



**ENVICTUS INTERNATIONAL HOLDINGS LIMITED**

**SUSTAINABILITY REPORT 2020**

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## BOARD STATEMENT

The Board of Directors (the “Board”) is committed to build the sustainability of the Envictus International Holdings Limited and its subsidiaries (the “Group”). Sustainability considerations, including economic, environmental, social and governance (“EESG”) issues, are integral and essential matters which we take into account in our formulation of the overall strategy for the Group. We are fully supportive of all efforts by the management team to make improvements in this area.

The Group’s long-term sustainability is a key priority for the Board and as efforts in this respect depend on the management team’s implementation and operational abilities. The Board has made it clear that our evaluation of their performance takes their effectiveness in delivering on the commitments made to sustainability initiatives and targets in this report into account.

The Board is committed to being transparent, clear and open about the businesses to its shareholders and other stakeholders. The disclosures made in this report and in the Group’s annual report are in line with this commitment. In this report, we have discussed the Group’s efforts to continue building on and strengthening the Group’s collaboration with business partners to drive positive economic, environmental, and social impact throughout its value chain with good governance.

The Board has assigned responsibility for overseeing the Group’s sustainability initiatives and the preparation of this sustainability report to the management team and head of the department respectively. We will continue our efforts on this front to further enhance the Group’s sustainability.

Published date: 25 February 2021

## ABOUT THIS REPORT

Our sustainability report has been prepared in accordance with the SGX-ST Mainboard Listing Rule 711(B), and in reference to the Global Reporting Initiative (“GRI”) Standards, Core option, for the financial year ended 30 September 2020, which highlights the Group’s commitment to undertaking business responsibly and sustainably. We have chosen to report using the GRI Standards because it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures. Moreover, the structured framework promotes reporting a full and balanced picture of the Group’s material matters and the management of its impact. This report represents the industry practice for tracking performance on a range of economic, environmental, social and governance indicators.

The scope of the inaugural sustainability statement covers material issues arising from the daily business operations of Food Services (Texas Chicken and San Francisco Coffee), Trading and Frozen Food (Pok Brothers) and Food Processing (Gourmessa and De-luxe Food Services) Divisions in Malaysia. It does not include Dairies Division in Malaysia as the factory was only completed on 15 September 2020 and still awaiting for halal certification.

The statement offers an overview of the sustainability approach and initiatives made by the Group on how it creates economic value, protects the environment and pursues social development in the food and beverage sector.

Given that this is the Group’s sustainability statement, the data collection remains limited to selected economic, environment, social and governance indicators that contribute to the sustainable development of the Group and are of interest to its internal and external stakeholders. The information and data disclosed in this statement were derived from internal reporting processes, systems, and records. While the report has not undergone full external assurance, due care was taken into the disclosure of the information presented here.

The electric edition of this report is available at: [www.envictus-intl.com](http://www.envictus-intl.com)

# SUSTAINABILITY APPROACH

## (A) SUSTAINABLE DEVELOPMENT STRATEGY

The Group strives to support economic growth that benefits every level of society while minimising any adverse environmental and social impacts arising from its daily business operations guided by a long-term strategy comprising 3 main aspects:-

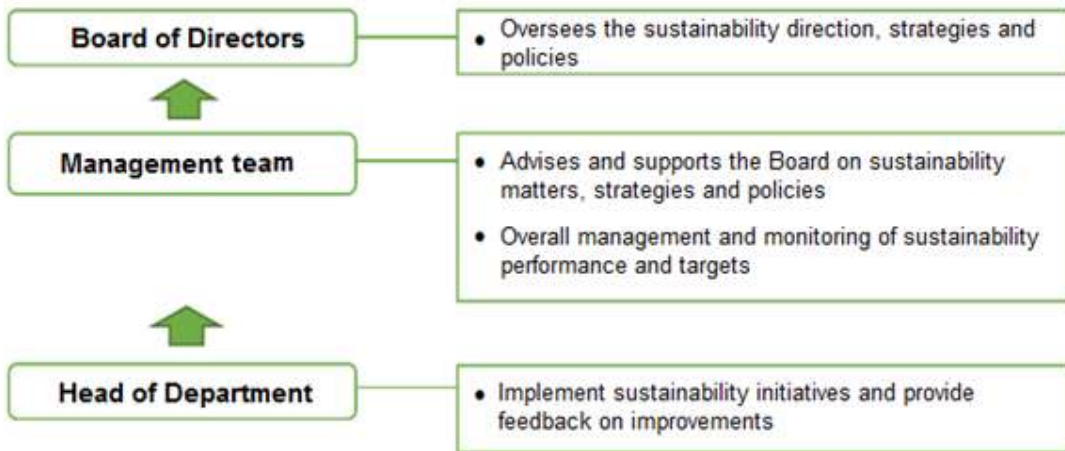
	<p><b>Environmental Sustainability</b></p> <p>Striving towards reducing the Company’s environmental footprint by improving on the efficiency of resources and supporting conservation efforts.</p>
	<p><b>Social Sustainability</b></p> <p>Dealing with customers and the public according to good market practices and regulatory requirements, conducive workplace practices, and community engagement through a variety of initiatives involving the Company’s monetary and non-monetary resources.</p>
	<p><b>Economic Sustainability</b></p> <p>Creation of long-term value for shareholders and added value for all the Company’s stakeholders.</p>

# SUSTAINABILITY APPROACH (CONTINUED)

## (B) SUSTAINABILITY GOVERNANCE

Sustainability governance is one of the core elements that govern the sustainable development of the Group’s businesses. The Group strives to maintain a high standard of governance and firmly believes in accountability and transparency to maximise economic, environmental and social returns to all its stakeholders. The core responsibilities of the governance structure rest on the Board comprising professionals from a wide range of business experience and expertise. Through focused committees and commitment to adopting best practices, the Board is committed to maintaining sound internal controls and effective risks management to enhance transparency, accountability, integrity, and honesty to earn the trust of its stakeholders. The Board views the commitment to promote sustainability strategies in the economic, environmental and social aspects as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

### Sustainability Governance Structure






# STAKEHOLDER ENGAGEMENT

The Group operates under the framework of sustainable development, taking into account the importance of the rights to be respected and fairness to be upheld for all stakeholders. As a code of practice for all units and for employees of all levels, the Group has established guidelines for appropriate stakeholder engagement, with an emphasis on continuously promoting creative engagement with all stakeholders through various activities and communication channels where various demands, opinions, concerns, and suggestions may be voiced.

For each group of stakeholders, the frequency of communication varies according to the Group's operation plans. Therefore, the information received is useful in helping determine the strategy, direction, planning, and guidelines for business sustainability development.





## STAKEHOLDER ENGAGEMENT (CONTINUED)

STAKEHOLDERS GROUPS	ISSUES OF STAKEHOLDER INTEREST AND CONCERN	METHODS OF ENGAGEMENT	FREQUENCY OF ENGAGEMENT
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>• Food safety and hygiene at all outlets</li> <li>• Customer service and product quality</li> <li>• Transparency in business operations</li> <li>• Sustaining growing customer brand loyalty</li> </ul>	<ul style="list-style-type: none"> <li>• Timely response to feedback received across all channels</li> <li>• Dedicated Customer Services Team to effectively manage customer relations and feedback</li> <li>• In-house training for staff</li> </ul>	<ul style="list-style-type: none"> <li>• Daily</li> <li>• Daily</li> <li>• On going</li> </ul>
 <p><b>Investors</b></p>	<ul style="list-style-type: none"> <li>• Transparency in information disclosure</li> <li>• Business performance</li> <li>• Disclosure of relevant business information to shareholders and investors</li> <li>• Product management and development</li> </ul>	<ul style="list-style-type: none"> <li>• Results announcement</li> <li>• Annual General Meeting (AGM)</li> <li>• Annual reports</li> <li>• Website at <a href="http://www.envictus-intl.com">www.envictus-intl.com</a></li> </ul>	<ul style="list-style-type: none"> <li>• Half-yearly</li> <li>• Annually</li> <li>• Annually</li> <li>• On going</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>• Consistent engagement in an area such as remuneration, training, development and career advancement opportunities</li> <li>• Adequate training on food hygiene and workplace safety</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive training including on the job training</li> <li>• Offering incentives and recognition for sustainability achievement</li> <li>• Induction and orientation programs</li> <li>• Yearly appraisal for increment and promotion</li> </ul>	<ul style="list-style-type: none"> <li>• On going</li> <li>• On going</li> <li>• As required</li> <li>• Yearly</li> </ul>



## STAKEHOLDER ENGAGEMENT (CONTINUED)

STAKEHOLDERS GROUPS	ISSUES OF STAKEHOLDER INTEREST AND CONCERN	METHODS OF ENGAGEMENT	FREQUENCY OF ENGAGEMENT
 <p><b>Suppliers</b></p>	<ul style="list-style-type: none"> <li>• Receipt of timely payments</li> <li>• Social and environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Robust procurement system</li> <li>• Correspondence through calls and emails</li> </ul>	<ul style="list-style-type: none"> <li>• On going</li> <li>• On going</li> </ul>
 <p><b>Regulators</b></p>	<ul style="list-style-type: none"> <li>• Comply with applicable regulations, laws and food safety standards set by the authorities</li> <li>• Compliance with the customer requirement and the export regulation especially for the export market.</li> </ul>	<ul style="list-style-type: none"> <li>• Site visits</li> <li>• Implementation of daily inspection through checklists by admin staff</li> <li>• Mandatory training to raise awareness of requirements and to ensure compliance</li> <li>• Renew the certificate before expired</li> <li>• Audit checks</li> </ul>	<ul style="list-style-type: none"> <li>• As required</li> <li>• On going</li> <li>• Yearly</li> <li>• Yearly</li> <li>• On required</li> </ul>

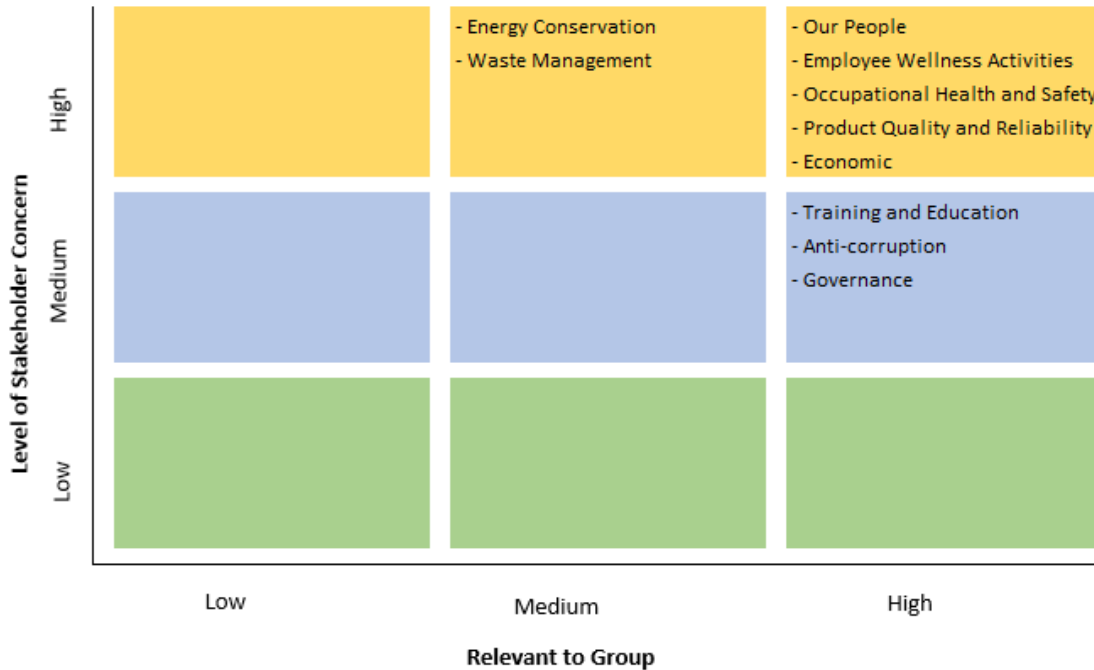
# MATERIALITY ASSESSMENT

The Group is committed to creating long-term value for the stakeholders. The sustainability strategy is to assess and manage the most material economic, environmental, social and governance impacts, risks and opportunities arising from the business operations to support the sustainable growth of the business.

Materiality assessment is essential to the sustainability strategy. We performed a peer benchmarking assessment of sustainability-related disclosures to generate a list of potential material matters. Subsequently, each business and department head deliberated and prioritised on the most material sustainability matters.

The sustainability focus areas identified as integral to our business are outlined in the table on the next page.

## The Group’s Materiality Matrix



# SUSTAINABILITY FOCUS AREAS

SUSTAINABILITY FOCUS AREA	MATERIAL FACTORS	MAPPED GRI TOPICS
<b>Environment</b>	Energy Conservation	Energy
	Waste Management	Effluents and Waste
<b>Social</b>	Our People	Employment
	Employee Wellness Activities	Employment
	Training and Education	Training and Education
	Occupational Health and Safety	Occupational Health and Safety
<b>Economic</b>	Product Quality and Reliability	Customer Health and Safety
	Economic Performance	Economic performance
	Anti-corruption	Anti-corruption
<b>Governance</b>	Governance	Governance

# ENVIRONMENT

## (i) ENERGY CONSERVATION

Energy conservation plays an important role in the environment, the ways of utilisation of non-renewable resources would also impact the environment. Conservation of electrical energy can help to lessen pollution hence the Group has taken the necessary steps to reduce it.

### Pok Brothers

Our Energy Conservation Management Initiative:

- Relocation of manufacturing plant: Relocation from Glenmarie to Pulau Indah has contributed the energy saving approximately 830,590 Kwh in energy saving in FY2020 compared to FY2019. However, overall energy consumption in Pulau Indah has slightly increase due to additional of cold rooms.
- Replacement with LED lights: Part of the factory has been replaced with energy-saving light such as LED to lower the heating and cooling costs.
- Operations and maintenance: Perform preventive maintenance in plant to identify for any potential issues and correct it promptly for efficiently and energy saving.

Perpetual Target	Performance for Financial Year (“FY”) 2020
Continue to replace current lights to LED lights. Targeted to complete all by 2021.	First phase completed in 2019 - Cold Room lights have been replaced with LED lights.  Second phase – 75% completed in office areas

### Gourmessa

Gourmessa has engaged in electricity conservation to reduce energy consumption. It has shutdown unnecessary usage of electrical appliance in the building in order to reduce electrical consumption. Management also provide a clear definition of energy efficiency to educate production employee do not operate heavy duty machines at the same time such as ovens and cold rooms that consume high energy to reduce energy by controlling on the maximum electrical charges from Tenaga Nasional Berhad.

In addition, Gourmessa has also control production cooling system which is the Air Handling Unit (“AHU”). Prior to the implementation of the controlling process, AHU has been operated for 24 hours and now it decided to switch off AHU after production hour and switch on in the next day production. This has resulted a saving in electrical consumption by 10% as compared to previous FY.

(i) ENERGY CONSERVATION (CONTINUED)

**Gourmessa (Continued)**

Perpetual Target	Performance for FY2020
Monitoring on the maximum electrical charges from time to time to make sure production follow the Standard Operating Procedures (“SOPs”) given and control on the unnecessary electrical appliance usage.	It performs well and smoothly and save energy accordingly to the electrical SOPs given and on another electrical appliance which has saved energy by 10% or RM113,000.

**Texas Chicken (Malaysia)**

Restaurants are energy-intensive and operate in long hours, Texas Chicken restaurants in Malaysia are equipped with LED lighting to reduce power consumption by approximately 50%.

Perpetual Target	Performance for FY2020
Continue to use LED lighting for the new opening outlets to reduce power consumption.	The amount of cost saving of 74 stores is RM222,000 as compared to saving of RM195,000 for 57 stores in FY2019.

(ii) WASTE MANAGEMENT

We believe proper waste management is essential to develop a nationwide long-term strategy for environmental protection. We also believe it is our responsibility to contribute to this agenda and help promote Malaysia’s Green Technology Master Plan. This has been actively promoted and implemented by the Ministry of Energy, Science, Technology, Environment and Climate Change (“MESTECC”).

We are determined to conduct our business in a responsible manner and aim to reduce the waste generated. We engage with responsible and ethical waste management contractors to ensure proper collection and disposal of the waste generated according to the Department of Energy and a recycle management contractor for all the recycle items.

**Pok Brothers**

In an effort to become more sustainable, we are taking appropriate measures to make our premises more eco-friendly with the 3”R” principles.

The success of 3R program could be used to convince stakeholders involved in waste management about the overall benefits of recycling and its influences on social and environment sustainability for promoting and strengthening recycling activities within the organisation.

(ii) WASTE MANAGEMENT (CONTINUED)

**Pok Brothers (Continued)**



**REDUCE** the use of single-use Plastic Bags.

Selangor Government initiatives to reduce the use of Single Use Plastic have created awareness among our customers. Customers are using reusable bag and carton boxes for their purchases.



**REUSE** packaging materials and plastic pallets in our warehouse.

By reusing, we can reduce solid waste disposal and the cost of purchasing packing materials.



**RECYCLE** wooden pallets, broken pallets and other packaging materials to minimize solid waste.

Perpetual Target	Performance for FY2020
Reduce solid waste collection by separation of recycle packaging material	Reduced solid waste collection by 189 trips (363 trips in FY2020 compared to 174 trips in FY2019)
Generate income to company through recyclables materials	Approximately RM3,099 has been collected from the recycle materials

This year, we had generated a total of 3.9 tons of waste in the form of paper, cardboard, metal and plastic. While we acknowledge that more than 58% of waste generated are carton boxes from incoming shipment. Even though the consumption of papers in the office are not many, we strive to reduce our paper consumption by promoting digital reporting of documents and reports in the near future.

With the reduction in solid waste, we have a saving in waste disposal expenses. We have recorded a saving of RM27,000 in waste disposal services in FY2020 compared to FY2019.

(ii) WASTE MANAGEMENT (CONTINUED)

**Gourmessa**

Food Technologist Department helps to develop healthy, halal and safe for human consumption in Gourmessa. It need to ensure and control the cleanliness of operation area, machines, equipment and personal hygiene of operator including the visitor, contractor and servicer. Hygiene and cost savings can be carried out in tandem without neglecting any of them.

Gourmessa continues the waste management process on the solid waste to turn trash into cash.

<b>Perpetual Target</b>	<b>Performance for FY2020</b>
Reduce the cost and cut the solid waste generation by purchase disposable isolation gowning to reusable gowning.	Changed of disposable isolation gowning to reusable gowning for visitors, contractors and services during entering production side.  The cost saving for year one is about 60.9%.
Dry waste (e.g. plastic, cardboard, metal, wood and stainless steel) from facilities production are sorted and sell to recycling centre	Total amount earned from January 2020 until November 2020 approximately RM2,500. This is an ongoing project.

**De-luxe Food Services**

Our Waste Management Initiatives:

- Food waste recycling: food waste is recycled into animal feed instead of sending directly to the landfill. The objective is to reduce food wastage below limit line of 3%.
- Carton waste recycling: carton waste is originated from the finished goods packaging from various sources, eg: damage carton from the line or the warehouse. The objective is to reduce carton waste recycling below limit line of 1.20%.
- Plastic waste recycling: plastic waste is originated from production line processes. We aim to reduce plastic waste recycling below limit line of 1.80%.

<b>Perpetual Target</b>	<b>Performance for FY2020</b>
To reduce food wastage below limit line of 3%	Food waste increased by 0.71% due to the Movement Control Order (“MCO”) implemented from March 2020 to May 2020 which contributed a lower total loss in output of approximately 202 ton from 737 ton in the preceding year, resulted overall FY2020 ton contribution lower than FY2019.  Overall, the food wastage was still below the limit line of 3%.

(ii) WASTE MANAGEMENT (CONTINUED)

**De-luxe Food Services (Continued)**

<b>Perpetual Target</b>	<b>Performance for FY2020</b>
To reduce cartons waste recycle below limit line of 1.20%	Carton waste recycle slightly higher by 0.54% compared to FY2019. This was due to MCO, the production had repack and relabel finished good into smaller portion for hotel and home assortment.  Overall, the cartons recycle still below the limit line of 1.20%.
To reduce plastic waste recycle below limit line of 1.80%	Plastic waste recycle slightly higher by 0.25% compared to FY2019. This was due to the use of blue sheet plastic for traying and freezing in the production.  Overall, the plastic recycle still below the limit line of 1.80%.

**Texas Chicken (Malaysia)**

Our Waste Management Initiatives:

- Forest Stewardship Council (“FSC”) - certified paper packaging: Our boxes and paper cups are made from FSC. This means that the paper has been sourced in an environmentally-friendly, socially responsible and economically viable manner. FSC-certified products go through a “chain of custody” from the forest to the manufacturer to the merchant and finally to the printer.

It also requires a “management plan” that outlines the scale and intensity of logging and renewal operations, in addition to long-term objectives for maintaining the health of the forest.

During the financial year, we have purchased 32.2 million (FY2019: 30.8million pieces) pieces of FSC - certified packaging for our restaurants nationwide.

- Roundtable on Sustainable Palm Oil (“RSPO”) - certified palm oil: The palm oil that we use for frying at restaurants is RSPO – certified. This means that the palm oil producer complies with good agricultural, social and environmental practice, as dictated by the RSPO. During the financial year, our restaurants nationwide used 798,000 kg (FY2019: 690,000 kg) of RSPO certified palm oil.
- Biodegradable plastic bags: We give out biodegradable plastic bags instead of regular plastic bags at our restaurants in the Federal Territories. Biodegradable plastics are proven to be more environmentally-friendly, as they are able to breakdown more quickly when exposed to the elements. During the financial year, we have given out 1.7million (FY2019: 1.1million pieces) pieces of biodegradable plastic bags at our restaurants in Federal Territories. The management aims to extend the usage of biodegradable plastic bags to our stores in other states in the year 2022.



## (ii) WASTE MANAGEMENT (CONTINUED)

**Texas Chicken (Malaysia) (Continued)**

Our Waste Management Initiatives (Continued):

- Straws Upon Request Campaign – roll out the “straws upon request” campaign at all the restaurants in Klang Valley effective January 2019 in support of the government’s initiative in reducing plastic waste. During the financial year, our restaurants have reduced the usage of plastic straws by 40% compared to the usage in FY2019, despite the number of restaurants in FY2020 has increased by 30% compared to the previous financial year.

**San Francisco Coffee**

Our Waste Management Initiatives:

*Continued effort from FY2019:-*

- Focus on Recyclable and Biodegradable products: Adoption of biodegradable bags, recyclable cups, recycling milk cartons, paper and plastic behind the counter.

No plastics: Further elimination of plastic single-use items like stirrers and straws to be replaced with wooden and/or biodegradable items and paper-based materials for packaging items like cake boxes, sandwich boxes and takeaway boxes.

No plastic straws: No plastic straws are given out in the store unless requested by customers started from January 2019. We target zero usage of plastic straws and convert them to biodegradable straws in FY2020.

- Bring your own tumbler: RM2 discounts for customers who bring their own tumbler to encourage customers to cut down the usage of paper cup and plastic cups.
- Grounds for gardening: Every store to separate and put aside coffee grounds daily. The grounds are packed in 2kg bags and given to interested customers for recycle used purposes.

*In FY2020:-*

- 4000 pcs of new merchandise tumblers were introduced to solidify our efforts in encouraging tumbler use over takeaway cups, further reducing usage of paper and plastic cups.
- SF Coffee app was launched with the functions of e-wallet and loyalty program. This is to reduce printing production of San Francisco Coffee Best Customer Card (BCC), a physical loyalty stamp card. By introducing the app, we will be phasing out the use of 60,000 pcs of paper-based BCC. In addition, it also contributes towards SFC’s CRM programme.

## (ii) WASTE MANAGEMENT (CONTINUED)

**San Francisco Coffee**

<b>Perpetual Target</b>	<b>Performance for FY2020</b>
Zero use of paper-based loyalty card	Ceased the use of paper-based loyalty card in FY2021. (FY2020: 60,000 pieces of loyalty card were used).
Zero use of normal plastic bags	The objective were achieved from FY2019 to FY2020 which was to cease the usage of plastic bags.
Zero use of plastic straws	Ceased the use of plastic straws were achieved in FY2020. Zero compared to 20,700 pieces in FY2019.

# SOCIAL

## (i) OUR PEOPLE

Our people are the key driving force behind our successes and achievements. The Group's total staff count was approximately 2,200 in Malaysia (FY2019: 2,500 in Malaysia, New Zealand and Indonesia). To attract and retain our employees, we provide an equitable and market competitive salary with the inclusion of an attractive benefits package.

It also complies with the local statutory requirements on salary and benefits such as minimum wage order, employees' provident fund, employees' social security and leave provision. Employees are also provided personal accident insurance coverage, hospitalization, and surgical insurance coverage and medical benefits for outpatient treatment.

Employee engagement is the emotional commitment of the employee toward an organization and its goals. Hence we are actively engaging with employees through various channels. Regular communication sessions are held by senior management to encourage an effective flow of information and also to strike a balance with the business goals and objectives through all levels in the organisation.

During the Coronavirus ("Covid-19") pandemic, additional measures have been taken to ensure our employees' health and safety and to create a safe working environment for all employees. These measures include the following:

1. Temperature screening and recording at the office.
2. Ensuring check-in and check-out for anyone visiting the office premise, including visitors.
3. Providing hand sanitisers in the office for employees; and
4. Adopting and encouraging interaction through visual communication platform, such as Microsoft Team or Zoom.

## (ii) EMPLOYEE WELLES ACTIVITIES

### **San Francisco Coffee**

In FY2020, San Francisco Coffee organized the 1st managers' summit which was attended by 67 managers from the outlets and the head office. Various awards such as, Top 5 Best Sales Performing Outlets, Top 5 Best Customer Service Outlets and among others were given out in recognition of multiple performances. There were activities conducted in the summit as well. The objective was to allow the team to get to know each other better and motivate them to be a good team player.

## (ii) EMPLOYEE WELLES ACTIVITIES (CONTINUED)

**San Francisco Coffee (Continued)*****Managers' Summit Program***

## (iii) TRAINING AND EDUCATION

All employees undergo on-the-job training in the course of their job. The Group offer various career development programs that enable our employees to enhance their skills and capabilities to meet the changing needs of the business. External trainings are provided for crew members on an ad-hoc basis, as and if it is required.

**Texas Chicken (Malaysia)**

Texas Chicken (Malaysia)'s employee development programmes "Manager-In-Training" ("MIT") provide learning opportunities which is design to equip them with the relevant operational knowledge and management skills to run the restaurant. An estimated training hours of 18,100 were spent in this program. There were 43 trainees graduated from MIT program and 6 assistant managers were graduated from the 'Leading A Great Restaurant' program. For the previous financial year, 36,800 training hours were spent and 92 trainees were graduated.

Among the training and development courses conducted are the Shift Leader Program, Customer Service and Hospitality Class, Station Training and Food Safety Training. An estimate training hours of 3,456 were spend in this program. There were 14 staff have been promoted to Team Trainers and 4 staff have been promoted to Shift Leaders in FY2020. For the previous financial year, 4,608 training hours were spend and 24 staff were promoted to Shift Leaders.



We continuously invest in the training and development needs of our people to enable them to achieve their full potential and hone their leadership skills to grow in their careers.

(iii) TRAINING AND EDUCATION (CONTINUED)

**Gourmessa**

Production operators play a critical role in ensuring food safety, quality and halal meet as per customer requirement. Food safety, quality and halal training is positively associated with self-reported changes in work practices and helps to improve overall employee knowledge of food safety, quality and halal.

Gourmessa increase their staff awareness on food safety, halal and quality by annual training given. The training plans are including new staff with orientation program, existing staff with awareness training and advance training (internal audit) for the executive and management level.

Gourmessa also practice in house training modules to refresh workers and spread issues/bulletins of Good Food Safety & Quality Knowledge. The employees were exposed with the current issue including government regulation, customer demand, complains etc.

Perpetual Target	Performance for FY2020
Increase the concern and awareness on food safety, halal and quality of products that can meet government regulation and consumers standard.	Proper training plan for the whole year 2020 which covers the food safety, quality and halal training.
To gain customers trust by following government regulations and standards, apply and maintain to meet the requirements for each certification.	Gourmessa was completed its relocation of its factory to Pulau Indah in March 2020. It was certified HALAL and in the audit process for Veterinary Health Mark certification by the Department of Veterinary Services. The audit date was postponed due to Conditional MCO because of Covid-19 pandemic.

(iv) OCCUPATIONAL HEALTH AND SAFETY

Our employees’ health and safety (“H&S”) are of paramount importance. We recognize that a workplace free of occupational health and safety hazards is essential in enhancing the quality of our products.

(iv) OCCUPATIONAL HEALTH AND SAFETY (CONTINUED)

**Pok Brothers**

Due to the ongoing Covid-19 pandemic globally and locally, Pok Brothers management health and safety team has taken extra measure to ensure the safety of its employees. This includes updating employees of current situations, strictly follows the SOPs set by the government, frequently briefing on the SOPs to employees, regular disinfection and monitoring of employees.

We continuously drive the behaviour of employees to ensure safety culture led to the zero accidents and injury for the current year.

No First Aid treatment and No Medical Treatment Injury. We are pleased with this progress as there's no reports of loss time injury (LTI), disability or fatality. We shall continue the momentum going to ensure employees, visitors and contractors safety are well take care.

<b>Perpetual Target</b>	<b>Performance for FY2020</b>
Total recordable injury frequency rate ("TRIFR") - <2	Zero case – In house First aid treatment Zero case - MTI
Work-related fatalities (staff, contractors, on-site public) – Zero harm	No LTI or Fatality in 2020
Number of serious harm injuries – Zero harm	No Serious injuries in 2020

**Gourmessa**

In Malaysia, coronavirus cases have risen since October 2020 and the rate of infection is still increasing.

In an effort to prevent the spread of coronavirus, we follow strictly and comply with Majlis Keselamatan Negara ("MKN") workplace SOPs. Gourmessa is registered with MySejahtera application. All employees, suppliers, contractors and visitors are required to go through the body temperature measurement and scan the MySejahtera QR code to register their entry before entering the company.

To combat the spread of the virus, the employees need to be aware about the potential impact on the organization and what employees can do to protect themselves. Communication sessions and safety briefings are conducted to increase the employees' awareness of control and prevention of the virus.

(iv) OCCUPATIONAL HEALTH AND SAFETY (CONTINUED)

**Gourmessa (Continued)**

We encouraged employees to wear a facemask and regularly sanitize or wash their hands with soap and water and avoid touching their mouth, eyes and nose. We sanitized all frequently touch surfaces in the workplace and carry out the disinfection at the workplace and the foreign workers’ rental house. We maintain physical distancing. Employees are required to fill up the self- declaration form for Covid-19, employees that have acute respiratory illness stay home and seek for doctor’s advice. We reduced workforce, work from home, avoid travelling and encourage employees avoiding crowds.

With all employee effort, we are pleased to report zero Covid-19 cases at our workplace as at November 2020.

**Safety and Health Policy in Gourmessa**

<p><b>OCCUPATIONAL SAFETY, HEALTH &amp; ENVIRONMENT</b></p> <ul style="list-style-type: none"> <li>➤ Comply with applicable National and International Safety and Environmental Laws and Regulations.</li> <li>➤ Create and maintain a safe and secure work environment by instilling awareness and responsibility in our employees, contractors and visitors to safeguard their health and to prevent incidental injuries.</li> <li>➤ Maintain systems and procedures to minimise the impact of operations on the environment and prevent pollution.</li> </ul> <p>Encourage our business partners to adopt a food safety, occupational safety, health and environmental policy of equivalent standard.</p> <p>This policy shall be kept at strategic locations and communicated to all employees and interested parties.</p>
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Besides, various audits such as correct SOPs for food handling, food quality, quantity product produce and time management are conducted across departments to ensure that is not only compliant with legal requirements but also match up to industry best practices to produce the best quality of products for our customer satisfaction. Safety and health standard operating procedures have been created to ensure all employee is responsible to follow the requirement of safety rules and safety policy are met all times.

We have achieved performance for FY2020 with no serious accidents that have been recorded in all departments in Gourmessa. Moving forward, we will continue to achieve the best performance for safety and health.

Perpetual Target	Performance for FY2020
To control and prevent the risk of infection of the coronavirus disease. To promote a safe workplace.	Zero Covid-19 cases at our workplace.

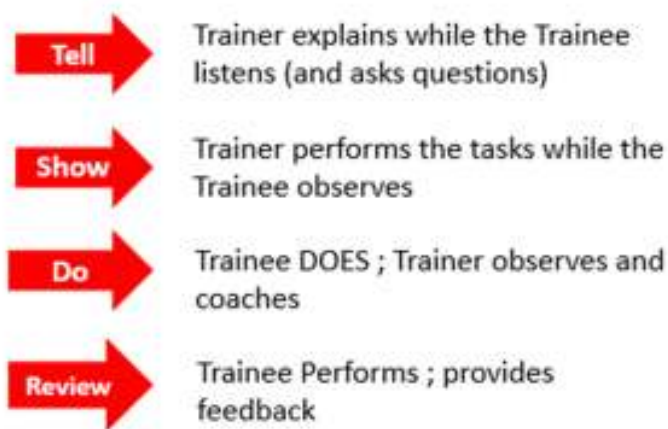
(iv) OCCUPATIONAL HEALTH AND SAFETY (CONTINUED)

**Texas Chicken (Malaysia)**

Under Texas Chicken (Malaysia)'s 'Pathway To Excellence' program, all employees are required to be fully trained in the following mandatory categories:

<b>Orientation</b>	Typhoid Jab, Uniform, Hygiene, etc
<b>Food Safety</b>	Handwashing, Temperatures, Storage, Cooking, etc
<b>Cleaning and Sanitation</b>	Cleaning equipment and detergents, correct cleaning procedures, etc
<b>Safety and Security</b>	Personal Security, Robbery Procedures, Restaurant opening and closing procedures, etc

Employees are trained by certified trainers using the Four Steps Learning Process:



**De-luxe Food Services**

De-luxe Food Services emphasises on the importance of creating a workplace that is safe, secure and free from harassment, intimidation, threats and violence. Measures are in place to prioritise safety and provide a working environment which is free from accidents.

As per our engagement with employees:

- All employees undergo a series of in-house training modules and Internal Training modules to equip staff with basic knowledge in food hygiene and workplace safety before commencement of work
- Conduct performance evaluations and give rewards for exemplary performance
- Conduct focus groups with employees via company-wide engagement survey to gather employee feedback
- Review meetings with supervisors and managers across divisions








(v) PRODUCT QUALITY AND RELIABILITY

**Gourmessa**

We work to rigorous standards to ensure nothing but the best reach our clientele. Gourmessa is guided by a quality assurance manual that incorporates HALAL, HACCP and we are audited annually to ensure that we meet regulatory requirements. We also maintain a quality assurance process in which products are inspected to ensure only the highest standard of meats are produced. Detailed monitoring and documentation are carried out for goods received, process monitoring, dispatch, product traceability, and hygiene.

**Summary of Certification/License/Approval**



LOCATION/ APPROVED PLANT	CERTIFICATE/LICENCE/APPROVAL	AUTHORIZED BODY
PLANT AT GLENMARIE	<p><b>HACCP</b> </p> <p>(Hazard Analysis and Critical Control Point)</p>	FOOD SAFETY & QUALITY DIVISION, MINISTRY OF HEALTH ( <b>MOH</b> )
	<p><b>MeSTI</b> </p> <p>(Makanan Sihat Tanggungjawab Industry)</p>	FOOD SAFETY & QUALITY DIVISION, MINISTRY OF HEALTH ( <b>MOH</b> )
	<p><b>HALAL</b> </p>	JABATAN AGAMA ISLAM SELANGOR( <b>JAIS</b> )/JABATAN KEMAJUAN ISLAM MALAYSIA ( <b>JAKIM</b> )
	<p><b>VHM</b> </p> <p>(Veterinary Health Mark)</p>	DEPARTMENT OF VETERINARY SERVICES ( <b>DVS</b> )
	<p><b>AVA approval</b></p> <p>Agri-Food and Veterinary of Singapore</p>	AGRI-FOOD and VETERINARY OF SINGAPORE ( <b>AVA</b> )
PLANT AT PULAU INDAH	<p><b>MANUFACTURING LICENCE</b></p>	MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY OF MALAYSIA ( <b>MITI</b> )
	<p><b>HALAL</b> </p>	JABATAN AGAMA ISLAM SELANGOR( <b>JAIS</b> )/JABATAN KEMAJUAN ISLAM MALAYSIA ( <b>JAKIM</b> )

(v) PRODUCT QUALITY AND RELIABILITY (CONTINUED)

**De-luxe Food Services**

De-Luxe Food Services is a manufacturer of premium frozen bakery products. We currently market our products to hotels, restaurants, cruise ships, bakeries, international restaurant chains, off-shore rigs and airlines. As an ISO, HACCP (Hazard Analysis and Critical Control Point) and Halal certified company, it is certain that our products and services are safe, reliable and of excellent quality.

**Summary of Certification/License/Approval**

CERTIFICATE/LICENCE/APPROVAL	AUTHORIZED BODY
<b>MANUFACTURING LICENCE</b>	MINISTRY OF INTERNATIONAL TRADE AND INDUSTRY OF MALAYSIA ( <b>MITI</b> )
<b>HALAL</b> 	JABATAN AGAMA ISLAM SELANGOR(JAIS)/JABATAN KEMAJUAN ISLAM MALAYSIA ( <b>JAKIM</b> )
<b>HACCP</b>  (Hazard Analysis and Critical Control Point)	FOOD SAFETY & QUALITY DIVISION, MINISTRY OF HEALTH ( <b>MOH</b> )
<b>ISO 22000: 2018</b>	FOOD SAFETY MANAGEMENT SYSTEM
<b>(FSSC) 22000</b> (Food Safety System Certification)	SGS UNITED KINGDOM LTD

In addition to continuously improving product quality, De-luxe Food Services is supplying its products from the factory to the customer premises by providing necessary advice for suitable equipment to be used and to help boost the business to their customers. These equipment include an oven, freezer, trolley and warmer.

To enhance customer satisfaction, we conduct surveys to further assess our products and services to sustain our business.

**Texas Chicken (Malaysia)**

As a testament to its commitment towards ensuring the best practices and creating a conducive work environment where its employees can thrive in, Texas Chicken (Malaysia) received the following five recognitions for its quality performance throughout all restaurants in the region during the FY2020:-

## (v) PRODUCT QUALITY AND RELIABILITY (CONTINUED)

**Texas Chicken (Malaysia) (Continued)**

## (i) Putra Brand Awards 2020

The Putra Brand Awards, organised by the Association of Accredited Advertising Agents Malaysia, celebrated its 11<sup>th</sup> edition by presenting 135 awards in 23 categories to 132 of Malaysians' favourite brands.

Texas Chicken Malaysia received a Silver award in the Restaurants & Fast Food Category from Putra Brand Awards 2020.



***Putra Brand Awards 2020 – Silver award on Restaurants & Fast Food Category***

## (v) PRODUCT QUALITY AND RELIABILITY (CONTINUED)

**Texas Chicken (Malaysia) (Continued)**

## (ii) Graduates Choice Awards 2020/2021

Texas Chicken Malaysia has been voted as one of the “Top 5 Most Attractive Graduate Employers To Work For” in the Fast Food Chain category of the Graduates’ Choice Award 2021.

The Graduates’ Choice Award recognises outstanding organisations that demonstrate exceptional employer branding within Universities across Malaysia, and the winners are voted by university students in the country.



*Graduates Choice Awards 2020/2021 – Top 5 in the Fast Food Chain category*

## (v) PRODUCT QUALITY AND RELIABILITY (CONTINUED)

**Texas Chicken (Malaysia) (Continued)**

## (iii) Texas Chicken's International Virtual Summit 2020

- *Developer of the Year 2019 Awards* - Presented to Envictus International in recognition of the company's efforts in building a record number of new restaurants in Malaysia in 2019.
- *Highest Volume New Restaurant Opening of the Year 2019* – Presented to Envictus International for recording the highest opening day visits at the Taman Canning, Ipoh outlet in August 2019.
- *Service, Teamwork, Attitude, Respect (S.T.A.R.) Awards* – The awards given for outstanding results for marketing, operations, development, and fortitude in facing 2020's challenges were one of the highlights throughout the summit. The honorees included franchisees in Bahrain, Iraq, Malaysia, New Zealand, the Olayan Food Division (United Arab Emirates, Oman, Saudi Arabia), Pakistan, Singapore, Thailand and Vietnam.

S.T.A.R. Awards was presented to individuals who exemplified these characteristics. Nurliyana Binti Yeob Ahmad, one of our Restaurant General Manager, was name as one of the winners.



***Texas Chicken's International Virtual Summit 2020***  
***- Developer of the Year 2019 Awards***  
***- Highest Volume New Restaurant Opening of the Year 2019***

# ECONOMIC

## (i) ECONOMIC PERFORMANCE

The Group believes that focus on financial sustainability is critical and we are fully committed to the highest standards of corporate governance. The Group's basic principle is that long-term profitability and shareholders' value is ensured by taking into account the interests of all stakeholders, such as shareholders, employees, suppliers and society as a whole. For detailed financial results, please refer to pages 20 and 21 for our Financial Highlights and pages 59 to 160 for our Financial Statements in our Annual Report 2020.

## (ii) ANTI-CORRUPTION

We do not tolerate corruption in any form. This has been made clear to all of the Group's directors, officers, employees and external suppliers and business partners. Dedicated whistleblowing hotline using email was set up so that anyone wanting to report any business ethics issue can do so confidentially. Any report of corruption will be escalated to the attention of the Audit Committee ("AC"). There have also been no reported incidents of corruption during the reporting period.

## GOVERNANCE

The Board and the Management commit to the best practices of corporate governance to ensure the sustainability of the Group's operations. We believe that the constant drive to upkeep corporate excellence will allow us to establish a more transparent, accountable and equitable system, thereby increasing the value of the Company and the value to our shareholders. Throughout FY2020, we continue to adhere to the principles and guidelines set out in the Code of Corporate Governance 2012. Please refer to the Annual Report 2020 pages 31 to 50 for the details of the Group's Corporate Governance Report.

<b>GRI CONTENT INDEX "IN ACCORDANCE" - CORE</b>		
<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>PAGE NUMBER(S)</b>
<b>GRI 101: Foundation 2016 (GRI 101 does not include any standards)</b>		
<b>General Disclosures</b>		
<b>GRI 102:</b>	<b>Organisational Profile</b>	
<b>General Disclosures 2016</b>		Envictus International Holdings Limited
	102-1 Name of the organisation	Annual Report (AR) 2-5
	102-2 Activities, brands, products, and services	AR 69
	102-3 Location of headquarters	AR 2-5
	102-4 Location of operations	AR 69
	102-5 Ownership and legal form	AR 12-18
	102-6 Markets served	AR 2-5, SR 18
	102-7 Scale of the organisation	AR 18, SR 18
	102-8 Information on employees and other workers	Envictus supports the intent of the Precautionary Principle, but has not expressed a specific commitment.
	102-11 Precautionary principle or approach	
<b>Strategy</b>		
	102-14 Statement from senior decision-maker	SR 2
<b>Ethics and Integrity</b>		
	102-17 Mechanisms for advice and concerns about ethics	AR 31-50
<b>Governance</b>		
	102-18 Governance structure	AR 31-50
<b>Stakeholder Engagement</b>		
	102-40 List of stakeholder groups	SR 6-8
	102-42 Identifying and selecting stakeholder engagement	SR 6-8
	102-43 Approach to stakeholder engagement	SR 6-8
	102-44 Key topics and concerns raised	SR 6-8
<b>Reporting Practice</b>		
	102-45 Entities included in the consolidated financial statements	AR 24
	102-46 Defining report content and topic boundaries	SR 3
	102-47 List of material topics	SR 9-10
	102-50 Reporting period	SR 3
	102-51 Date of most recent report	26 February 2020
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	SR 3
	102-54 Claims of reporting in accordance with the GRI Standards	SR 3
	102-55 GRI content index	SR 31-33



<b>GRI CONTENT INDEX "IN ACCORDANCE" - CORE</b>		
<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>PAGE NUMBER(S)</b>
	<b>Economic performance</b>	
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	AR 20-21
	<b>Anti-corruption</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 29
	103-3 Evaluation of the management approach	SR 29
	<b>Energy</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 11-12
	103-3 Evaluation of the management approach	SR 11-12
<b>GRI 302: Energy 2016</b>	302-4 Reduction of energy consumption	SR 11-12
	<b>Effluents and Waste</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 12-17
	103-3 Evaluation of the management approach	SR 12-17
<b>GRI 306: Effluents and Waste 2016</b>	306-2 Waste by type and disposal method	SR 12-17
	<b>Employment</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 18-19
	103-3 Evaluation of the management approach	SR 18-19
<b>GRI 401: Employment 2016</b>	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR 18-19
	<b>Training and Education</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 19-20
	103-3 Evaluation of the management approach	SR 19-20
<b>GRI 404: Training and Educations 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	SR 19-20
	<b>Customer Health and Safety</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 24-28
	103-3 Evaluation of the management approach	SR 24-28

<b>GRI CONTENT INDEX "IN ACCORDANCE" - CORE</b>		
<b>GRI STANDARD</b>	<b>DISCLOSURE</b>	<b>PAGE NUMBER(S)</b>
	<b>Occupational Health and Safety</b>	
<b>GRI 103: Management approach 2016</b>	103-1 Explanation of the material topic and its boundaries	SR 9-10
	103-2 The management approach and its components	SR 9-10, SR 20-23
	103-3 Evaluation of the management approach	SR 20-23
<b>GRI 403: Occupational Health and Safety 2016</b>	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	SR 21