverage Plant (Q Shah Alam • Water Plant (Q Bentong

##### Northern Region

Regional Sales Office (Q Penang

##### Southern Region

Regional Sales Office (Q Johor Bahru

##### East Coast Region

Regional Sales Office (Q Kuantan

##### Sabah Region

Kota Kinabalu Plant (Q Sabah

##### Sarawak Region

- Beverage Plant (Q Kuching • Water Plant (Q Matang



#### THAILAND (100%)

##### Bangkok Province

Corporate Office (Q Sathorn

##### Ayutthaya Province

Dairy Plant (Q Rojana

##### Nakhon Ratchashima Province

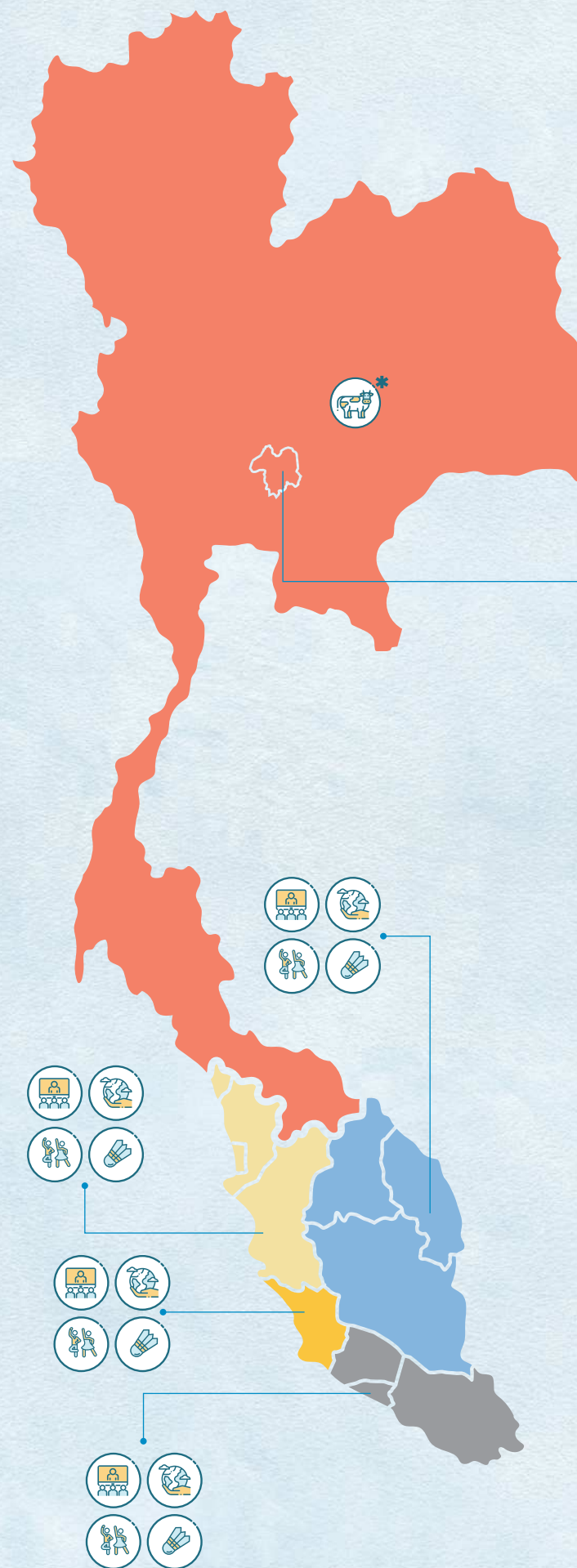
Dairy Plant (Q Pak Chong



## Enhancing Social Well-Being

The following table summarises our various community development projects:

THEME	ACTIVITY	TIMELINE	AREAS
 <b>Strengthening Vulnerable Groups</b>	F&N ICDL (International Computer Driving License) Annual Programme	2011 – ongoing	MY - Montfort Boys Town, Shah Alam and Melaka
	Empowering Lives through Education (E.L.I.T.E.) Programme	2011 – 2019	MY - Pangsapuri Enggang, Puchong, Selangor
	Supporting Underprivileged Community during COVID-19 Outbreak	2020	MY - Various cities
 <b>Promoting Environmental Consciousness</b>	Annual F&N School Recycling Programme – “Recycle for a Life Cycle” Day	2006 – ongoing	MY - Various cities
		2020	MY - Penang, Kuching
	Waste Bank and School Recycling Project	2019	TH - Rojana
	Water Champagne Tanks for Dairy Farmers	2019 – 2020	TH - Chaiyaphum
 <b>Spreading Festive Cheer</b>	‘Tabahkan Hatimu, Sinarkan Ramadanmu’ Programme	2020	MY - Various cities
	Chinese New Year Celebrations	2002 – ongoing	MY - Various cities
	Christmas Celebration	2002 – ongoing	MY - Selangor
	Deepavali Celebration	2002 – ongoing	MY - Selangor
 <b>Promoting Active Lifestyles</b>	Grassroots Football	2011 – ongoing	MY
	Grassroots Badminton	2003 – ongoing	MY
	Supporting Football Development	2008 – ongoing	MY
	Recognising Local Sports Personalities	2006 – ongoing	MY
	Promoting Active Lifestyles	1983 – ongoing	MY













Saraburi



Thailand



 Northern Region  
 East Coast Region  
 Central Region  
 Southern Region  
 Sabah Region  
 Sarawak Region



## COMMUNITY OUTREACH IN 2020

**100%** operations with implemented local community engagement, impact assessment, and development programmes

Social investment

**> RM400,000**

supporting over 200 beneficiaries from vulnerable communities

**34** underprivileged youths received technical and soft skills trainings this year

**>500** elderly people and underprivileged children enjoyed festive celebrations with F&NHB

**>180** households and

**955** cattle from **24** farms in Thailand provided with adequate water supply

**>20,000** Malaysians participated in a series of 'Hari Aktifkan Malaysiaku' to stay active

## SUPPORT TO COVID-19

**>650,000**

products distributed to support frontliners in Malaysia

**>500,000**

products distributed to

**>10,000**

families from underprivileged community in Malaysia



*Note\*: F&NHB has collaborated with farmers in cooperatives from different provinces of Thailand.*



## Enhancing Social Well-Being

### Our Initiatives

#### 1. STRENGTHENING VULNERABLE GROUPS

##### Malaysia: F&N ICDL (International Computer Driving License) Annual Programme

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

##### Malaysia: Empowering Lives through Education (E.L.I.T.E.) Programme

Since 2011, we have worked to tackle the issue of education insufficiency for marginalised children and to build a foundation for lifelong learning. The F&N E.L.I.T.E. programme provides pre-school education to children between five and six years old at Pangsapuri Enggang, Puchong, Selangor in collaboration with Kassim Chin Humanity Foundation. To-date, F&NHB has also contributed over RM580,000 in cash and more than 600 cartons of F&N milk and soya products to aid in school funding and the nutritional needs of the children who attend the kindergarten and tuition centre.

Since the Foundation's partnership with F&NHB in 2011, the F&N E.L.I.T.E. programme has attracted 487 students, aged between five and 17 years old and produced 132 kindergarten graduates from Pangsapuri Enggang and surrounding underprivileged societies.

##### Malaysia: Supporting Underprivileged Community during COVID-19 Outbreak

During the MCO period, we distributed over 650,000 products to the country's tireless frontliners at Sungai Buloh Hospital, Selayang Hospital, Kuala Lumpur Hospital and Queen Elizabeth Hospital, the Royal Malaysia Police, the National Disaster Management Agency (NADMA) and a number of city councils in both Peninsular and East Malaysia.

We have also supported the underprivileged community including low-income families, stateless community and street friends.

<b>Soup Kitchen</b>	<p>F&amp;NHB supported Pit Stop Community Café, a soup kitchen in Kuala Lumpur with 2-month supply of F&amp;N ICE MOUNTAIN water (450 cartons) for those in need. Our contribution has helped Pit Stop Community Café continue to feed about 6,000 people throughout the MCO.</p>
<b>Yayasan Food Bank</b>	<p>F&amp;NHB is proud to be an official partner of Yayasan Food Bank, a national community-based programme which helps to provide supply of food and beverage to needy community. During MCO, we supported Yayasan Food Bank to provide supply of beverages to university students who were stranded in their universities' dormitory.</p>
<b>Stateless Community @ Omdal Island, Sabah</b>	<p>About 1,000 stateless individuals are living off the coast of the Omdal Island, Semporna, Sabah, most of whom have exhausted their food supply and lack access to clean water. F&amp;NHB supported this community with 100 cartons of F&amp;N ICE MOUNTAIN mineral water through a non-profit organisation called Iskul Sama DiLaut Omdal (known as Sekolah Bajau Laut Omdal in the Bajau language). Bottled water were distributed to each family, along with other basic necessities such as rice, sugar, flour, noodles, sweetened creamer and tea bags.</p>
<b>Low-income Community</b>	<p>F&amp;NHB contributed 400 cartons of F&amp;N Magnolia milk to Pertubuhan Al Taaf Ziadah, a non-governmental organisation helping families from the B40 group affected by the COVID-19 pandemic, as part of the Emergency Covid-19 Food Pack.</p> <p>In conjunction with the holy month, F&amp;NHB also contributed essential items such as rice, cooking oil, together with F&amp;N products to the Department of Islamic Development Malaysia (JAKIM). These essential packs have been distributed to the low-income community affected by the MCO, through Persatuan Kakitangan Perkhidmatan Ugama, a society under JAKIM.</p>

F&N also partnered with local councils to develop collaterals which are distributed to 430 schools across Malaysia to increase awareness on COVID-19 prevention among school children.

## 2. PROMOTING ENVIRONMENTAL CONSCIOUSNESS

### *Malaysia:* "Recycle for a Life Cycle" Day

F&NHB continued our commitment to advocating the 5R philosophy of Reduce, Reuse, Recycle, Rethink and Reinvent amongst schoolchildren in more fun and imaginative ways, through the F&N "Recycle For A Life Cycle" Day, at Kuching, Sarawak and Seberang Prai, Penang, in conjunction with our annual F&N School Recycling Campaign.

Supported by Tetra Pak (Malaysia) Sdn. Bhd., local councils, recycling partners and non-governmental organisations (NGOs), the one-day F&N "Recycle For A Life Cycle" Day featured a plethora of fun and exciting activities to generate awareness and educate over 1,000 schoolchildren and their teachers on the many benefits of recycling and how incorporating the 5R philosophy in their daily lives can help conserve the environment.

The main highlight of the F&N "Recycle For A Life Cycle" Day was the campaign's first ever poster design competition to empower schoolchildren to take the lead in protecting the environment. Themed "Recycle For A Life Cycle", the poster design competition was aimed at raising awareness of recycling and fostering creativity by inspiring students to harness their thoughts and imagination to create ingenious posters with recyclable items.



### *Thailand:* Waste Bank and Recycling Project in Thailand

The Waste Bank and Recycling Project was been implemented at 2 local schools in Thailand - Wattanodtia School, Ayutthaya Province, Thailand and Watkokmayom School, Ayutthaya Province, Thailand. More than 170 students and teachers learned how to dispose of waste and recycle appropriately, and the impact of poor waste management on the environment and the society. Recycling also provides tangible monetary benefits to the students of Watkokmayom School by selling the recyclables. Approximately 150,000 THB was spent on improving the waste management infrastructure of the schools from setting up recycling stations to renovating waste storage areas.





## Enhancing Social Well-Being

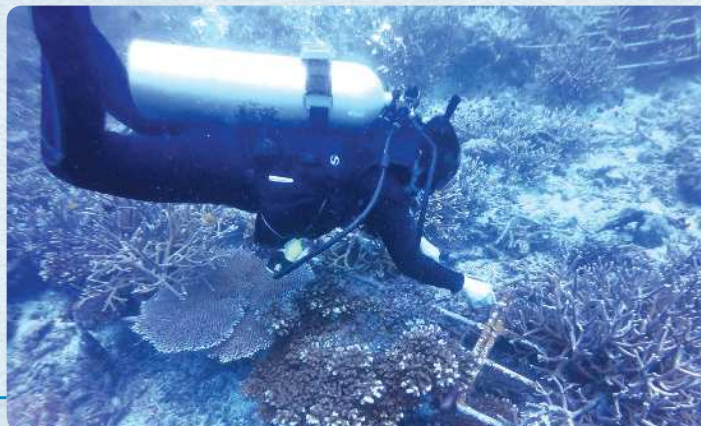
### *Thailand:* Water Champagne Tanks for Dairy Farmers

In the Chaiyaphum Province in Thailand, FNDT installed a huge water storage tank to provide efficient water supply for community and dairy farmers. This project minimises the need to travel long distances to access reservoirs for water resources during seasonal droughts. The 460,000 THB investment is able to supply 1,680,000 liters of water every month for up to 180 households across communities in Chaiyaphum Province. This provides sufficient water supply for up to 24 farms, consisting of 955 cattle, to minimise disruption from drought and ensure farmers can continue their farming operations sustainably. About 50 F&N employees volunteered in this programme.



### *Malaysia:* F&N Save Our Seas Programme

From 2011 to 2013, F&NHB collaborated with Reef Check Malaysia, Marine Park Terengganu and DM Scuba to rehabilitate coral reefs and encourage responsible behaviour on the beach among communities and tourists at Redang Island. Through this programme, our team and partners conducted reef rehabilitation initiatives through collecting coral fragments and planting them in nursery sites, then transplanting them at permanent sites at Paku Kecil and Terumbu Kiri. Every year since then, our internal dive team and partners perform regular checks and maintenance on the man-made reefs. Our coral reef rehabilitation initiative has now shown promising rejuvenation with corals of different colonies on the man-made reefs.





### 3. SPREADING FESTIVE CHEER

#### *Malaysia:* 'Tabahkan Hatimu, Sinarkan Ramadanmu' 'Hari Raya Aidilfitri' Celebration

F&NHB marked this year's Ramadan by contributing over one million in products and essentials to the nation's frontliners, underprivileged families and individuals. During the holy month, F&NHB also supported 10,000 families from B40 communities in Peninsular and East Malaysia with provisions. Through the programme, more than 500,000 F&N products including 100PLUS drinks and special meal boxes were contributed to frontliners, including hospitals, police stations and fire stations, to break fast, ensuring they stay hydrated and energised to perform essential services.

Through this programme, we also collaborated with local food providers to prepare the meal boxes to ensure local businesses receive adequate support to generate income that will help sustain their business.



#### *Malaysia:* A Treat for our Street Friends during the 'Hari Raya' Week



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

#### *Malaysia:* F&N Brings Joy to the Less Fortunate during Chinese New Year

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





## Enhancing Social Well-Being

### *Malaysia:* Christmas Celebration with Kids and Support of back-to-school supplies

In the true spirit of Christmas, F&NHB spread joy to 31 children a, aged between one and 18 years old from the USJ and Klang branches of Persatuan Rumah Kanak-Kanak Ini Disayangi (Persatuan Rumah KIDS), by bringing them on a fun shopping spree at the SWAN Concept Store. They were provided with back-to-school necessities such as uniforms, shoes, school bags and stationery for the upcoming new school year.



### *Malaysia:* Fun-Baking Session for the Underprivileged Children During Deepavali

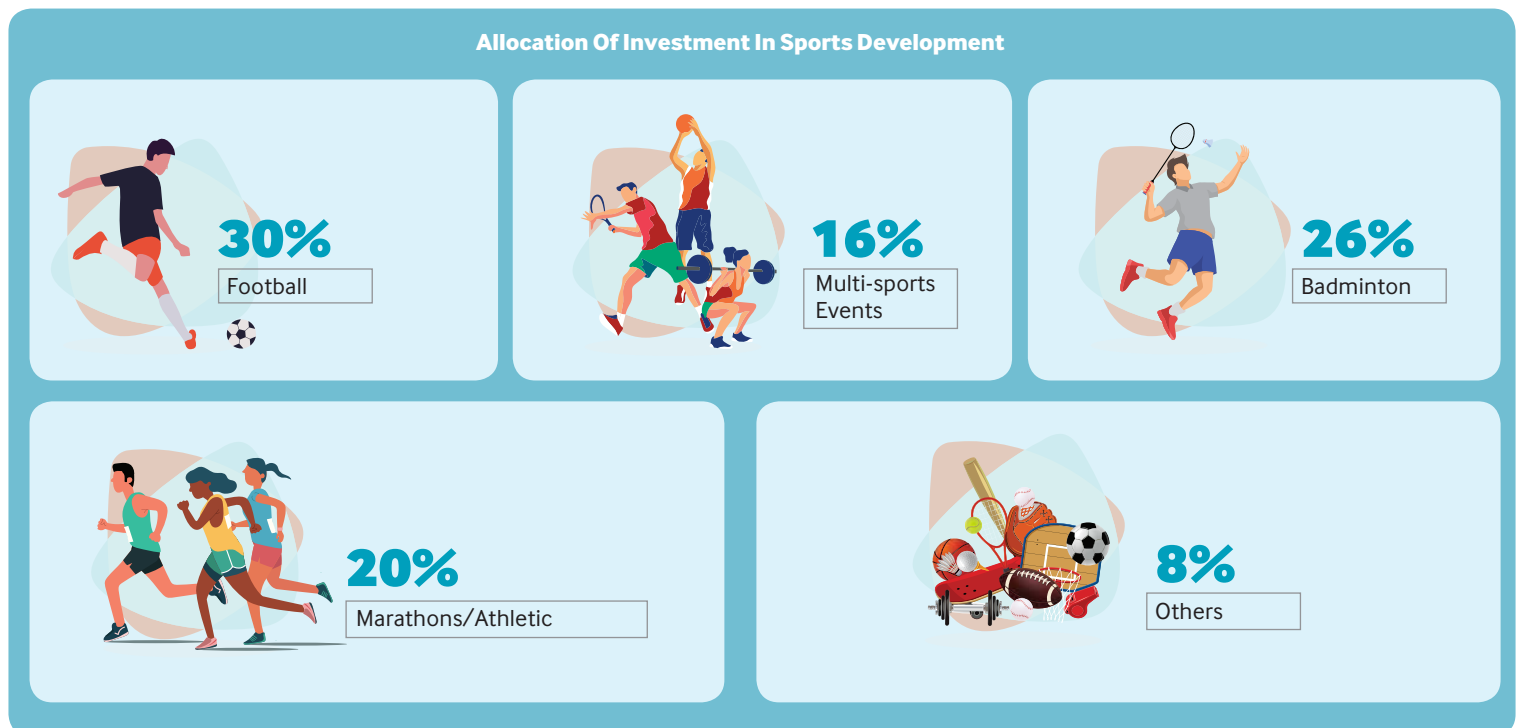
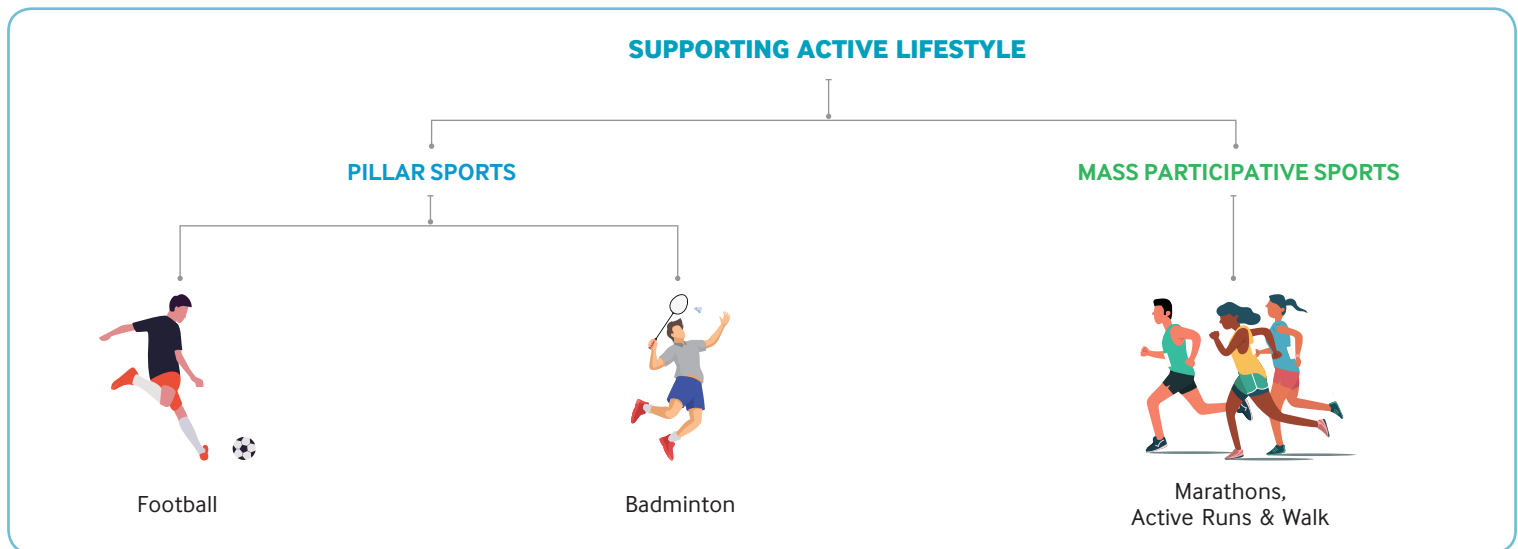


During this festive season, F&NHB visited Persatuan Rumah Kebajikan Rita and organised a fun baking session for the underprivileged children. F&NHB presented Rumah Rita with various baking machineries, utensils and ingredients. F&NHB's contribution will not only give the residents more opportunities to test their baking skills in the kitchen but will also help the home generate income for the upkeep of the centre and to cover the children's daily expenses such as school fees, clothing and food.

#### 4. PROMOTING ACTIVE LIFESTYLE

F&NHB has a long and proud tradition of supporting and promoting active lifestyles in the community from grassroot development to elite levels.. Besides improving health for all ages, we believe that sports have an important role in all societies and are a powerful tool to support nation-building.

Access to and participation in sports is especially vital to youth development as it teaches core values such as co-operation and respect, as well as instilling discipline and confidence. Thus, 100PLUS is passionate in supporting schools and grassroots sports programmes, especially in football and badminton to nurture future generations of champions.





## Enhancing Social Well-Being

This year, we continued our commitment with the following initiatives:



### Grassroots Programmes

100PLUS has been a key partner of Liga Kementerian Pendidikan Malaysia (KPM), a football league organised under the Ministry of Education since 2011. The league encourages children from different parts of Malaysia to develop their football skills.

We have also been supporting the Badminton Association of Malaysia (BAM) in organising the 100PLUS National Junior Circuit, a premier youth development competition to motivate young and rising players to excel in the game. Many of the current national players, including Tan Wee Kiong, Goh V Shem, Chan Peng Soon, Goh Liu Ying and Goh Jin Wei competed in the 100PLUS National Junior Circuit during their junior days. Since 2003, 100PLUS has been the official partner for all BAM events and activities, including the Malaysian Open and Malaysian Masters.



### Supporting Football Development

As a long term supporter of football development in Malaysia, we extended our support towards the Football Association Malaysia (FAM) as the official hydration partner for major football and futsal events across Malaysia, including the Malaysian Premier Futsal League 2020.



### Recognising Local Sports Personalities

A proud advocate of local sports development, we recognise our local sports personalities through the annual Sportswriters Association of Malaysia (SAM) – 100PLUS Awards, and we have been the main sponsor of this award since 2006.



### Promoting Active Lifestyle

F&NHB continued our commitment to encourage Malaysians to lead an active lifestyle by supporting major runs, marathons and sports activities, such as the Penang Bridge International Marathon 2019 and Penang Starwalk 2019.

During the MCO period in Malaysia, all the physical sports events and activities were cancelled or postponed. 100PLUS hosted a series of virtual workout sessions, conducted by professional trainers and sports enthusiasts, to help consumers keep active while staying at home.



## 'Hari Aktifkan *Malaysiaku* 2019

In an effort to encourage active lifestyle among Malaysians, 100PLUS brought along a series of 'Hari Aktifkan Malaysiaku 2019' across major cities in Malaysia, including Kota Kinabalu, Kuala Terengganu and Bukit Jalil and attracted participation of over 20,000 Malaysians. 100PLUS Day covered a series of fun activities, including a 6 km Obstacle Fun Run, Zumba sessions, engagement with 100PLUS brand ambassadors and plogging.

The initiatives are synonymous with our brand essence that advocates an active lifestyle among Malaysians through simple physical activities which can be enjoyed anytime, anywhere, individually or with family and friends.



  
**>20,000**  
Malaysian participants

### A SERIES OF ACTIVITIES



Obstacle Fun Run

Zumba sessions

Engagement with  
100PLUS brand  
ambassadors

Plogging

### ACROSS 3 MAJOR CITIES







# *Managing* OUR IMPACTS

We aim to grow sustainably by conducting our business in a responsible manner to build a safe and inclusive environment for our future generation.

## **MATERIAL ISSUES:**

- Water Stewardship
- Effluents & Waste
- Packaging
- Energy & Climate Change
- Sustainable Sourcing
- Occupational Health & Safety
- Consumer Health & Safety
- Product & Service Labelling

## **CONTRIBUTING TO SDGs:**

