

Sustainability Report

2019



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Board Statement

At Best World International Limited (the “Company” or Best World”), The Board of Directors (the “Board”) believes that to fulfil our commitment to provide our stakeholders with long term value, sustainability needs to be ingrained in our business model. Since inception, Best World has always focused on our products, our customers and our people, while practising good strong corporate governance and minimising our impact on the environment.

The Board’s primary focus with respect to Sustainability Reporting are:

- a. Considering sustainability issues including environmental and social factors in the formulation of the Group’s strategies;
- b. Overseeing the identification, monitoring and management of key Environmental, Social and Governance (“ESG”) topics; and
- c. Determining the Company’s values and standards including ethical standards

The Board will continue to work with the management to implement, monitor and report on our sustainability efforts for the long-term success of the Group. As we continue to build on our sustainability efforts, we look forward to establishing stronger ties with our stakeholders and growing along with our community at large.

About Best World

Best World International is a Singapore headquartered company which specialises in the development and distribution of premium skincare, personal care, nutritional and wellness products with operations in 11 markets in Asia and the Middle East.

After listing on the Singapore Exchange in July 2004, Best World has grown in strides to become a key regional player with presence in Singapore, Thailand, Taiwan, Indonesia, Malaysia, Vietnam, Hong Kong, China, Korea, Philippines, and United Arab Emirates. Best World also manufactures and distributes the Aurigen line of supplements in China through drugstores across China.

Best World is a member of the Direct Selling Association Singapore, Association of Small and Medium Enterprises and World Federation of Direct Selling. Our Brand is involved in the distribution of nutritional supplement products, personal care products and healthcare equipment.



Our Vision

“To be a global leading health and wellness company dedicated to creating products that enhance the lives of our customers.”



Our Mission



The Preferred Choice for Customers

We strive to provide health and wellness products of the highest quality and maintain our competitive edge through continuous product innovation, embracing advanced Research and Development (“R&D”) technology, safeguarding our customer-focused values.



The Premier Choice for Distributors

We will expand our distribution network globally and establish an entrepreneurial platform which offers a unique financially rewarding program for any individual to pursue their financial freedom with Best World.



The Best Choice for Partnership

We are committed to developing a positive, harmonious and respectable working community and our continual investment in their development will keep our distributors and staff motivated, improving productivity and efficiency, thereby maximising our shareholders’ value.

The Report

Best World International Limited is pleased to present our third Sustainability Report.

This year, on top of our operations in Singapore and Taiwan, we have included activities relating to our Tuas manufacturing facilities for this report, as more equipment were procured and skilled headcount added to familiarize and build up our capability to run production lines in preparation for the facilities' completion in future.

We will work towards taking gradual steps to expand the reporting scope to include core entities of the Group in subsequent reports.

This report covers the Financial Year 2019 ("FY2019") from 1 January 2019 to 31 December 2019, with Financial Year 2018 ("FY2018") from 1 January 2018 to 31 December 2018 as the year of comparison.

Our report has been drafted in accordance with the internationally recognised framework, Global Reporting Initiatives ("GRI") Standards - Core option, and the Singapore Exchange Securities Trading Limited ("SGX-ST") Mainboard Listing Rule 711(B).

For this report, no external assurance was sought, but we will consider doing so for future reports.

Moving forward, Best World hopes to report on our non-financial performance annually and continue to strengthen our sustainability efforts.

For any queries in relation to our report or any feedback on our sustainability practices, please feel free to contact:

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Stakeholder Engagement

Our organisation is actively engaged with our stakeholders in a bid to identify and prioritise the matters important to them.

Stakeholder Groups	Objectives/ Expectations of Stakeholder	Stakeholders' Key Concerns	Methods and Frequency of Engagement	Best World's Efforts and Responses
Shareholders /Investors	Obtain information needed to make sound decisions	<ul style="list-style-type: none"> • Transparency, timely information on company's progress, status and profitability • Stable financial performance and prudent capital management • Business continuity 	Analyst Briefing (semi-annually) Share Investor Forum Investor Relations ("IR") personnel & engage an IR consultant Attend Regional Investor Relations Non-Deal Roadshows ("NDRs") Annual General Meeting (AGM)	<ul style="list-style-type: none"> • Strive to maximise profitability and return on investment • Uphold high standards of corporate governance transparency and disclosure as well as long-term sustainable growth of business
Employees	Positive and safe working environment, fair remunerations and career development and progression	<ul style="list-style-type: none"> • Conducive and comfortable working environment • Competitive rewards and recognition • Opportunities for career advancement • Adequate training and development 	Town hall meeting & staff appreciation dinner (annual) Team bonding fund for department/inter-department bonding activities (annual) Staff outing with participation from family members (annual) Birthday lunch to celebrate employees' birthday (monthly) Grievance handling/ Whistleblowing mechanism	<ul style="list-style-type: none"> • We adopt and implement Human Resource ("HR") policies that are in line with our business goal and review them from time to time • We encourage work-life balance and reward employees based on specific and measurable targets
Distributors, Members & Customers	<p>Distributors & Members</p> <ul style="list-style-type: none"> • Maximise sales and foster a positive long-term relationship with Best World <p>Customers</p> <ul style="list-style-type: none"> • Receive products that meet their needs at a competitive price and conveniently 	<p>Distributors & Members</p> <ul style="list-style-type: none"> • Regular and reliable support (to sustain and grow their sales & networks), product effectiveness and efficiency <p>Customers</p> <ul style="list-style-type: none"> • Reliable, clear and comprehensive product labelling and effectiveness of the products • Service and health advisories (if necessary) received especially pertains to instructions on proper application and use of the products 	Trainings (weekly) Meetings and gatherings (daily) BWL Mobile application & Online Shop BWL Singapore <ul style="list-style-type: none"> • Facebook page (https://www.facebook.com/sg.bwlgrou/) BWL Taiwan <ul style="list-style-type: none"> • Facebook page (https://www.facebook.com/tw.bwlgrou/) • Instagram @bwl.tw • Line application @ 全美世界 Annual Convention Direct contact with our Marketing staff	<ul style="list-style-type: none"> • Continuous product innovation and development, regular distributor training sessions • Maintain ISO9001:2015 Quality Management Certification System requirements for our product development • Sharing of beauty, health and product knowledge to all BWL distributors, members and customers using Line application • E-commerce platform (mobile applications) • Annual convention held to recognise distributors' efforts and offer an opportunity to connect all distributors and members from allover the world
Government & Regulator	Implement and enforce standards and regulatory requirement	<ul style="list-style-type: none"> • Adhere to laws and regulations, prompt reporting 	Implement and enforce standards and regulatory requirements	<ul style="list-style-type: none"> • Commitment to comply with all applicable laws and regulations, constant review of our operating procedures & update them when necessary.
Communities	Ensure that organisations have a positive impact on the community at large	<ul style="list-style-type: none"> • Meaningful support towards communities 	Sponsor of The World Learner Student Exchange Scholarship (annual)	Please refer our Annual Report for details.
Trade associations	Protect the interests of businesses in the industry	<ul style="list-style-type: none"> • Support in addressing any issues faced by industry 	Participation in association meetings, dialogues and forums	<ul style="list-style-type: none"> • Being an active member of the World Federation of Direct Selling Association
Suppliers	Maintain ethical, economically viable and sustainable business relationships with business partners	<ul style="list-style-type: none"> • Compliance with terms and conditions of prevailing purchasing policies and procedures, while maintaining ethical standards • Stable, long-term business relations 	Supplier visits and audit Meetings Email correspondences	<ul style="list-style-type: none"> • Established policies and practices ensuring fair selection and procurement processes • Ethical business practices and contractual obligations. • Encourage main supplier to embark on sustainability journey

Materiality Assessment

We assessed the Environmental, Social and Governance (“ESG”) matters previously identified in 2017 and found them to be still relevant to our business and stakeholders. Back in 2017, we engaged an independent sustainability consultant and initiated a formal materiality assessment process to identify the ESG matters that greatly affect our business and stakeholders. Both internal and external stakeholders were taken into consideration for the assessment. With the contributions from different representatives from relevant departments, we adopted a four-step materiality assessment process summarised in Figure 1 below:



STEP 1 - Identification

- A preliminary list of ESG matters were selected after conducting a desktop analysis of Sustainability
- Reports published by leading industry players and interviews with key personnel across departments



STEP 2 - Prioritisation

- The identified ESG matters were rated and prioritised through an anonymous voting exercise by the representatives from the various departments, taking into consideration the perspective of both internal and external stakeholders.



STEP 3 - Validation

- Material matters that were identified in Step 2 were presented to the Board for validation and approval

STEP 4 - Review

- Material matters that were approved by the Board will continue to be re-assessed in subsequent reporting periods to ensure that reported topics remain relevant and material.

Figure 1: Best World’s Materiality Assessment Process

Best World’s Materiality Index

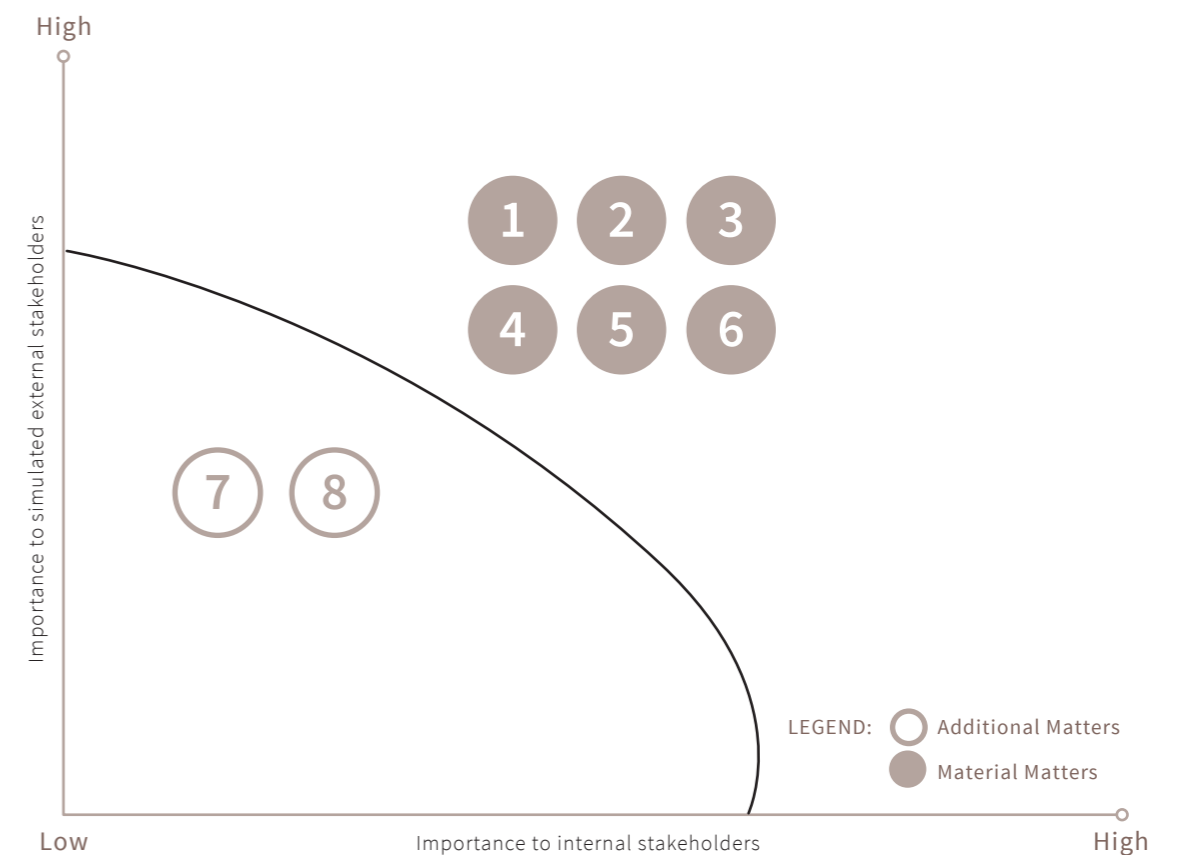


Figure 2

The results of the materiality assessment are reflected in Figure 2. Six material ESG matters were identified.

For more comprehensive reporting, Best World has also chosen to include two additional ESG matters for reporting.

	Material Matters	Corresponding GRI Topic-specific Standard
1	Employees and Distributors Training and Advancement	GRI404: Training and Education
2	Consumer Satisfaction	Not covered in GRI Topic-specific Standard
3	Consumer Health and Safety	GRI416: Customer Health and Safety
4	Counterfeit Products and Intellectual Property	Not covered in GRI Topic-specific Standard
5	Responsible Labelling / Advertising	GRI 417: Marketing and Labelling
6	Business Ethics	GRI 205: Anti-corruption
	Additional Matters	Corresponding GRI Topic-specific Standard
7	Packaging Management	Not reporting any GRI Topic-specific disclosures
8	Waste Disposal Management	GRI 306: Effluents and Waste

* Only factors which have been selected for reporting are shown in this Materiality Matrix



Sustainability Governance

BUSINESS ETHICS

At Best World, we are dedicated to operating our business in an honest and transparent manner. During the process of expanding into rapid-growth markets, where the operations are dependent on its local businesses and suppliers, there is a greater risk of exposure to corruption. Our group has adopted a zero-tolerance approach towards all corruption practices and have strived to embed a culture of anti-corruption in all aspects of our operations. Our anti-corruption policies and reporting channels are available online to enhance communication to our stakeholders and act as a deterrent to corruption.

COMPONENTS OF OUR ANTI-CORRUPTION FRAMEWORK

- 1 **Conflict of Interest Policy**
Framework to guide employees on the measures to take to prevent conflicts of interest as well as action steps to take in the event a conflict arises.
- 2 **Gift and Entertainment Policy**
Guidelines for employees on the proper procedures to process the gifts and entertainment from external parties to uphold business integrity.
- 3 **Whistle-Blowing Policy**
Provides details on the whistleblowing, a communication for employees to anonymously report suspected wrongful activities within the organisation to ensure an honest and transparent business conduct at Best World.
- 4 **Code of Ethical Conduct**
The code that states the organisation's responsibility towards employees, consumers, shareholders, suppliers and regulators.

All employees are trained on our corporate policies, anti-corruption policies and procedures during our mandatory new employee orientation programme. Our suppliers are also required to make an annual declaration that they have no conflict of interest before they will be engaged by our Logistics and Procurement team.

In FY2018 and FY2019, no cases of corruption were reported.

Perpetual Target	FY 2019 Performance
Zero Instances of Corruption	Achieved
100% of employees are to be informed of their responsibility to prevent dishonesty in the course of business and all employees involved in sourcing and procurement for the company have acknowledged the declaration form annually.	Achieved

COMMUNICATING KEY BUSINESS ETHICS EFFECTIVELY

To enhance readership and our distributors' understanding of key ethical business practices such as consumer rights, distributor's responsibilities and obligations and the Company's intellectual property rights, our Taiwan office rolled out a series of short comics on these topics to educate distributors. Refer to the link below for more information.

https://tw.bwlgroup.com/tchinese/whatson_code_conduct.jsp

產品分享不誇大 刑責罰款不上門

每一個國家對於美容保養品與營養保健食品皆有不同法令規定，而全美世界是一個跨國集團公司，因此新加坡總部會依據不同國家法令的要求來修訂產品包裝、設計及文宣，為經銷商在銷售商品時獲得最安全的保障。因此當經銷商直接面對消費者或在網路做銷售時，本身都應具備正確的產品使用觀念與方式，千萬不可以為了貪圖快速連結而誇大商品之效果。這也許可以在短時間內達成銷售目的，但卻很有可能讓消費者因達不到預期所說之狀態，轉而對公司與產品的誤解及不信任，更有可能因此而對銷售人提出訴訟，除了自己本身要面對官司的刑責罰款外，還將面臨公司依據營運規章給予的紀律處分。

營運規章明文規定 三、經銷商的責任與義務

10. 經銷商不得有下列任一行為，否則應自負相關法律責任，倘因此致使BWL增加費用或發生損害時，除應負賠償責任之外，並將視情節之輕重，給予適當之紀律處分：

10.1 對BWL產品和企業組織計畫做出錯誤不確實誤導或任何誇大無根據的陳述。

10.2 刻意遺漏BWL產品和企業組織計畫的相關資訊。

10.3 以欺騙、強迫、騷擾或非法的方式，來推廣BWL產品和企業組織計畫ENP。



RESPONSIBLE BUSINESS PRACTICE

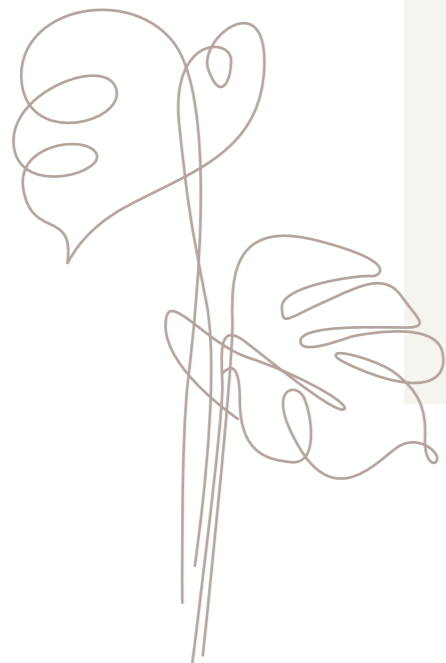
Consumers lie at the heart of our business. Best World's continued success depends on the trust and confidence that consumers place in our distributors and products. As well as conforming to respective countries' consumer legislation, we also committed ourselves to the consumer Code of Practice set out by the Direct Selling Associations Singapore (DSAS).

DSA Codes of Conduct address the obligations of DSA members to direct sellers as well as DSA members' obligations to consumers.

For instance, the Direct Selling Association in Singapore sets out detailed criteria for members, which include: -

- Fair Selling Methods
- Customer order cancellation rights – 7-Day “Cooling-off period”
- Respect for the rights and privacy of the customers
- Proper handling of customer complaints

At Best World, we always ensure our members and distributors act ethically and beneficially for customers and the community at large.

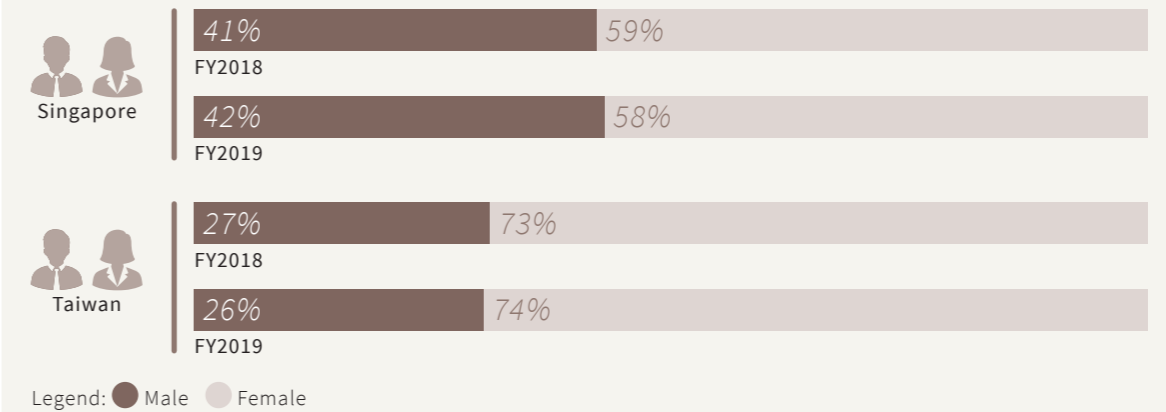


Our People

PROFILE OF OUR WORKFORCE

Employees are our biggest asset and are vital for Best World's sustainable development as an organization. In line with our company's mission statement, we are committed to developing a positive, harmonious and respectable working community. We continue to invest in the development of our employees and distributors to keep them updated with the industry and to ensure that they acquire the knowledge and skills needed to improve productivity, efficiency and profitability of the Company. We adopt an equitable and competitive compensation system to keep our employees and distributors motivated to ensure the continuity of our business as well as to maximise our shareholders value. All our employees go through formal appraisal with goal setting, fixing measurable key performance indicators and identification of strength and weaknesses to develop their potential. These goals and performance indicators are revisited in the middle of the year to ensure good follow up. Performance is reviewed after year end and form the basis of employee promotion and salary increments.

Composition of Employees by Gender



Composition of Employees by Age Group

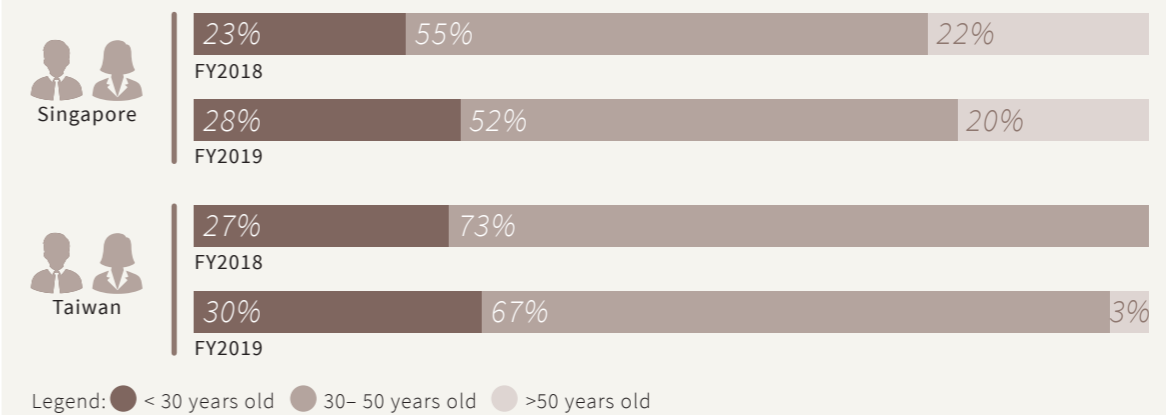


Figure 3

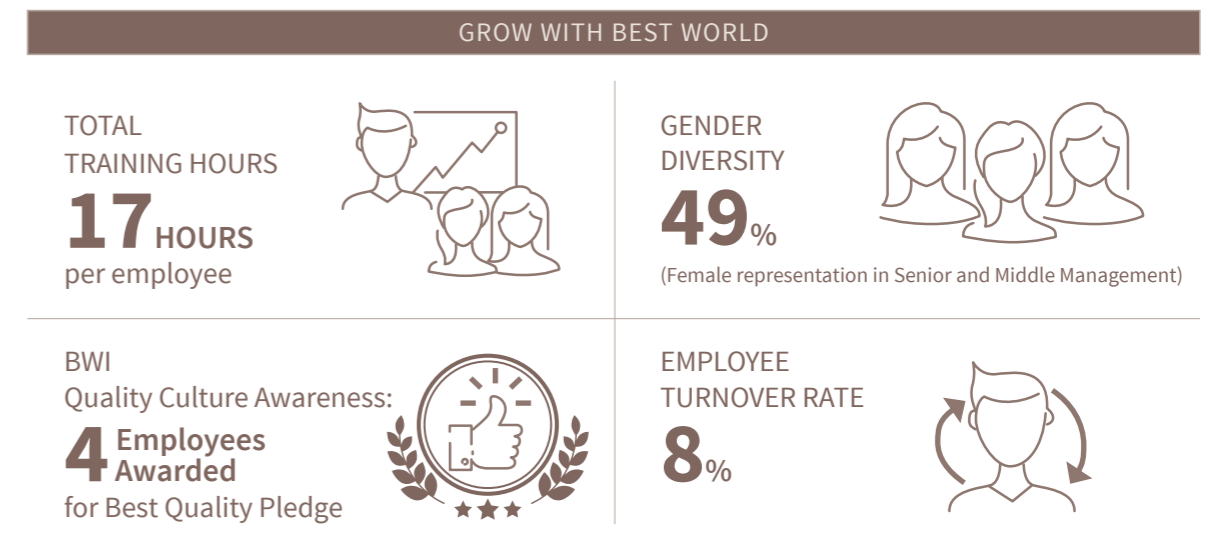
EMPLOYEES AND DISTRIBUTORS TRAINING AND ADVANCEMENT

As a leading health and wellness company with a global presence, continuous learning is fundamental to the growth of our company. We recognise that training is an integral part of our business as it equips our employees with the necessary skills and enhances their ability to carry out their roles and responsibilities. In compliance with ISO9001: 2015 Quality Management System requirements, we have developed procedures to ensure quality assurance across our processes; we provide regular trainings related to these procedures to all, including distributors who market our products. In both Singapore and Taiwan, weekly trainings are conducted. Some of the training conducted in FY2019 are listed below.

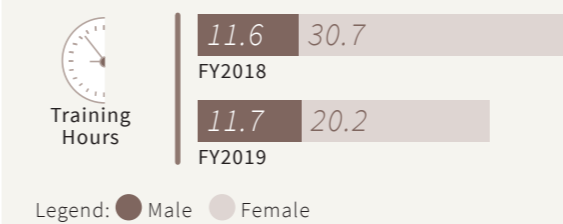
Training course	Details of Training	Date Conducted
Dale Carnegie Course	Management initiated the training for a section leader in preparation for a managerial role. Staff is expected to show improvement in human relation and interpersonal skills after attending the course.	21 May – 6 August 2019
304 Network Management Course for BWL Singapore Manager & Executive	304 Network Management course is an in-house learning program that train the participants in professional business development skills.	11-14 October 2019
Quarterly Management Staff Reading Program	Promote and cultivate service mindset, selling skills, motivation and personal goal setting. Reading topics include: - <ul style="list-style-type: none"> “Mantra from Toyota’s Management 豐田主管的口頭禪” “Don’t choose to be comfortable when you can strive 不要在該奮鬥時選擇安逸” “Service of Taiwanese 臺味服務” “99% of Marketing 99% 的行銷” 	27 March 2019 20 June 2019 20 September 2019 26 December 2019



Connecting People FY2019 Highlights



Average Training Hours of Employees by Gender



Average Training Hours of Employee by Employee Category

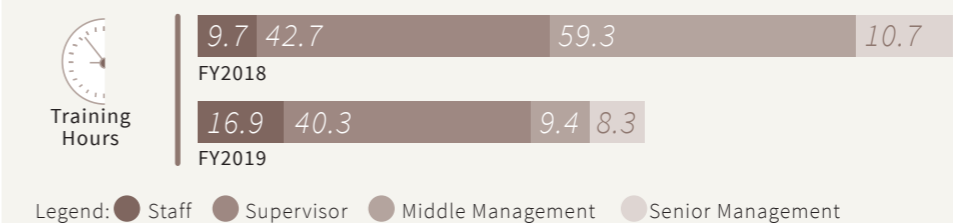


Figure 4

Under the guidance of the respective department heads, Best World aims to achieve a minimum average of 16 hours of training per employee annually. The average training hours per employee in FY2019 is 17 hours. Best World will continue to strive towards providing all our employees with ample training opportunities to develop their capabilities and skillsets.

Perpetual Target	FY 2019 Performance
To achieve a minimum average of 16 hours of training per employee annually	Achieved



Our Products

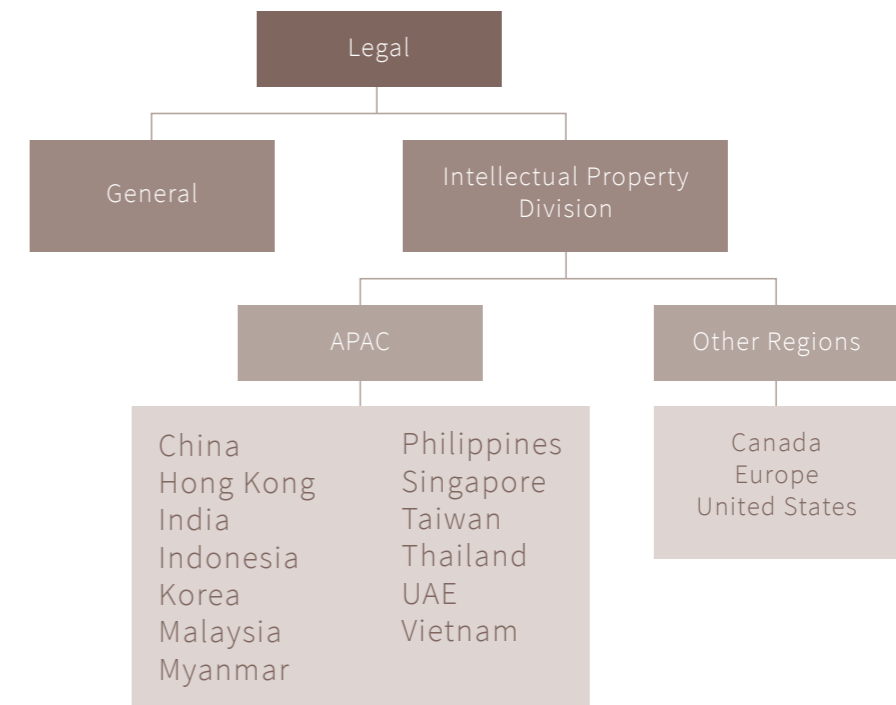
INTELLECTUAL PROPERTY PROTECTION AND COUNTERFEIT PRODUCTS

Every year, we invest a considerable amount of resources to develop new and innovative premium products for our customers. Intellectual property (IP) protection, hence, is critical to us as it safeguards our investments and allows us to reap its full benefits.

We begin to manage and protect our IP before we launch the product to the market we operate in.



INTELLECTUAL PROPERTY MANAGEMENT SYSTEM



Customers from all the markets that we operate in recognize our product brands as our unique identity and marks of premium quality. The protection of these intangible assets is one of the key elements of our business strategy.

We protect our brands through trademarks and other IP rights along with strict management of trade secrets. Our Intellectual Property Division (IP Division) focuses on establishing new brands and logos through trademarks registration and maintain registered marks from time to time to ensure that all logos and brands are properly protected.

Our logos and brands are widespread and well protected in many different jurisdictions. Till date, our IP Division has successfully registered more than 350 marks across the globe and is applying more than 150 new marks in Singapore, China, Hong Kong, Taiwan, Indonesia, Thailand, UAE, Korea, Malaysia, Myanmar, Philippines, Vietnam, India, United States of America, Europe, Canada and other markets which are not specifically stated herein.

To ensure that our business activities are consistent with our IP strategy, IP rights management comes under the care of the IP Division of HQ Legal Department.

Our corporate logos and brands are listed as follows:

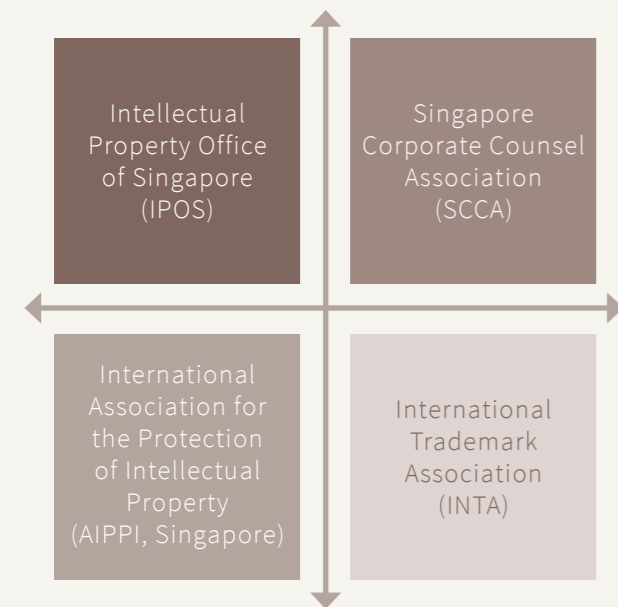


INTELLECTUAL PROPERTY AWARENESS

Best World works closely with global top tiers law firms and Intellectual Property Office of Singapore (IPOS) to maintain the intangible assets of the Group across the globe.

We also actively attend and participate in events and courses organised by Singapore Corporate Counsel Association (SCCA), International Association for the Protection of Intellectual Property (AIPPI) and International Trademark Association (INTA) to keep a close tab on the latest developments in international and local IP laws.

Internally, our IP Division actively promotes IP awareness within the Group/subsidiaries and makes collective decisions with other Departments/ Divisions within the Group regarding the use of IP from a management perspective.



INFRINGEMENT AND COUNTERFEIT MANAGEMENT

Best World takes a strict approach in handling counterfeit goods and infringement matters.

In 2019, we strengthened our enforcement capabilities, establishing a worldwide watch notice on trademarks. This would ensure that identical or similar trademarks being registered will be quickly brought to our attention for the necessary action. We also enhanced our reporting channel, enabling suspected cases of infringement or counterfeit items to be directly reported to our HQ legal team, in a format that captures information essential for enforcement.

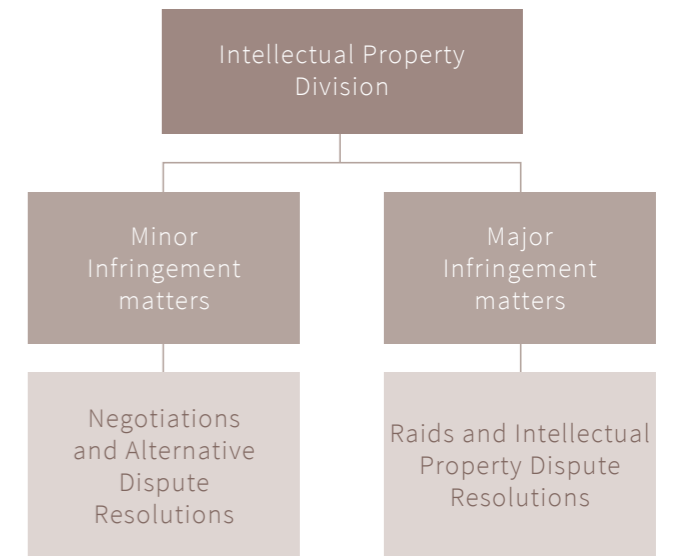
Our IP Division segregates different infringement matters into two groups.

Infringement matters which are not material and do not constitute material impact to the Group will be categorised as minor infringement matters. Our IP Division will resolve these matters by entering into negotiations with potential infringers and resolve these matters internally or by adopting Alternative Dispute Resolutions.

On the other hand, all major infringement matters will be handled directly by our IP Division with care where strict approach will be imposed while dealing with related infringers. In such cases, our Legal Counsels work closely with relevant local authorities and the police to enforce raids against the infringers and also file infringement suits against them.

We have expanded our QR code printing initiative to cover all products in our DR's Secret and Aestier range, allowing users to scan the product packaging to determine whether the product is authentic.

Perpetual Target	FY 2019 Performance
Register trademarks for our brands in the new regions Best World operates in	Achieved





RESPONSIBLE LABELLING / ADVERTISING

Lapses in labelling and advertising can affect not just our brands and reputation as an organisation but potentially cause harm to our consumers as well. We care deeply about the people we serve. We recognise the consequences of mislabelling and biased advertising of our products. The lack of transparency in reporting all product ingredients used or the effects it may cause prevents consumers from making an informed decision about the product they purchased, which can lead to undesirable consequences. By upholding our business integrity in marketing of our products, we aim to achieve zero cases of non-compliance with the Singapore Health Science Authority and Taiwan Food and Drug Administration’s labelling and product claim requirements. As such, strict practices are implemented to strengthen our labelling and advertising process. Labels are checked against the regional labelling requirements, product claim guidelines and code of advertising practices to ensure compliance by product development and management executives, content writers and regional product registration officers.

Our brand incorporates regional labelling requirements into our products, complying with the guidelines of the local regulatory bodies. Information on the country of origin, product ingredients and directions for use are required to be printed on all products. Only products approved by these regulatory bodies can be marketed. Claim substantiation is also performed to prevent mislabelling or false advertising. Going forward, we are looking to include the recycling symbol in our product labels for product packaging that can be recycled to encourage users to dispose them in an environmentally friendly manner.

In 2019, we enhanced our artwork management process with the addition of artwork code onto our product packaging to track printed artwork versions. This initiative improved communication between stakeholders involved in the transition process while ensuring that only the latest, approved artworks are being printed, minimizing human errors which may result in additional printing costs and non-compliance cases, at the same time supporting artwork proofing and regulatory compliance.

Perpetual Target	FY 2019 Performance
Zero cases of non-compliance concerning product information and labelling or marketing communications	Achieved



Our Customers

CONSUMER HEALTH AND SAFETY

At Best World, we are committed to product excellence and strive to ensure regulatory compliance for all of our products. Throughout the development of our products, from product concept design, formulation review, product stability and compatibility study, consumer product trial and product lab testing, we implement stringent quality standards and abide by regulations or guidelines enforced by local regulatory boards. We collaborate with external accredited labs regularly for quality assurance of our cosmetic and health supplement products. To further monitor the performance of our products, we instituted a coherent and systematic process for customers to provide feedback on the products. Regional centres will receive customer feedbacks via digital channels or physically and will compile the feedbacks received into monthly report for submission to HQ. The Quality department at HQ will keep track of incidence rate and conduct necessary investigation or corrective actions where required.



Under the care of our Product Development team and Quality team, we recorded zero reported case pertaining to consumer health and safety in 2019. We aim to continue to assess health and safety impact of all our products.

Perpetual Target	FY 2019 Performance
Zero reported cases pertaining to consumer health and safety	Achieved

COLLABORATION WITH INDUSTRY PROFESSIONALS

In partnership with SGS Taiwan, Taiwan's largest and most diverse independent quality testing facilities. Best World was able to establish our very own quality assurance zone on the SGS Taiwan Safety Information Platform. Contaminant test reports for microbial, heavy metals, western drug and cosmetic steroid etc., related to our products are uploaded on their website for customers' reference.

Our DR's Secret Sunscreen #5 received the coveted certification from Taiwan's Symbol of National Quality (SNQ), "2018 SNQ – Symbol of National Quality Certification" according to its excellent quality among a category of skin care products.

In 2019, our Dr's Secret Cleanser #1 was awarded Fashion Guide Certification after going through the Fashion Guide Special Evaluation (FG特優評鑑), where our product was tested by a number of FG members and reviews in aggregate scored above 80%. Reviewers loved that the product cleaned their faces thoroughly but yet was gentle on their skin and maintained their skin's moisture.

Results of the evaluation can be found at <https://survey.fashionguide.com.tw/product/65127>

FG has been in the beauty and fashion industry for more than 20 years. They have cultivated many members in their professional evaluation team, with the goal of establishing professional, objective and real product evaluations. FG has become the first choice for users to search for information or discuss topics and is deemed to be a credible consumer reference in Taiwan, because FG emphasizes 100% authenticity and serves as a communication bridge between consumers and brands from a most impartial third-party standpoint.



CONSUMER SATISFACTION

Sustaining a viable business cannot be done independently. At Best World, we understand the importance of customer engagement and channel much resources to it. We begin by engaging our distributors, who directly interacts with our consumers. By conducting monthly surveys with distributors, we are able to garner their responses, have a better understanding of their feedback and concern, and make improvements based on the feedback received. Furthermore, regular trainings and events are also arranged by the local team to engage with distributors.

In FY2019, we managed to obtain 100% satisfaction rate (defined as a score of 1 to 2 out of a scale of 1 to 4), 1 being the best on distributor satisfaction survey and member satisfaction surveys.

Perpetual Target	FY 2019 Performance
Achieve a satisfaction rate of 100% on the monthly distributor satisfaction survey	Achieved

We continue to make investments to both our online platform and brick and mortar stores to ensure our distributors have the best support they need to succeed in a competitive market.

Our BWL Mobile app complements our physical stores, allowing orders to be placed 24/7 and products to be delivered to the customer. Additionally, our apps also include features such as product details, updated promotions and order tracking that communicate useful information to interested users. Our social media presence through Instagram and Line apps also effectively connect with the younger generation, sharing beauty, health and product knowledge.

Our DRs Secret experience centre at Cuppage Singapore was purposefully built so customers can learn more about our products and enjoy personalised service, customised to their skin condition in a comfortable setting. Customer touchpoints are enhanced with available technologies give a modern experience, aligning to multigeneration of consumers' expectations.

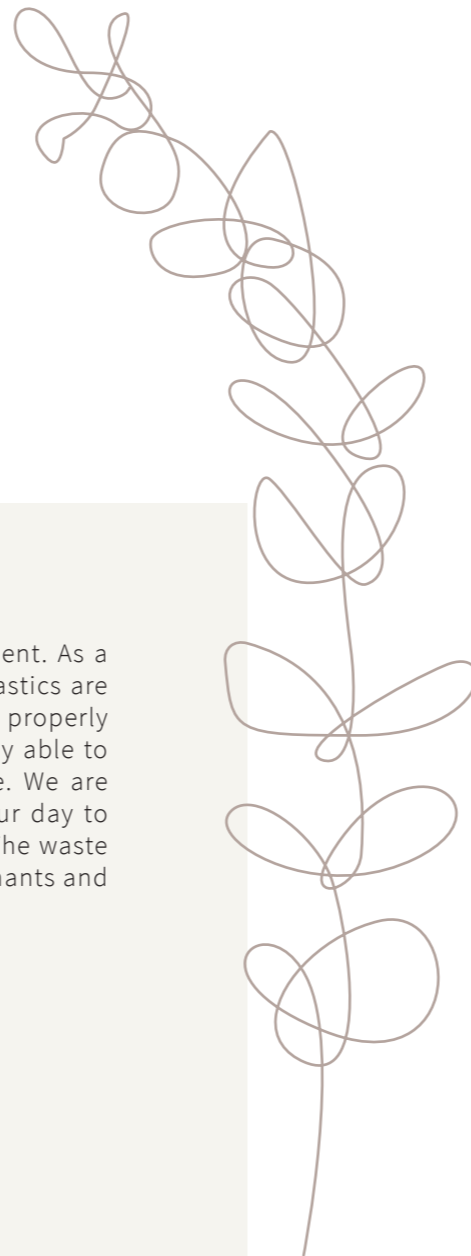




Environmental Initiatives

WASTE DISPOSAL MANAGEMENT

Proper waste management is essential for the well-being of the environment. As a distributor of consumer products, waste in the forms of containers and plastics are inevitable in the packaging process. We seek to ensure that our waste is properly managed and disposed to ensure the safety of our community. We are only able to provide figures for waste we engaged waste disposal vendors to dispose. We are not equipped to measure the weight of waste that is generated during our day to day activities that are disposed via the building's waste disposal system. The waste disposed by the building management consist of waste generated by all tenants and a split of those figures are unavailable to us.



SINGAPORE

Our Singapore operations are served by National Environment Agency registered waste collectors. No hazardous waste was disposed for FY2018 and FY2019. The drop in non-hazardous waste was mainly due to less disposal of expired products in FY2019 compared to the previous year.

TAIWAN

No hazardous waste was generated by our Taiwan operations in FY2018 and FY2019. The increase in non-hazardous waste was due to disposal of some products that did not meet our quality control standards. The products were incinerated by a SGS approved vendor in Taiwan.

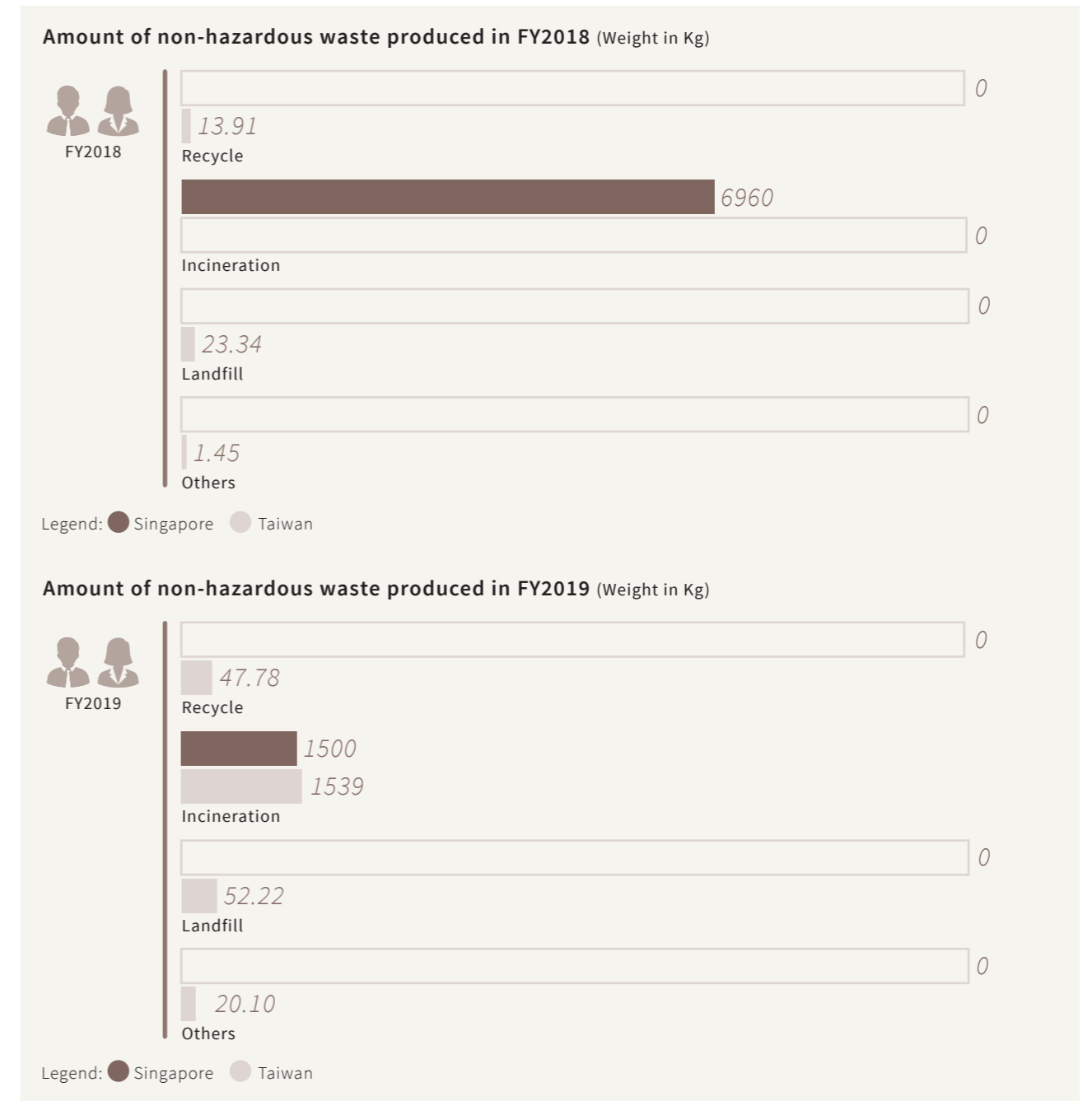


Figure 5

Note: The figures for Taiwan in 2018 were wrongly published in the 2018 report due to an omission of decimal points resulting in for example, 13.91 being published as 1391. Please refer to the 2019 report for the accurate 2018 comparatives.

In FY2019, there were no cases of improper waste disposal and we will continue to make efforts to maintain these standards.

Perpetual Target	FY 2019 Performance
To ensure that all waste in the production lines are disposed of properly	Achieved

PRODUCTION LINE SETUP AT TAI SENG

As we endeavour to familiarize ourselves with the manufacturing process, we have set up a small scale production line in Tai Seng to produce certain products in the DR's Secret range. The waste generated in 2019 was not significant as the production line was being set up and tested and was only operational in 2020.

Certain discharge cannot be directly released into the sewers due to its viscosity. At the moment, as a temporary measure, we are reusing an emptied intermediate bulk container we received when buying another product's raw material to contain these discharge and will send it to a certified vendor for processing and disposal when it becomes full. In future, we will be building a water treatment plant at the Tuas manufacturing facility to process these waste before releasing it into the sewers to fulfil the National Environment Agency's requirements.

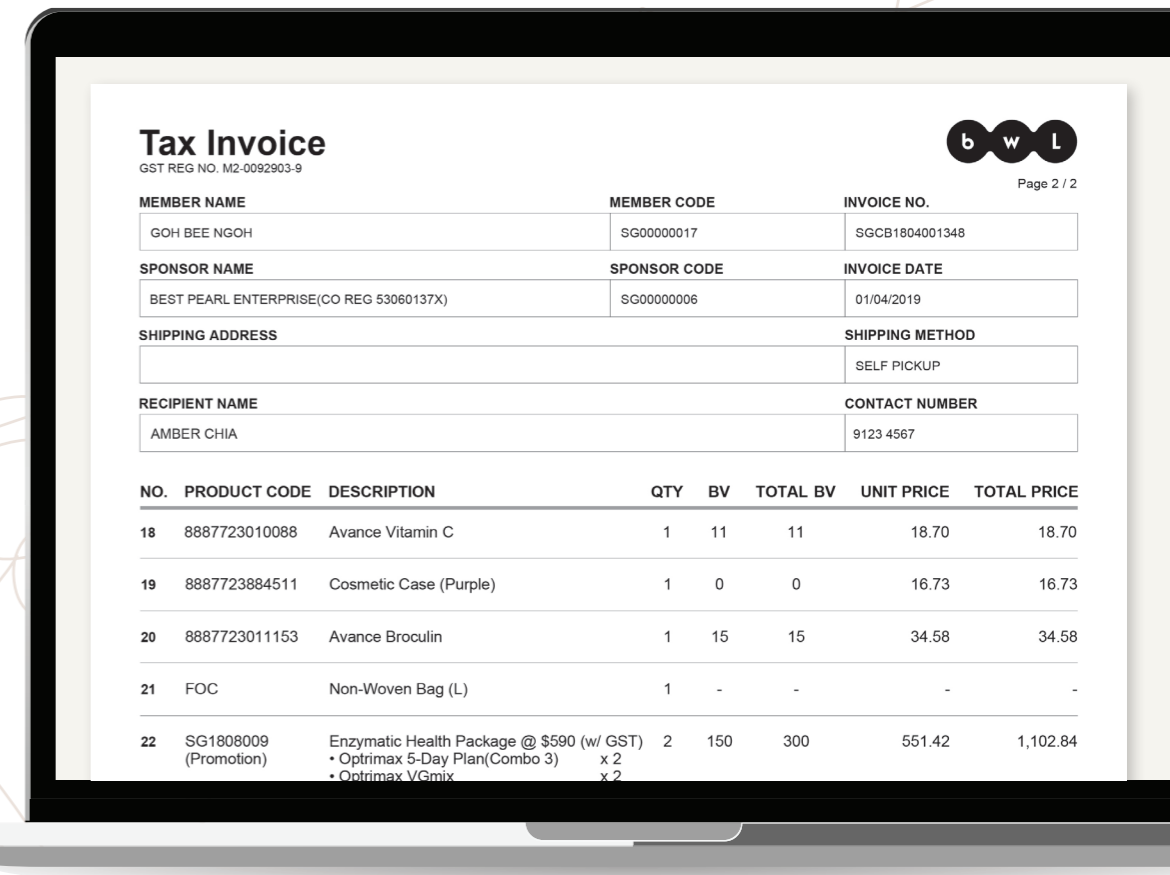


ELECTRONIC WASTE DISPOSAL

Although not substantial, we are aware that electronic waste comprises many components and may contain heavy metals and substances of concern, which require specialised equipment to dismantle, process and extract the constituent materials that can then be turned into new products. Therefore, for both Taiwan and Singapore, we appoint certified vendors to help with disposal of electronic waste. At the same time, these vendors also make sure that any confidential data in the electronic devices are completely destroyed and irretrievable, thus preventing misuse.

GOING PAPERLESS AND TRANSITING TO DIGITAL INVOICES

Based on our estimation, there were 23,883 invoices issued in 2019 by BWL Singapore. If we switch to digital invoicing, we can save almost 48 reams of paper, which equals to about 2.8 trees. The benefits of adopting digital invoices will definitely cut costs for the business, speed up the payment process and save the environment at the same time.



OFFICE RELOCATION

To meet our expansion needs, we moved our headquarters to our current office at Changi Business Park while production and warehousing functions remained at Tai Seng. In designing our new office premise, much emphasis was placed on incorporating environment considerations into our decisions.

Reuse of our movable modular furniture

We have always believed in procuring items that are of high quality, which tend to have longer lifespan and in the long haul, we produce less waste on the whole. We were able to reuse most of our office furniture that we procured 9 years back when we moved into our Tai Seng office. Not only do we generate less waste, we were able to setup our office in a shorter time, compared to having to buy new furniture and wait for it to be shipped and installed.



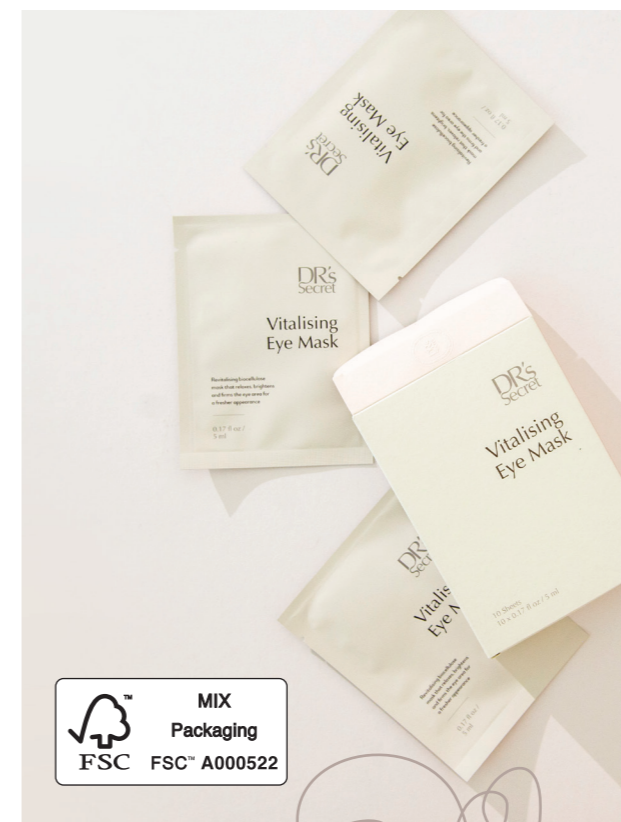
Optimal use of space

Through the use of movable folding walls, we are able to use the same space for multiple purposes. In its usual configuration, the space is carved into 3 meeting rooms of various sizes to facilitate discussions and a fully functional pantry with a sitting area to create a café like environment, which is useful for meeting vendors or for our millennial workforce who sometimes work more effectively in an informal setting. When required, we can reconfigure the space to host a townhall meeting or have staff gatherings to enhance cohesion. The company also provides proper cutlery and cups so that we can cut down on disposable cutlery. At the end of lunch hour, the used cutlery and cups are loaded into the dishwasher for thorough cleaning.



Segregation of recyclable waste

We are also inculcating in our staff the practice to recycle and segregate recyclable waste from general waste. Labelled bins are situated around the office to consolidate recyclable waste.



PACKAGING MANAGEMENT

Our commitment to environment sustainability extends to our packaging materials. On top of ensuring that the packaging materials we use can provide enough protection and are compatible with our products and brand image, we also strive to minimise its environmental impacts.

We adopted the use of eco-friendly ink on our carton boxes. The ink chemistry allows for more cost-effective and less energy intensive paper recycling, as it simplifies the usually tricky process of separating the ink from paper to obtain clean pulp.

In 2020, we are looking to change the product packaging of our best selling range of products – DR's Secret to FSC™ (Forest Stewardship Council) certified paper. The FSC certification is considered a “gold standard” designation where wood is harvested from forests that are responsibly managed, socially beneficial, environmentally conscious, and economically viable.

Gri Content Index

GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
GRI 102 General Disclosure 2016			
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102-1	Name of the organisation	Introduction: About Best World	6
102-2	Activities, brands, products, and services	Introduction: About Best World	6
102-3	Location of headquarters	Introduction: About Best World	6
102-4	Location of operations	Introduction: About Best World	6
102-5	Ownership and legal form	Introduction: About Best World	6
102-6	Markets served	Introduction: About Best World	6
102-7	Scale of the organisation	Introduction: About Best World	6
102-8	Information on employees and other workers	Our People: Profile of Our Workforce	19
102-9	Supply chain	Introduction: About Best World	6
102-10	Significant changes to the organisation and its supply chain	Introduction: About Best World	6
102-11	Precautionary Principle or approach	Corporate Governance	FY2019 Annual Report
102-12	External initiatives	Not applicable to Best World	N.A.
102-13	Membership of associations	Introduction: About Best World	6
Strategy			
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102-16	Values, principles, standards, and norms of behaviour	Introduction: About Best World	6
102-17	Mechanisms for advice and concerns about ethics	Sustainability Governance: Business Ethics	16
102-18	Governance structure	Corporate Governance Statement	FY2019 Annual Report
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement	
102-23	Chair of the highest governance body	Corporate Governance Statement	
102-24	Nominating and selecting the highest governance body	Corporate Governance Statement	
102-25	Conflicts of interest	Corporate Governance Statement	

GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
GRI 102 General Disclosure 2016			
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	12
102-41	Collective bargaining agreements	None of Best World's employees are covered by collective bargaining agreements	N.A.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	12
102-43	Approach to stakeholder engagement	Stakeholder Engagement	12
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Reporting Practice			
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102-46	Defining report content and topic Boundaries	Introduction: The Report	6
102-47	List of material topics	Materiality Assessment	14
102-48	Restatements of information	No changes	N.A.
102-49	Changes in reporting	No changes	N.A.
102-50	Reporting period	Introduction: The Report	6
102-51	Date of most recent report	Sustainability Report 2018 29 May 2019	N.A.
102-52	Reporting cycle	Introduction: The Report	6
102-53	Contact point for questions regarding the report	Introduction: The Report	6
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GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
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103-3	Evaluation of the management approach	Sustainability Governance: Business Ethics	16
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205-3	Confirmed incidents of corruption and actions taken	Sustainability Governance: Business Ethics	16
GRI 306: Effluents and waste 2016			
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GRI 404: Training and Education 2016			
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103-3	Evaluation of the management approach	Our People: Employees and Distributors Training and Advancement	19
404-1	Average hours of training per year per employee	Our People: Employees and Distributors Training and Advancement	19
404-3	Percentage of employees receiving regular performance and career development reviews	Our People: Employees and Distributors Training and Advancement	19
GRI 416: Customer Health and Safety 2016			
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GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
Topic-specific GRI standard disclosures			
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GRI 417: Marketing and Labelling 2016			
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103-3	Evaluation of the management approach	Our Products: Responsible Labelling/Advertising	26
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417-3	Incidents of non-compliance concerning marketing communications	Our Products: Responsible Labelling/Advertising	26

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