

# BOARD STATEMENT

## INTRODUCTION

The Board of Fraser and Neave, Limited (“F&N” or the “Group”) is pleased to present its Sustainability Report (“Report”) for the fiscal year ended 30 September 2025 (“FY2025”). This Report sets out the Group’s performance across key Environmental, Social, and Governance (“ESG”) areas and reflects our continued commitment to responsible growth, operational resilience and long-term value creation.

## REPORT STANDARDS AND SCOPE

This Report is prepared in accordance with the Global Reporting Initiative (“GRI”) Universal Standards 2021, and complies with the Singapore Exchange (“SGX”) Listing Rules 711A and 711B, as well as the SGX’s core ESG metrics. The Group has progressively incorporated requirements of the IFRS Sustainability Disclosure Standards (“SDS”), specifically IFRS S2 and climate-relevant provisions from IFRS S1.

The reporting scope covers 22 manufacturing sites located across Singapore, Malaysia, Thailand, Myanmar and China.

## SUSTAINABILITY GOVERNANCE

The Board assumes ultimate responsibility for the Group’s sustainability agenda, including the integrity of our sustainability disclosures, strategic direction and oversight of ESG issues. ESG considerations form a core part of our business strategy and are integrated into risk management framework, performance evaluation system and decision-making processes. We ensure that our sustainability targets are embedded in our corporate governance framework, and that accountability is reinforced through linking relevant performance metrics to executive remuneration.

The Sustainability and Risk Management Committee (“SRMC”), a Board Committee, oversees our sustainability policies, priorities, and performance, and reports directly to the Board. Supporting the SRMC is our Sustainability Development Committee (“SDC”), chaired by the Chief Executive Officer, which leads the execution of our sustainability roadmap and FY2025 sustainability targets. The SDC comprises senior management from key functional areas, ensuring a coordinated, Group-wide approach to sustainability.





## STAKEHOLDER ENGAGEMENT AND MATERIALITY

Our materiality process incorporates feedback from key stakeholders, including employees, customers, regulators and communities. Through these insights, we identify and validate the ESG issues that are most significant to our business model and value-chain. The results of this process constitute our materiality matrix, and underpin the selection of our FY2025 sustainability targets, which are provided on pages 18 to 19.

## SHARPENING OUR SUSTAINABILITY EFFORTS

Maintaining consistency in our approach, our materiality matrix and FY2025 sustainability targets have been carried forward from the prior year to facilitate clear year-on-year comparison. As we conclude the FY2025 target horizon, the Group has conducted a comprehensive double materiality assessment. This assessment evaluates how the Group impacts the environment and society, and how sustainability-related risks and opportunities may affect the Group's operations, strategy and financial performance. The insights from this assessment will form the foundation of our FY2030 sustainability framework, which will be presented in the next Sustainability Report.

## ENHANCING CLIMATE-RELATED DISCLOSURES

Amid intensifying global climate challenges, we have further enhanced our climate-related disclosures. In FY2025,

we commenced a phased alignment with the IFRS SDS, reinforcing our commitment to transparent governance and long-term value creation in the transition to a low-carbon chain, including supplier engagement and circular economy initiatives, as a key part of embedding sustainability across the business.

## CELEBRATING SUSTAINABILITY ACHIEVEMENTS

We are encouraged by the progress we have made this year. For example, F&N Foods Pte Ltd ("**FNFS**") was ranked 34<sup>th</sup> out of more than 2,000 companies in Statista's 2025 study of Singapore's Best Employers, an improvement from the previous year. Further, F&N Holdings Bhd ("**F&NHB**") received the Gold Award for Consumer Products & Services at The Edge ESG Awards 2025, in recognition of its exemplary sustainability practices. These recognitions reaffirm our steadfast commitment to responsible business conduct.

## CLOSING REMARKS

While we are encouraged by the progress made in embedding sustainability across our operations and value-chain, the Group remains focused on continuously refining its ESG priorities, strengthening our strategic frameworks and enhancing our long-term resilience, for our planet, our people, and our organisation. We look forward to working together with our stakeholders to deliver sustainable value well into the future.



# CHIEF EXECUTIVE OFFICER'S MESSAGE



AS WE PRESENT THE F&N SUSTAINABILITY REPORT 2025, WE REAFFIRM OUR COMMITMENT TO SUSTAINABLE GROWTH, OPERATIONAL EXCELLENCE, AND STAKEHOLDER VALUE CREATION.



**Hui Choon Kit**



**Rahul Colaco**

At Fraser and Neave, sustainability guides our business decisions and reflects our long-term responsibility towards future generations. As we present the F&N Sustainability Report 2025, we reaffirm our commitment to sustainable growth, operational excellence, and stakeholder value creation. This year's report marks a significant milestone as we begin aligning our disclosures with the IFRS SDS, issued by the International Sustainability Standards Board ("ISSB"), ahead of the extended mandatory reporting timeline for non-STI constituents, which now applies to our Financial Year ("FY") commencing in 2028.

Prepared in accordance with the GRI Universal Standards 2021, this report provides insights into our sustainability performance and outlines our progress toward key targets. To strengthen our practices, we benchmarked against industry leaders, including our parent company, Thai Beverage Public Company Limited ("ThaiBev"). ThaiBev was recognised in the S&P Global Sustainability Yearbook 2024 for ranking in the top 5% of the Beverages industry in the 2024 Corporate Sustainability Assessment ("CSA"). Leveraging ThaiBev's expertise, we adopted their systematic reporting parameters to enhance our data collection processes.

## THE YEAR IN REVIEW

In 2025, F&N strengthened its sustainability commitment through key initiatives that enhance environmental performance and support the well-being of our people and communities—advancing our mission for a sustainable future:

### Economic

#### A. Aligning climate-related disclosures with IFRS SDS:

The IFRS SDS provides a globally consistent framework for disclosing sustainability-related financial information, particularly climate-related risks and opportunities. While our current reporting has been guided by the Global Reporting Initiative ("GRI") sustainability reporting framework since 2017, we believe that integrating the IFRS SDS and GRI frameworks would offer a more holistic view of our sustainability performance—combining financial relevance with impact-driven insights. In line with this, we are proud to announce our phased alignment with the IFRS SDS, beginning with our FY2025 Sustainability Report. To ensure a smooth transition, we have adopted a phased implementation, with partial alignment in FY2025 and full alignment in FY2026 and beyond.

#### Note:

1 Calculated based on average annual four-room HDB household electricity consumption of 4,548 kWh as at Jun 2024, as per the EMA website.





## B. Internal Carbon Pricing:

Since 2024, F&N introduced an Internal Carbon Price ("ICP") of SGD 35 per MT CO<sub>2</sub>e to account for carbon emissions in major business investments, supporting greener decision-making and strengthening resilience to climate-related regulations. To aid adoption across Business Units, the ICP was embedded into F&N's CAPEX Policy guide and supported by GHG calculation templates. This year, several projects had already applied the ICP in feasibility assessments.

## Environment

### A. Green Energy and Energy Efficiency:

As part of our decarbonisation strategy, F&N has been progressively installing rooftop solar panels across our plants in Singapore, Malaysia, Thailand and Myanmar to increase renewable electricity use in operations. In 2025 alone, we estimate avoiding over 12,350 MT CO<sub>2</sub>e — equivalent to the average annual GHG emissions of over 1,800 four-room HDB households in Singapore<sup>1</sup>. With new installations completed at two plants in Shah Alam and planned for three plants in Rawang, we expect to achieve further reductions in GHG emissions.

To support the Paris Agreement's goal of net zero by 2050 to limit global warming to 1.5°C–2°C above pre-industrial levels, F&N implemented innovative solutions in 2025 to reduce emissions. One example is the switch from an electric heat induction coil to Ultraviolet Germicidal Irradiation ("UVGI") for sterilising our Sweetened Condensed Milk steel can lids. More details can be found on page 70 of this Report.

### B. Environmentally-Friendly Packaging:

F&N is committed to reducing the use of virgin materials and minimising packaging waste as part of our efforts to support a circular economy. We have taken steps toward this through lightweighting our packaging and introducing 100% recycled plastic bottles for our new BORNEO SPRINGS Natural Mineral Water series. We also collaborated with our suppliers to increase the recycled content in our packaging to 28%, enabling us to successfully achieve our 2025 target. The Green Lab, our sustainable packaging subsidiary, has achieved FSSC 22000 accreditation, strengthening its ability to meet rising global demand for safe and sustainable solutions, and also reinforcing F&N's commitment to advancing the circular economy through responsible packaging.

Reinforcing our environmental responsibility, F&N joined Coca-Cola Singapore Beverages Pte Ltd and Pokka Pte Ltd to establish Beverage Container Return Scheme Ltd ("BCRS Ltd"), a not-for-profit company licensed by the National Environment Agency. BCRS Ltd is responsible for designing and operating Singapore's Beverage Container Return Scheme, which supports the nation's Extended Producer Responsibility approach to packaging waste management, further reinforcing F&N's dedication to reducing waste and promoting recycling, supporting our broader sustainability goals.

## Social

### A. Healthier Products for Consumers:

In line with our commitment to "PURE ENJOYMENT. PURE GOODNESS.", nutrition remains a key focus of our sustainability efforts. This year, we launched innovative, healthier products such as F&N MAGNOLIA Cholest Care and 100PLUS Power Peach Zero — both awarded the Healthier Choice Symbol ("HCS") by the Singapore Health Promotion Board. Additionally, over 75% of our ready-to-drink ("RTD") formulations in Singapore and Malaysia now contain less than 5g of sugar per 100ml.

### B. Engaging Our People:

At F&N, our people are the backbone of our operations. We actively foster a culture of engagement to ensure they feel valued, supported, and that their concerns are heard and addressed. To achieve this, physical and virtual talks on topics such as office ergonomics, bonding events like the Durian Party, as well as our annual Employee Engagement Survey were organised to keep staff engaged and motivated.

As one of the founding member of the MindForward Alliance Singapore, F&N also promotes a workplace culture that prioritises mental health and well-being.

## TOWARDS 2030 AND BEYOND

As part of our sustainability roadmap, the Group is committed to reducing water and energy intensities by 8% from the 2020 baseline by 2025. Despite challenges arising from technical, operational, and contextual factors, affecting target, achievement, progress has been made, driven by various initiatives to reduce energy and water usage. We will continue to drive improvements in these areas as part of our journey toward setting new goals for 2030. More details can be found on pages 68 to 72 of this Report.

In line with our responsible development approach, we conducted a materiality assessment to identify and address key ESG considerations associated with our new dairy farm project in Malaysia. A carbon projection study is currently underway to estimate its carbon footprint and guide the formulation of a targeted decarbonisation strategy. Additionally, we will look to undertake biodiversity and water risk assessments, alongside community engagement initiatives, to ensure the project delivers lasting environmental and social value.

This Report marks the Group's 11<sup>th</sup> edition since publishing our first Sustainability Report in 2015. We are proud of the progress made on our sustainability journey and deeply grateful for the guidance of the Board of Directors, as well as the dedication of all our staff who have contributed to these achievements over the years. FY2025 also marked the conclusion of our 2025 sustainability targets, with the Group registering meaningful progress and accomplishments since the baseline year 2020 under the leadership of Mr Hui Choon Kit. As I step into the leadership role previously held by Choon Kit, I am committed to building on these achievements and further advancing our sustainability journey. My focus will be on identifying opportunities to drive sustainable transformation and create long-term value for all stakeholders. By working closely with the Board, the leadership team, and colleagues across the Group, we will continue to deliver on our sustainability roadmap.

# SUSTAINABILITY HIGHLIGHTS

## SUSTAINABILITY AT F&N



### External recognition

- Fraser and Neave Holdings Bhd ("F&NHB") has been a constituent member of the FTSE4Good Bursa Malaysia Index for seven consecutive years, achieving a commendable ESG rating of 4.7 out of 5.0. It has also remained part of the FTSE4Good Bursa Malaysia Syariah Index for the fifth consecutive year
- F&NHB ranked among the top six Beverages companies in its fourth S&P Global CSA, improving its ESG score to 77 (up from 72 in 2023) out of 100. It achieved Top 10 positions across all three dimensions:
  - Social: 4<sup>th</sup>
  - Environmental: 5<sup>th</sup>
  - Governance & Economic: 8<sup>th</sup>
- F&NHB was honoured with the Gold award for the Consumer Products and Services Sector at the Edge ESG Awards 2025, recognising its strong ESG practices
- F&N Foods Pte Ltd ("FNFS") achieved 34<sup>th</sup> position among more than 2,000 companies in Singapore's Best Employers 2025 study by Statista



**Climate-related disclosures were strengthened** through the progressive incorporation of IFRS S2 and climate-relevant provisions of IFRS S1



**Internal carbon price of \$35 per MT CO<sub>2</sub>e** was applied in assessing several business investments

## BETTER BUSINESS

### Responsible Product Stewardship



**All F&B manufacturing facilities in Singapore, Malaysia and Thailand** are certified with the Halal Standard (or equivalent), and their production processes certified under the Food Safety System Certification 22000 scheme **ACHIEVED**



**13% product innovation for commercialised F&N products** **ACHIEVED**

### Responsible Supply Chain



**100% of active key suppliers** **ACHIEVED** have accepted and adhered to F&N's Supplier Code of Practice



**Purchased physical Roundtable on Sustainable Palm Oil Certified Sustainable Palm Oil** to cover 100% of annual palm oil usage



**Engaged public and private stakeholders to maintain halal standards**

- Through a partnership with the Halal Industry Development Corporation under the Halal Sourcing Partnership Programme, F&NHB provided technical advice and knowledge to SMEs
- Successful engagements with upstream vendors ensured the supply of products adhering to stringent halal standards



## BETTER SOCIETY

### Creating Value for Society



#### Portfolio of healthier products, with benefits including:

- Low/Zero-sugar drinks
- Plant-based milk drinks
- Functional beverages
- Micro-nutrients fortified drinks



**77% of beverage and dairy products<sup>1</sup> ACHIEVED** that met nutritional guidelines were healthier options with reduced sugar



**28 annual community programmes ACHIEVED**



**Human Rights Policy** was developed in accordance with international human rights principles. Human Rights Due Diligence and Risk Assessments were also undertaken

### Empowering Our People



**35% female** representation in total workforce



**33 training hours per employee ACHIEVED** in the Executive category and 18 training hours per employee for the Non-executive category



#### 65% reduction in sugar index

(grams of sugar content per 100 ml) for beverage and dairy products in Singapore and Malaysia since 2004



#### At least one healthier option

was available in 14 of 15 product categories



**100% of operations** were included in local community engagement, impact assessments, and development programs



**Promoting human rights** across our operations. All key operations in Singapore, Malaysia and Thailand conducted Human Rights Risks Assessments

## BETTER PLANET

### Operational Eco-Efficiency



**Reduced total solid waste generated and solid waste** sent to landfill by 7% and 66%, from a 2020 baseline, respectively



**Reduced greenhouse gas emissions and energy intensity ratio by 17% and 3%,** from a 2020 baseline, respectively



#### Ground-up initiatives from employees to improve water and energy efficiencies

These included enhancing energy or water consumption efficiency of equipment, increasing renewable energy sourcing, and implementing zero-discharge initiatives



**All manufacturing plants** implemented energy, water and/or waste reduction initiatives

### Value Chain Impacts



**99% of total packaging** was recyclable



**Committed to avoid deforestation and protect high biodiversity value areas** through stakeholder engagements



**28% of beverage and dairy packaging** contained recycled materials **ACHIEVED**



#### F&N is one of the three founding members of the Singapore Beverage Container Recycling Scheme ("BCRS") Ltd.

As one of the founding members, F&N has been helping to establish a sustainable initiative to increase beverage container recycling in Singapore



**As one of the founding members of MAREA,** F&NHB helped establish a voluntary, industry-led Extended Producer Responsibility group aimed at enhancing circular economy initiatives in Malaysia



#### Note:

<sup>1</sup> Beverage (excluding cordials) and dairy (excluding canned milk) products (based on formulation) compliant with Nutritional Guidelines



# ABOUT THIS REPORT

**GRI Index:** GRI 2-2, 2-3, 2-4, 2-5, 3-1, 3-2, 3-3

**ISSB Index:** IFRS S1 21, IFRS S1 22, IFRS S1 60, IFRS S1 64

## The Management Focus for SR2025

This Report provides stakeholders with an update on our ESG performance for the reporting year – FY2025. It outlines our ESG strategy and key achievements, reflects on progress toward our 2025 sustainability targets, and highlights the sustainability-related risks and opportunities facing our business. It also presents our forward-looking action plans to address these challenges and drive continued progress.

The report is structured around three primary themes of sustainable value creation:

### BETTER BUSINESS

Responsible  
Business Practice

Responsible  
Product Stewardship

Responsible Supply Chain



### BETTER SOCIETY

Creating Value  
for Society

Empowering  
Our People



### BETTER PLANET

Operational  
Eco-efficiency

Value Chain  
Impacts



This Report, to be read together with the F&N 2025 Annual Report, offers a comprehensive view of how F&N integrates its financial objectives with social and environmental priorities. For specific references to the F&N 2025 Annual Report, please consult our GRI Index on pages 92 to 97.

## REPORTING FRAMEWORK AND INDICES

F&N is proud to continue its sustainability journey, reporting in accordance with the GRI Universal Standards 2021 and SGX Listing Rules 711A and 711B. This year, we enhanced our climate-related disclosures by progressively incorporating requirements of the IFRS S2 and climate-relevant provisions from IFRS S1 in this Report. To address gaps in our sustainability performance, we reference the Dow Jones Sustainability Indices criteria and other international frameworks, while benchmarking ourselves against industry leaders such as ThaiBev.

Our subsidiary, F&NHB, continues to be recognised as a constituent member of the FTSE4Good Bursa Malaysia ("F4GBM") and FTSE4Good Bursa Malaysia Syariah ("F4GBMS") Indexes, for the seventh and fifth consecutive year, respectively. This year, F&NHB was once again invited to participate in the S&P Global CSA for potential inclusion in the S&P ESG Index. F&NHB was ranked among the top six companies in the Beverages industry, with an improved ESG score of 77 out of 100-up from 72 in 2023.



**F&NHB WAS RANKED  
AMONG THE TOP SIX  
COMPANIES IN THE  
BEVERAGES INDUSTRY, WITH  
AN IMPROVED ESG SCORE OF  
77 OUT OF 100-UP FROM 72  
IN 2023.**

## REPORTING PERIOD AND BASIS OF SCOPE

This Report is published on 05 January 2026. Its reporting period of 01 October 2024 to 30 September 2025 is aligned with our financial reporting period.

The Report covers the activities of the Group's operations in Singapore, Malaysia, Thailand, Myanmar and China. The environmental data covers 22 manufacturing sites across these five countries, excluding F&N AgriValley Sdn Bhd in Malaysia. More information on F&N's operations and footprint is available in the 'About F&N' section of the Report.

Entities within the reporting scope provide sustainability data across our material topics. Sustainability data coordinators are responsible for collecting data across our operations, which is then consolidated for reporting and analysis.

## ASSURANCE STATEMENT

F&N's policy is to align the reporting of sustainability-related information with internationally recognised standards and protocols available at the start of each FY. The Group is committed to reporting reliable data and continuously improving the quality of its sustainability-related disclosures.

To ensure the accuracy and credibility of the data disclosed in this Report, selected sustainability data have undergone external assurance by Lloyd's Register Quality Assurance ("LRQA"), an independent assurance provider. This assurance process was approved by the F&N SRMC, and the scope and outcomes were reported to both the SRMC and the SDC.

LRQA's independence is upheld through legislation, professional ethics, and internal guidelines. Using professional judgement and the International Standard on Assurance Engagements 3000, LRQA conducted a limited assurance on selected Health, Safety, and Environment disclosures. For more details, please refer to LRQA's assurance statement on pages 90 to 91 of this Report.



**THE GROUP IS COMMITTED TO REPORTING RELIABLE DATA AND CONTINUOUSLY IMPROVING THE QUALITY OF ITS SUSTAINABILITY-RELATED DISCLOSURES.**

## FORWARD-LOOKING STATEMENT

Certain statements in the report are "forward-looking statements" that reflect F&N's current views regarding future events. These views inherently involve risks, uncertainties and assumptions which may cause actual future performance or achievements of F&N or the industry to be materially different from those expressed or implied by such forward-looking statements and financial information.

F&N expressly disclaims the obligation to publicly release any updates or revisions to any forward-looking statement to reflect any change in F&N's expectations when conditions or circumstances, on which any such statement or information is based on, has changed.



FRASER AND NEAVE, LIMITED

### SINGAPORE

**F&N Foods Pte Ltd ("FNFS")**

**Times Publishing Group**  
- Times Printers Pte Ltd ("TP")

### MALAYSIA

**Fraser & Neave Holdings Bhd ("F&NHB")**  
- F&N Beverages Manufacturing Sdn Bhd ("F&NBM")  
- F&N Dairies Manufacturing Sdn Bhd ("F&NDM")  
- F&N Beverages Marketing Sdn Bhd  
- Fraser & Neave (Malaya) Sdn Bhd  
- Borneo Springs Sdn Bhd  
- Sri Nona Food Manufacturing Sdn Bhd  
**F&N Ice Cream Manufacturing (M) Sdn Bhd ("F&NICM")**  
**Times Publishing Group**  
- Times Offset (Malaysia) Sdn Bhd ("TOM")  
**Yoke Food Industries Sdn. Bhd ("YFI")**

### THAILAND

**Fraser & Neave Holdings Bhd ("F&NHB")**  
- F&N Dairies (Thailand) Limited ("F&NDT")  
**F&N United Limited ("F&NUL")**

### MYANMAR

**Emerald Brewery Myanmar Limited ("EBML")**

### CHINA

**Everbest Printing (Guangzhou) Company Limited ("Everbest")**

## POINT OF CONTACT

F&N values and appreciates all feedback that contributes to improving the relevance of our future Reports to meeting our stakeholders' needs. Any questions pertaining to our sustainability initiatives or reporting, as well as comments and feedback, can be directed to:

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**Email:** sustainability@fngroup.com.sg

**Phone Number:** +65 6318 9393

**Mail:** Sustainability Reporting Department  
438 Alexandra Road, #20-00 Alexandra Point,  
Singapore 119958



# THIS IS F&N

Fraser and Neave, Limited (“F&N” or the “Group”) originated more than a century ago from the spirited decisions of two enterprising young men, John Fraser and David Neave, who diversified from their printing business to pioneer the aerated water business in Southeast Asia (“SEA”) in 1883.

The entrepreneurial spirit, embodied by our founders, remains in today’s F&N. As a soft drink company, F&N seized the opportunity and ventured into the beer brewing business in 1931 in partnership with The Heineken Company and built a very successful beer empire in Asia Pacific – through its joint venture company, Asia Pacific Breweries Limited (“APB”). In 1959, it entered the Dairies business by forming a canned milk joint venture with Beatrice Foods of Chicago, and in 2006, it acquired Nestle’s liquid canned milk business in Thailand, Malaysia, Singapore and Brunei, and accelerated its growth in the dairy business. Today, F&N is the largest canned milk producer in SEA. In 1985, the Group diversified into the real estate business. Starting with the redevelopment of its soft drinks and brewery sites in Singapore, F&N soon grew its property arm – Frasers Centrepoint Limited (“FCL”, now known as Frasers Property Limited) to become one of the leading property companies in Singapore with multi-national businesses in residential, hospitality, retail, commercial and industrial properties.

In 2012, F&N divested its equity stake in APB, unlocking substantial value and distributing \$4.7 billion to shareholders. In 2014, the Group further enhanced shareholder value by demerging FCL, transferring \$6.2 billion in net asset value through a listing on the Singapore Stock Exchange.

Today, F&N is a leading Southeast Asian consumer group focused on Food and Beverages (“F&B”), and a long-established Publishing and Printing (“P&P”) business. Listed on the Singapore Exchange, the Group operates across Asia and the Americas with a strong portfolio of established brands built on quality and innovation.

The F&B business spans soft drinks, dairy, beer, and packaged food, led by brands like 100PLUS, F&N MAGNOLIA, F&N NUTRIWELL and TEAPOT. The P&P business includes education solutions through Marshall Cavendish and sustainable packaging solutions via Green Lab.

Present in 12 countries with over 7,200 employees, F&N continues to shape consumer experiences, drive sustainable growth, and deliver long-term value across its markets.



## Food & Beverages

- Non-Alcoholic Beverages
- Beer

## Publishing & Printing

- Publishing
- Print
- Retail
- Distribution

## Others

- Packaged Food

## Employee Job Status and Category

### Permanent

6,300



Singapore	25%
Malaysia	45%
Thailand	22%
Others	8%

### Executive

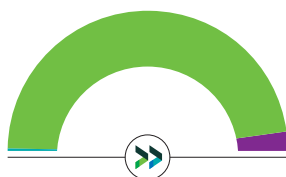
2,200



Singapore	28%
Malaysia	50%
Thailand	17%
Others	5%

### Contract

900



Singapore	1%
Malaysia	95%
Thailand	0%
Others	4%

### Non-executive

5,000



Singapore	19%
Malaysia	52%
Thailand	20%
Others	9%



**GlobalValues**  
Collaboration | Creating Values | Caring for Stakeholders

**OUR GLOBAL VALUES SERVE AS A COMPASS FOR OUR ACTIONS AND DESCRIBE HOW WE BEHAVE IN OUR ORGANISATION**



We leverage our inherent strengths and diversity to create synergies and commit to team goals



We are passionate about applying new ideas and grasping opportunities to make a positive impact on our organisation and the world



We embrace our stakeholders' perspectives with good intentions and right mindsets to create long-term, sustainable partnerships

1 Through F&N's 20.4% investment in Vinamilk

# OUR BUSINESS MODEL

Key Risk Categories → Reputational | Strategic | Currency | Operational | Country | Commodity

## WHAT GUIDES US

01



### Our Vision

To be a stable, sustainable and profitable Food & Beverage leader in the ASEAN region

### Our Strategy

To deliver long-term growth and sustainable value creation:

- Winning with **INNOVATIONS**
- Winning with **BRANDS**
- Winning in **MARKETPLACE**
- Winning with **PEOPLE**

### Our Global Values

Collaboration

Creating Value

Caring for Stakeholders

### 2025 Sustainability Targets<sup>1</sup>

#### Environment

1. Reduce solid waste to landfill by 30%
2. Reduce energy intensity ratio by 8%
3. Reduce GHG emissions intensity ratio by 8%
4. Reduce water intensity ratio by 8%
5. 25% of packaging uses recycled materials

#### Social

6. Provide an average of at least 18 hours of training to Executives and 11 hours of training to Non-Executives
7. Zero Lost Time Injury Frequency Rate
8. 72% of F&B products to comply with Nutritional Guidelines
9. Increase community engagement programs by 10%

#### Economic

10. All active key suppliers to accept and comply with F&N's Supplier Code of Practice
11. Rollout 10% new products
12. All plants to be FSSC 22000 and/or halal certified

02



### Upstream



#### Innovation

Our Marketing and R&D teams, combining consumer insights, technical excellence and in collaboration with suppliers, develop products that consumers want and need



#### Sourcing

We work closely with our suppliers to ensure their goods and services meet quality, environmental and social standards, in addition to our stringent internal standards



#### Production

We implement a standardised safe production process, in accordance with international standards, throughout most of our operations. We also strive for eco-efficient processes, to provide good value and maximum benefit without polluting the environment

### Downstream



#### Distribution

Our extensive distribution system and network ensure that our products are efficiently distributed to our consumers. Across our operations, we strive to minimise environmental and social impacts from transportation by managing our energy use, while safeguarding the safety of our personnel and local communities



#### Marketing & Sales

We demonstrate consumer and societal responsibility by providing healthier product options and informative product labels. We also seek feedback from our customers on our products to create sustainable value for consumers and for our business



#### Post-Consumption Packaging Management

We minimise the impact of post-consumer waste through research and development to deliver innovative and environmental-friendly packaging. We also promote environmental awareness to the communities where we operate

**SUSTAINABLE DEVELOPMENT GOALS**

#### Primary



#### Secondary





WHAT WE DEPEND ON AND THE VALUE WE CREATE

03

Human

Over **7,200** talented people across the Group

By Geography

Singapore	22%	Thailand	19%
Malaysia	51%	Others	8%

Manufactured

We operate **19** F&B manufacturing plants and **4** printing plants in Singapore, Malaysia, Myanmar, Thailand, China and Cambodia

Intellectual

Brands, R&D capabilities, and intellectual property set us apart

- **52** brands in **16** F&B categories
- Internally developed systems, customised customer solutions and manufacturing processes

Social & Relationship

Our relationships with governments and other organisations helped drive change in our communities

We collaborated with over **6,700** suppliers to produce products

Natural

Our operations depend on renewable and non-renewable resources which are produced sustainably:

- **>2.1B** MJ of energy consumed
- **>92.1M** MJ of solar energy generated
- **>3.2 GL** of water consumed

Financial

Appropriate cash, equity and debt to invest for the long-term

- Share Capital: **\$866M**
- Equity: **\$3,320M**
- Debt Capital: **\$635M**

Input

Value Creation

Economic

Environment

Social

Vision

Mission

Global values

Output

Human

- Paid **\$248M** in remuneration in FY2025
- Female representation:
  - **25%** of the Board
  - **35%** of total employees
  - **47%** of total managerial positions
- Supported employees growth by providing **>109,000** training hours

Manufactured

- All F&B manufacturing facilities certified with the Halal Standard (or equivalent), and their production processes certified under the Food Safety System Certification ("FSSC") 22000 scheme
- **99%** of total packaging was recyclable
- **28%** of recycled content in packaging

Intellectual

- Continued to fulfill consumers' demand for safe and quality products
- Adopted many channels to make our products available to consumers in over **130** countries
- Introduced **42** innovative products in FY2025 to meet the needs of consumers
- Excited consumers with the rollout of various limited edition beverages

Natural

- Adhered to sustainable practices to protect stakeholders
- Energy intensity (GJ/MT): **1.4**
- GHG emissions intensity (MT CO<sub>2</sub>e/MT): **0.118**
- Water intensity (m<sup>3</sup>/MT): **3.31**
- Solid waste reused, recycled or recovered rate (%): **95**

Social & Relationship

- Upheld strong human rights practices in our operations and supply chain
- **87%** of our suppliers were local
- **\$1.97B** paid to suppliers; close to 78% local purchase value
- **100%** active key suppliers have accepted F&N's Supplier Code of Practice
- Over **4,000** suppliers were evaluated using social criteria

Financial

- Revenue: **\$2,323M**
- Dividends: **\$80M**
- APBFE: **\$150M**
- Economic Value Retained: **\$315M**

STAKEHOLDERS

04

Internal

Our People

We aim to reward people fairly for the work they do, and help them reach their potential

External

Consumers & Customers

We aim to provide superior and quality products that promote good health

Suppliers & Business Partners

We partner with thousands of suppliers to deliver quality products, and support mutual growth

Regulators & Communities

We aim to develop business and social partnerships while managing environmental and other social impacts

Shareholders

We aim to maximise financial returns, responsibly, through operating savings, revenue enhancements and high asset utilisation

# OUR SUSTAINABILITY APPROACH

ISSB Index: IFRS S2 34, IFRS S2 35

## OUR SUPPLY CHAIN

The preparation, production, and packaging of F&N's food and beverage products, as well as consumables for printing, require a diverse range of raw materials, equipment, and supporting goods and services. In FY2025, the Group engaged with over 6,700 global and local suppliers across its supply chain—including manufacturers, wholesalers, retailers, importers/merchants, contractors, and professional service providers—spending over SGD 1.97 billion on products and services.

The stages of our supply chain are as follows:



More information on the various stages of our supply chain can be found on page 12 of this Report.

Further details on how we demonstrate supply chain stewardship can be found in the 'Supply Chain Stewardship' section of this Report.

## MATERIALITY ASSESSMENT METHODOLOGY

Understanding the priorities and evolving concerns of our stakeholders is a key part of our sustainability approach. In 2020, with support from an external consultant, F&N undertook a comprehensive materiality assessment to revamp its materiality matrix. Through this process, both internal and external stakeholders were engaged to gain insights into their key sustainability concerns related to F&N. The steps involved in the assessment are summarised in the table below:

### Identification

Develop long list of topics

- Peer Benchmarking
- External Trends Analysis



18 material topics were identified through external trends analysis, survey of peer best practices and review of global initiatives and frameworks. Materiality is considered based on the interactions between F&N's value chain and the physical environment and social community and its governance.

### Prioritisation

Interviews, Engagements and Analysis

- Stakeholder Interest
- Business Impact



Internal and external stakeholders were engaged to prioritise the material topics to consider the relevance to the business, strategy, business model, and key stakeholders across the value chain. They were then plotted in a matrix, reflecting their priority to stakeholders (external) and the business (internal), ranging from 'moderate' to 'high'.

### Validation

Final Materiality Matrix

- F&N Material Matters



The materiality matrix was reviewed and endorsed by the F&N SDC and approved by the F&N SRMC.

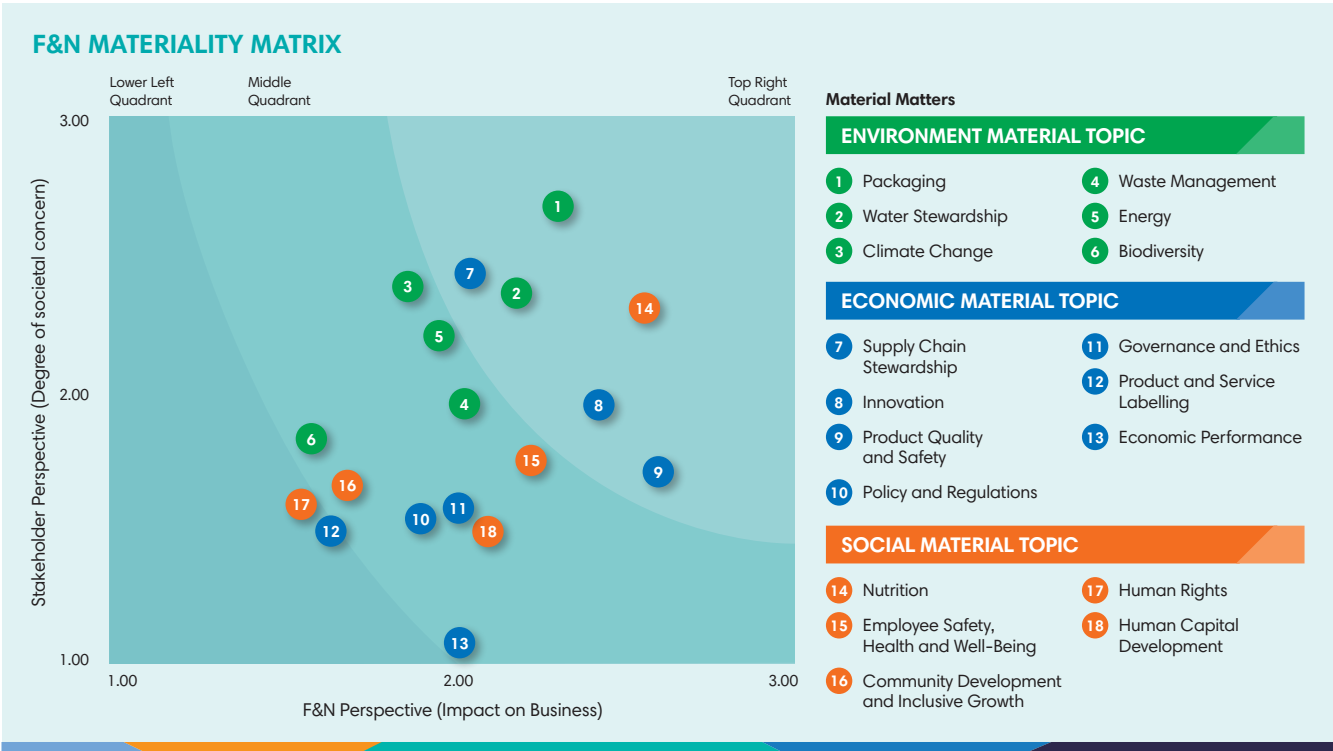
Our material topics are closely aligned with F&N’s sustainability strategy and 2025 goals. We regularly refresh these topics and our materiality matrix to reflect changes in the sustainability landscape, evolving stakeholder expectations, and regulatory requirements. This refresh process includes desktop research on key external sustainability trends, stakeholder priorities, and established standards and frameworks—such as GRI, SGX metrics, FTSE4Good, and the S&P Global CSA—relevant to our material topics. The revised topics and their rankings are then validated with internal stakeholders, including senior management. For 2025, the materiality matrix and 2025 sustainability targets remained unchanged.

As we approach the conclusion of our 2025 sustainability targets, F&N has initiated a comprehensive refresh of its materiality matrix in collaboration with an external consultant. This exercise is guided by a double materiality

lens—evaluating both the potential financial implications of sustainability-related risks and opportunities, as well as our broader environmental and social impacts.

The refresh ensures continued alignment with evolving stakeholder expectations and emerging ESG priorities. The updated materiality matrix is currently undergoing extensive stakeholder engagement and rigorous review by the SDC and the SRMC. It will be unveiled next year as a cornerstone for guiding our long-term sustainability strategy and decision-making.

For the purposes of this year’s report, the material topics remained unchanged from 2024. ‘Packaging’ and ‘Nutrition’ continue to be top priorities, particularly for our customers and consumers, presenting opportunities for positive business impact.



MATERIAL ISSUES AND ASSOCIATED ESG RISKS AND OPPORTUNITIES

Material Sustainability Issues of F&N	Opportunities for F&N If issue is addressed	Potential Risks for F&N If issue is not addressed
<b>RESPONSIBLE BUSINESS FUNDAMENTALS</b>		
<b>Governance and Ethics</b> Business policies and practices to ensure ethical, transparent and responsible governance.	<ul style="list-style-type: none"><li>Upholding F&amp;N’s reputation as a responsible business maintains trust amongst all stakeholders</li></ul>	<ul style="list-style-type: none"><li>Failing to establish transparent and robust governance practices poses reputational risk</li></ul>
<b>Policy and Regulation</b> Regulatory compliance across our operations and engaging with policymakers in a responsible and transparent manner.	<ul style="list-style-type: none"><li>Engaging with regulators allows F&amp;N to prepare for emerging legislation and ensure compliance</li><li>Operational cost savings</li></ul>	<ul style="list-style-type: none"><li>Risk of being unprepared to comply with emerging regulations</li><li>Failing to establish transparent and robust governance practices poses reputational risk</li></ul>
<b>Economic Performance</b> Financial performance to deliver shareholder value and secure long-term viability of the company.	<ul style="list-style-type: none"><li>Sustainable financial performance creates long-term value for all stakeholders</li></ul>	<ul style="list-style-type: none"><li>Hinder F&amp;N’s business continuity</li></ul>



# OUR SUSTAINABILITY APPROACH

Material Sustainability Issues of F&N	Opportunities for F&N If issue is addressed	Potential Risks for F&N If issue is not addressed
<b>RESPONSIBLE BUSINESS FUNDAMENTALS</b>		
<b>Product Quality and Safety</b> Delivering products to consumers which meet the highest quality and safety standards.	<ul style="list-style-type: none"> <li>Deliver F&amp;N brand promise to consumers through product excellence</li> <li>Retain and increase market share through product range expansion and portfolio diversity</li> </ul>	<ul style="list-style-type: none"> <li>Reputational risk and customer claims from supply chain disruption or compromised products</li> <li>Specific regulatory changes that may affect F&amp;N product recipe and/or packaging</li> </ul>
<b>Product and Service Labelling</b> Labelling our products and services in a responsible and transparent way for consumers.	<ul style="list-style-type: none"> <li>Meet regulatory requirements</li> <li>Meet consumer expectations relating to product and ingredient communication</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet stakeholders' expectations for product transparency</li> </ul>
<b>Innovation</b> Building competitive advantage through innovative products and solutions to meet consumer and societal needs.	<ul style="list-style-type: none"> <li>Meet customer and consumer demands and stay relevant</li> <li>Adoption of emerging and disruptive technologies increases competitive edge</li> </ul>	<ul style="list-style-type: none"> <li>Future high R&amp;D and equipment cost with uncertain commercial returns</li> <li>Risk losing market share by changing consumer preferences and/or being outcompeted</li> </ul>
<b>Supply Chain Stewardship</b> Procurement policies, contractor management and supplier relationships which address material issues across the value chain.	<ul style="list-style-type: none"> <li>Elevate vendors' productivity and performance in sustainability practices and compliance with food safety standards</li> <li>Cost savings through improved collaboration</li> <li>Implement robust policies and systems to ensure competitive pricing and safeguard vendors from corruption and malpractice</li> </ul>	<ul style="list-style-type: none"> <li>Expose F&amp;N's supply chain to various ESG risks (e.g. human rights, product quality); unethical practice leads to regulatory violations, monetary fines and reputational risk</li> <li>Disruption to operations</li> <li>Price fluctuation as a result of global economic performance and foreign exchange exposure</li> </ul>
<b>WELL-BEING OF OUR PEOPLE, COMMUNITIES AND SOCIETY</b>		
<b>Nutrition</b> Helping consumers' lead healthy lives by developing nutritious and accessible products.	<ul style="list-style-type: none"> <li>Innovation opportunity to meet customer and consumer demands</li> <li>Offer healthier options that contribute to consumers' well-being</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory risks (e.g. sugar tax) in markets F&amp;N operates in</li> </ul>
<b>Community Development and Inclusive Growth</b> Supporting economic development and creating positive social impact for communities connected to our business activities.	<ul style="list-style-type: none"> <li>Invest in communities to support social and economic development and ensures F&amp;N grows alongside the society we operate in</li> <li>Work with communities to strengthen our relationships, credibility and presence</li> </ul>	<ul style="list-style-type: none"> <li>Impacts F&amp;N's reputation as a corporate citizen and potentially affect employees' morale</li> <li>Potential financial implications when there are imbalance social, economic and environmental needs</li> </ul>
<b>Human Rights</b> Upholding strong human rights practices in our operations and supply chain.	<ul style="list-style-type: none"> <li>Proactively identify and address human rights risks to create a safe workforce in F&amp;N operations and supply chain</li> <li>Reduce inequalities (e.g. gender inequality)</li> <li>Improve productivity and resource efficiency</li> </ul>	<ul style="list-style-type: none"> <li>Human rights violations in operations and supply chain leads to regulatory risks, monetary penalties and reputational risks</li> <li>Disruption to operations</li> <li>Unmotivated and unproductive workforce</li> </ul>
<b>Human Capital Development</b> Attracting, developing, and retaining high-performing employees, creating an inclusive and diverse culture.	<ul style="list-style-type: none"> <li>Remain competitive with skilled and diverse employees</li> <li>A high-performance culture through effective training and upskilling programmes</li> <li>Provide job opportunities for the local communities where we operate</li> </ul>	<ul style="list-style-type: none"> <li>Challenge to attract and retain talent</li> <li>Financial implications when F&amp;N workforce is not developed to meet the evolving market demands</li> </ul>
<b>Employee Health and Safety</b> Improving and maintaining the health, safety and wellbeing of our employees.	<ul style="list-style-type: none"> <li>Increased productivity in F&amp;N operations</li> <li>Improvements in talent acquisition and retention</li> <li>Positive employer branding</li> </ul>	<ul style="list-style-type: none"> <li>Injuries, occupational hazards, lost days and fatalities will result in productivity loss and reputational risk that affects the company's license to operate</li> <li>Financial and reputational risks</li> </ul>
Material Sustainability Issues of F&N	Opportunities for F&N If issue is addressed	Potential Risks for F&N If issue is not addressed
<b>CIRCULARITY AND ENVIRONMENTAL PROTECTION</b>		
<b>Packaging</b> Developing sustainable packaging solutions to reduce the impact of packaging on the environment.	<ul style="list-style-type: none"> <li>Meeting customer and consumer demands for sustainable packaging</li> <li>Improve packaging resource efficiency and saves cost</li> <li>Reduce reliance on virgin materials</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet stakeholders' expectations in managing packaging pose reputational risks</li> <li>Losing market share and relevance if F&amp;N is outcompeted</li> </ul>

Material Sustainability Issues of F&N	Opportunities for F&N If issue is addressed	Potential Risks for F&N If issue is not addressed
<b>CIRCULARITY AND ENVIRONMENTAL PROTECTION</b>		
<b>Energy</b> Minimising GHG emissions and energy use in our operations in line with global climate goals.	<ul style="list-style-type: none"> <li>Reduce energy usage and emissions which saves costs</li> <li>Pre-empt future regulation (e.g. carbon tax)</li> <li>Align with targets of governments and customers</li> </ul>	<ul style="list-style-type: none"> <li>Public pressure resulting in reputation risks</li> <li>Rise in operational costs with stricter regulations and energy sourcing changes</li> </ul>
<b>Climate Change</b> Adapting our business model to ensure resilience to climate-related risks.	<ul style="list-style-type: none"> <li>Meet growing expectations of investors and regulators to assess climate-related risks and opportunities, e.g. supply chain disruption, market shifts or extreme weather events</li> </ul>	<ul style="list-style-type: none"> <li>Costly damages on F&amp;N physical assets from extreme weather events due to climate change</li> <li>Failure to meet stakeholders' expectations in managing climate change</li> </ul>
<b>Water Stewardship</b> Protecting and preserving shared water resources.	<ul style="list-style-type: none"> <li>Cost saving opportunities with efficient water management</li> <li>Enhance water security for suppliers, increasing supply chain resilience</li> </ul>	<ul style="list-style-type: none"> <li>A direct impact on F&amp;N as water is a key resource for our operations</li> <li>Regulatory risks around water as an important national resource</li> </ul>
<b>Waste Management</b> Minimising waste and safely disposing of hazardous materials.	<ul style="list-style-type: none"> <li>Reducing and reusing waste supports operational efficiency, which is cost saving</li> <li>Inculcate sustainable practices and values in employees and communities</li> </ul>	<ul style="list-style-type: none"> <li>Reputational risk from the failure to meet stakeholders' expectations in managing our waste</li> </ul>
<b>Biodiversity</b> Sourcing raw materials responsibly, protecting biodiversity and eliminating deforestation from our supply chain.	<ul style="list-style-type: none"> <li>Mitigate reputational risks of negative environmental practices, particularly in our supply chain</li> <li>Create a sustainable business operation without exploitative processes</li> </ul>	<ul style="list-style-type: none"> <li>Reputational risk from the failure to meet stakeholders' expectations</li> </ul>

## SUSTAINABILITY FRAMEWORK

The 18 material topics are mapped onto the seven core areas of our Sustainability Framework, aligning our business and sustainability goals to more effectively create value for each material topic.



# OUR SUSTAINABILITY APPROACH

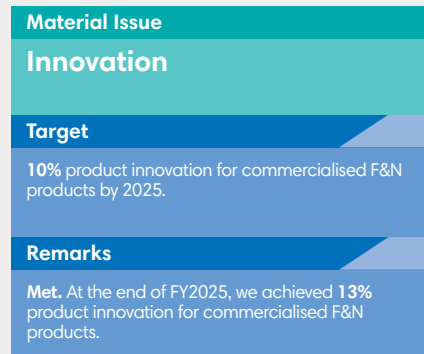
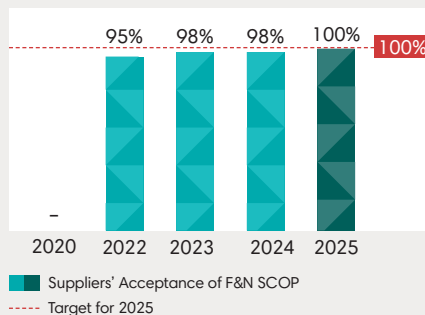
## 2025 SUSTAINABILITY TARGETS AND FOCUS AREAS<sup>1</sup>

In 2020, we established sustainability targets for 2025, focusing on the 12 highest-priority material topics to monitor our performance across the ESG pillars. These goals serve as a strategic framework to guide our sustainability efforts and reinforce our commitment to creating long-term value for our stakeholders.

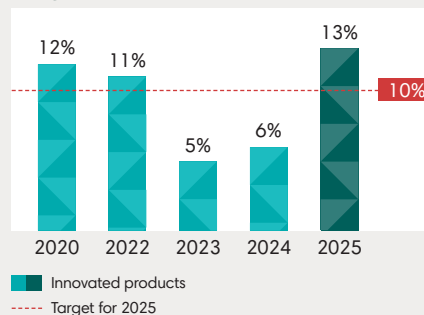
As we reach the conclusion of our 2025 sustainability targets, we have reviewed our performance. Building on the achievements attained in FY2024, the Group made further progress and met 4 additional targets this year. The Group has met 9 out of 12 targets and made considerable progress since 2020. We are encouraged by the continuous efforts put in by all our staff to deliver the year-on-year improvement. While three of the targets remain work in progress — Water Stewardship, Energy, and Employee Safety, Health and Well-being, we will build on what has been achieved



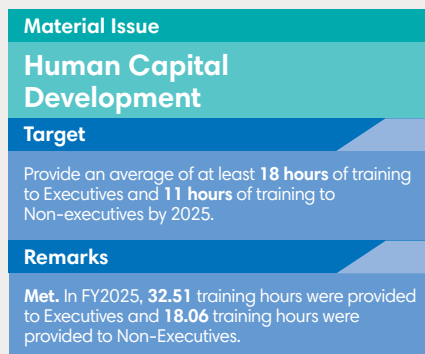
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### Progress



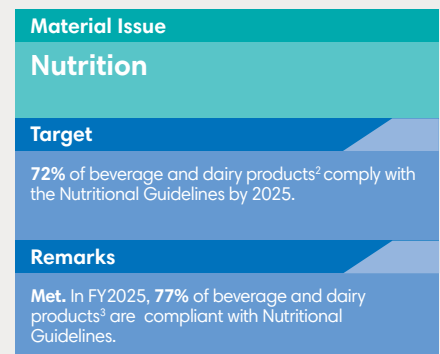
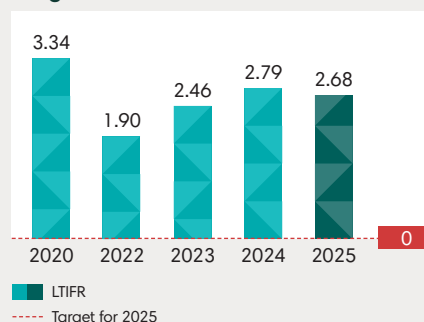
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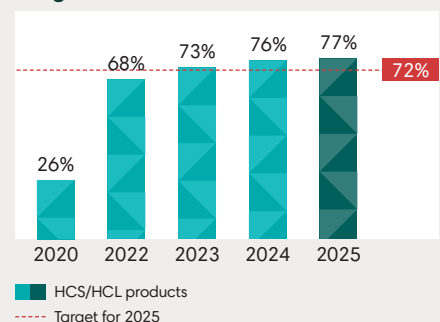
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#### Notes:

- Performance against 2025 targets are based on the 2020 baseline, excluding new plants added in 2025
- Based on formulation, excluding canned milk and cordials



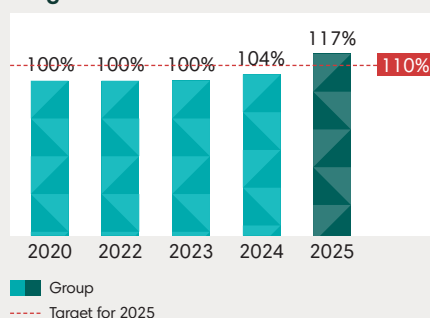
and drive continuous improvements towards closing the gap, which may include enhanced operational measures, stakeholder engagement, and revised performance indicators. These efforts reflect our continued commitment to transparency and improvement as we transition into the next phase of our sustainability strategy.

In parallel, we are developing our 2030 sustainability targets to define the next chapter of our journey. These targets are designed to address emerging challenges, seize new

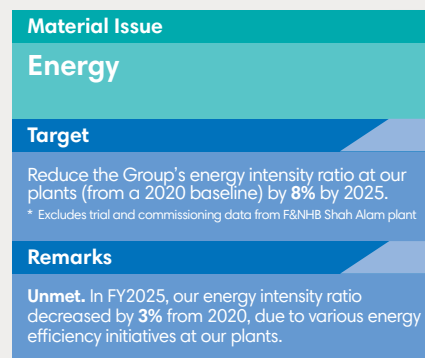
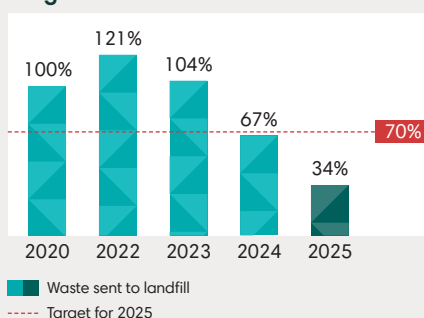
opportunities, and remain responsive to evolving stakeholder expectations. They will be aligned with the broader ESG ambitions of our parent company, ThaiBev, reinforcing our commitment to responsible business practices. This next phase of our sustainability strategy aims to drive meaningful impact across our operations and value chain. We look forward to sharing these new ambitions next year, as we continue advancing our commitment to building a sustainable future.



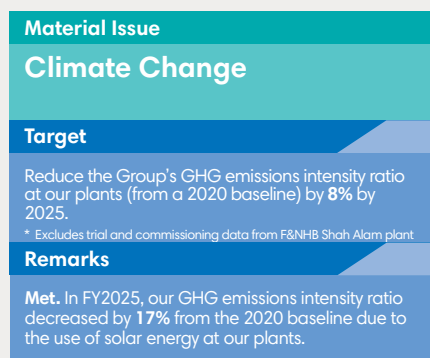
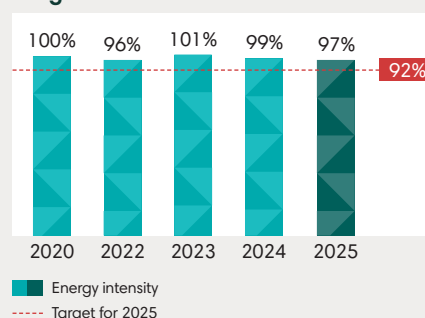
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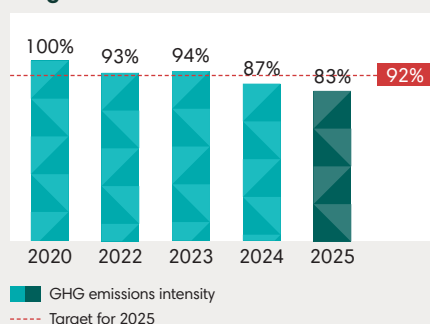
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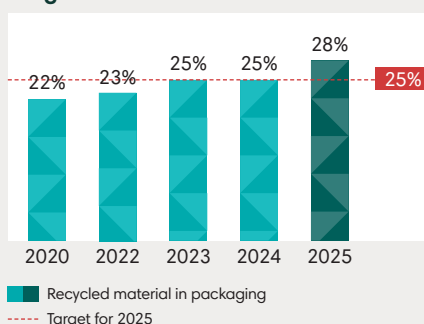
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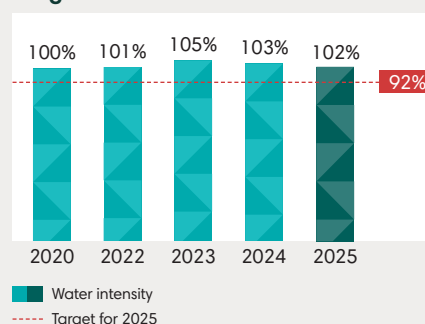
#### Progress



#### Progress



#### Progress



Through our sustainability framework and targets, our business contributes to the UN Sustainable Development Goals (“SDGs”), particularly towards SDG 2, 8, 9, 12 and 13. Our business also contributes to SDG 1, 3, 4, 5, 6, 7, 10, 15, 16 and 17. Below we summarise our business contribution to the specific SDG targets across our material topics:

[illegible]

SGD		Targets most relevant to F&N, in summary	
Material Issues			
	1.4	Provide access to basic services for vulnerable group	
	2.1	Improve access to safe and nutritious food	
	2.2	Improve nutrition for society	
	2.3	Improve productivity and incomes of small-scale food producers	
	2.4	Promote sustainable food production and resilient agricultural practices	
	3.4	Promote mental health and well-being through prevention	
	3.8	Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all	
	3.9	Reduce deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination	
	4.1	Equal access to free equitable education at primary and secondary education	
	4.4	Promote relevant skills development	
	4.7	Promote sustainable development education and global citizenship	
	4.b	Expand higher education scholarships for developing countries	
	5.5	Provide women full and effective participation and equal opportunities for leadership	
	6.3	Improve water quality, reduce pollution, enhance wastewater treatment and improve water circularity	
	6.4	Increase water-use efficiency and ensure sustainable use of freshwater	
	6.a	Expand water and sanitation support to developing countries	
	7.2	Increase use of renewable energy	
	7.3	Improve energy efficiency	

SGD		Targets most relevant to F&N, in summary	
Material Issues			
	8.1	Sustain economic growth	
	8.2	Diversify, innovate and upgrade for economic productivity	
	8.4	Improve resource efficiency in consumption and production	
	8.6	Promote youth employment, in education and training	
	8.7	End modern slavery, trafficking, and child labour	
	8.8	Protect labour rights and promote safe working environments	
	9.2	Promote inclusive and sustainable industrialisation, raise share of employment in manufacturing	
	9.4	Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes	
	10.2	Empower and promote social and economic inclusion	
	10.3	Equal opportunity and reduce inequalities by eliminating discriminatory policies and practices and promoting appropriate policies	
	12.2	Sustainable management and use of natural resources	
	12.3	Reduce food waste at production, supply chain, and retail and consumer levels	
	12.5	Substantial reduction waste generation	
	12.8	Promote and provide information about sustainable lifestyles	
	13.2	Integrate climate change measure into policies, strategies and planning	
	15.2	Promote sustainable forest management and reduce ecosystem degradation	
	15.5	Reduce degradation of natural habitats, halt the loss of biodiversity and, protect and prevent the extinction of threatened species	
	16.5	Reduce corruption and bribery	
	16.6	Effective, accountable and transparent institutions	
	17.16	Multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the SDGs	



# OUR SUSTAINABILITY APPROACH

## Partnerships, Memberships and Certifications

GRI Index: GRI 2-28

Collaborative action and shared responsibility are critical to addressing complex environmental and social challenges. F&N aligns its practices with globally recognised sustainability frameworks, including the United Nations SDGs, GRI, and the International Integrated Reporting Council. We also engage with leading global organisations and thought leaders to strengthen our approach. F&N is proud to be a member of the RSPO and the Singapore Alliance for Sustainable Palm Oil, reinforcing our commitment to responsible sourcing.

In Singapore, F&N is one of the three founding members of the Singapore BCRS Ltd. BCRS is a sustainability initiative aimed at increasing beverage container recycling through a 10-cent refundable deposit scheme, managed by BCRS Ltd.

F&N is also one of the founding members of MindForward Alliance Singapore, a global non-profit dedicated to creating mentally healthy workplaces. Through this partnership, F&N participates in a community of mental health experts, enabling peer-to-peer learning and sharing of best practices through networking events and working groups. This positions F&N as a champion of workplace mental health and helps embed mental health into strategic priorities fostering a supportive work culture and prioritising employee well-being.

In Malaysia, F&NHB co-founded the Malaysian Recycling Alliance (“MAREA”), a voluntary industry-led initiative focused on improving packaging collection and recycling, with a strong emphasis on Extended Producer Responsibility. To date, MAREA has launched ten pilot projects in

collaboration with local councils and recycling partners. These initiatives promote waste separation at source and support more effective recycling collection efforts.

Additionally, F&NHB is also an active member of the CEO Action Network, where it contributes to capacity-building initiatives that promote peer learning and knowledge exchange on critical sustainability topics. These include Sustainability Reporting and Assurance, Employee Well-Being and Mental Health in ESG, and Waste Resolution: Transforming Waste into Value. Through these efforts, stakeholders are equipped with the tools and technical expertise needed to champion sustainability and drive sustainable development.

F&NHB’s commitment to environmental excellence was recognised through several prestigious awards, including the Gold Award for the Consumer Goods and Services Sector at The Edge Malaysia ESG Awards 2025. This award is presented to public listed companies with the highest overall ESG score within Bursa Malaysia’s Consumer Goods and Services sector, affirming F&NHB’s leadership in sustainability performance.

F&N participates in external sustainability ratings to demonstrate our commitment to stakeholders while benchmarking our performance. These assessments enable us to identify strengths and uncover opportunities for continuous improvement, reinforcing our pursuit of sustainability excellence.

**F&NHB was invited to participate in the S&P Global CSA for the fourth time in 2024 and was ranked among the top six companies globally in the Beverages industry. It achieved an improved ESG score of 77 out of 100, up from 72 in 2023.**

**F&NHB received the F4GBM Index rating for another consecutive year, achieving a score of 4.7 out of 5.0 — an improvement from 4.5 in the previous year.**

## Working with our Stakeholders

GRI Index: GRI 2-29

F&N defines stakeholders as individuals or groups who are affected by, or have an interest in, our activities—and vice versa. We are committed to building strong, trust-based relationships with these stakeholders to identify and address potential adverse impacts arising from our operations. Through proactive engagement, we work collaboratively to implement mitigation measures that reduce these impacts to a reasonable level, as established in consultation with stakeholders.

Our engagement approach is tailored to each stakeholder group according to their level of interest and influence on our business, ensuring meaningful dialogue and collaboration. In addition to formal engagements, we maintain an open channel for stakeholder feedback. A summary of our engagement approach for different stakeholder groups is provided below:

	Engagement Channels	Key Concerns	How F&N Creates Value for this Stakeholder	Related Sustainability Issues
<b>Investment Community</b>	<ul style="list-style-type: none"> <li>General meetings of Shareholders (AGM &amp; EGM)</li> <li>Regular face-to-face meetings &amp; conference calls</li> <li>Office/plant visits, as and when required</li> <li>Investor days/briefing</li> <li>Website and SGXNET announcements, presentations, press releases</li> <li>Annual reports</li> </ul>	<ul style="list-style-type: none"> <li>Transparent &amp; accurate disclosure</li> <li>Return on investment</li> <li>Disclosure on relevant information to shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Managing resources effectively to maximise profits</li> <li>Maintaining a strong balance sheet</li> </ul>	<ul style="list-style-type: none"> <li>Governance &amp; Ethics</li> <li>Economic Performance</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Biennial employee engagement survey</li> <li>Robust compensation and benefits framework</li> <li>Annual CEO town hall/roadshow</li> <li>Annual gatherings</li> <li>Sports tournaments</li> <li>Communique, iConnect (intranet), F&amp;N BITES (news update), monthly email news highlights, digital TV, Fraserians Connect (mobile app), F&amp;N Voice WhatsApp channel</li> </ul>	<ul style="list-style-type: none"> <li>Engagement with employees</li> <li>Learning &amp; development opportunities</li> <li>Equitable rewards &amp; recognition</li> <li>Safe and healthy work environment</li> </ul>	<ul style="list-style-type: none"> <li>Career advancement and ability to reach individual potential</li> <li>Boosting earning potential of employees with training and development</li> <li>Strict hygiene practices and sanitary environment in the workplace</li> </ul>	<ul style="list-style-type: none"> <li>Human Capital Development</li> <li>Employee Safety, Health and Well-being</li> <li>Human Rights</li> </ul>
<b>Distributors &amp; Trade Customers</b>	<ul style="list-style-type: none"> <li>Annual customer meetings</li> <li>Annual factory visits</li> <li>Annual business planning</li> <li>Regular business development activities</li> <li>Joint supply chain meetings</li> <li>Quarterly business reviews</li> <li>Customer appreciation events</li> </ul>	<ul style="list-style-type: none"> <li>Supply chains disruptions</li> <li>Latest consumer &amp; shopper trends</li> <li>Product innovation</li> <li>Customer relationship management</li> <li>Shopper loyalty programmes</li> <li>Business practices &amp; ethics</li> <li>Efficient delivery systems</li> </ul>	<ul style="list-style-type: none"> <li>Partnering with retailers on shared opportunities</li> <li>Source of income and job creation at our distributors</li> <li>Case-to-case flexible payment method, if necessary</li> </ul>	<ul style="list-style-type: none"> <li>Innovation</li> <li>Nutrition</li> <li>Product Quality &amp; Safety</li> <li>Product Labelling</li> </ul>
<b>Consumers</b>	<ul style="list-style-type: none"> <li>Marketing &amp; sales promotions</li> <li>Brand communication through advertising</li> <li>On-going social media interactions</li> <li>On-ground events &amp; activities</li> <li>Dedicated consumer hotline</li> </ul>	<ul style="list-style-type: none"> <li>Product quality &amp; safety</li> <li>Consumer health &amp; safety</li> <li>Fair &amp; reasonable product pricing</li> <li>Social &amp; community engagement</li> <li>Environmentally friendly packaging</li> </ul>	<ul style="list-style-type: none"> <li>Launching innovative products</li> <li>Fulfilling consumers' demand for safe and quality products</li> <li>Providing accessible products through an extensive distribution network coverage</li> </ul>	<ul style="list-style-type: none"> <li>Innovation</li> <li>Nutrition</li> <li>Product Quality &amp; Safety</li> <li>Product Labelling</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>Collaborations &amp; partnerships</li> <li>Outreach programmes</li> <li>Meetings/dialogues with community representatives</li> <li>Leadership programmes</li> <li>Sponsorship of sporting events</li> <li>Donation of food and beverages to the less privileged and elderly</li> </ul>	<ul style="list-style-type: none"> <li>Social &amp; environmental responsibility</li> <li>Job opportunities for locals</li> <li>Promotion of good health &amp; quality of life</li> <li>Skill development in sports &amp; leadership</li> <li>Stimulating local economies</li> </ul>	<ul style="list-style-type: none"> <li>Social investment in community projects</li> <li>Advocating active lifestyles via sports events and activities</li> <li>Supporting beneficiaries from vulnerable communities</li> </ul>	<ul style="list-style-type: none"> <li>Community Development and Inclusive Growth</li> <li>Human Rights</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>Active collaborations e.g. Singapore's Health Promotion Board; Federation of Malaysian Manufacturers</li> <li>Meetings with government agencies and statutory bodies</li> <li>Collaboration &amp; partnerships with local councils</li> </ul>	<ul style="list-style-type: none"> <li>Good governance</li> <li>Fair labour practices</li> <li>Safety at work</li> <li>Compliance with laws &amp; regulations</li> <li>Water &amp; waste management</li> <li>Environmentally friendly labelling &amp; packaging</li> <li>GHG emissions</li> <li>Recycling awareness</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with regulation to mitigate against systemic risks</li> <li>Adhering to sustainable practices to protect stakeholders</li> <li>Active industry collaboration and knowledge exchange</li> </ul>	<ul style="list-style-type: none"> <li>Policy &amp; Regulation</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Supplier meetings</li> <li>Annual audits</li> <li>Tender Management System</li> </ul>	<ul style="list-style-type: none"> <li>Fair &amp; robust procurement system</li> <li>Support of local businesses</li> <li>Social &amp; environmental responsibility</li> <li>Ethics — anti-bribery &amp; corruption</li> </ul>	<ul style="list-style-type: none"> <li>Working with local suppliers</li> <li>Partnering with suppliers on shared opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Supply Chain Stewardship</li> <li>Biodiversity</li> </ul>