

Sustainability Report

2020



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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 practicing good strong corporate governance and minimizing 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 specializes in the development and distribution of premium skincare, personal care, nutritional and wellness products.

After listing on the Singapore Exchange in July 2004, Best World has grown in strides to become a key regional player, having entered into 17 markets in Asia, Middle East, Oceania, North America and Europe. We also manufacture and distribute the Aurigen line of supplements in China through drugstores across China.

Best World is a member of the Direct Selling Association of Singapore, the Association of Small and Medium Enterprises, the World Federation of Direct Selling and most of our BWL subsidiaries are members of the direct selling association in the market they operate.

Our Vision

“To be 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 maximizing our shareholders’ value.

The Report

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

The year of 2020 was truly uncharted waters, fraught with uncertainties due to the COVID-19 outbreak. As it is with the circumstances, we had more efforts on the social aspect of ESG this year. The report continues to be based on the existing scope, comprising Singapore and Taiwan operations including activities relating to our Tuas manufacturing facilities. We will work towards expanding the reporting scope to include more entities of the Group in future.

This report covers the Financial Year 2020 (“FY2020”) from 1 January 2020 to 31 December 2020, with Financial Year 2019 (“FY2019”) from 1 January 2019 to 31 December 2019 as the year of comparison.

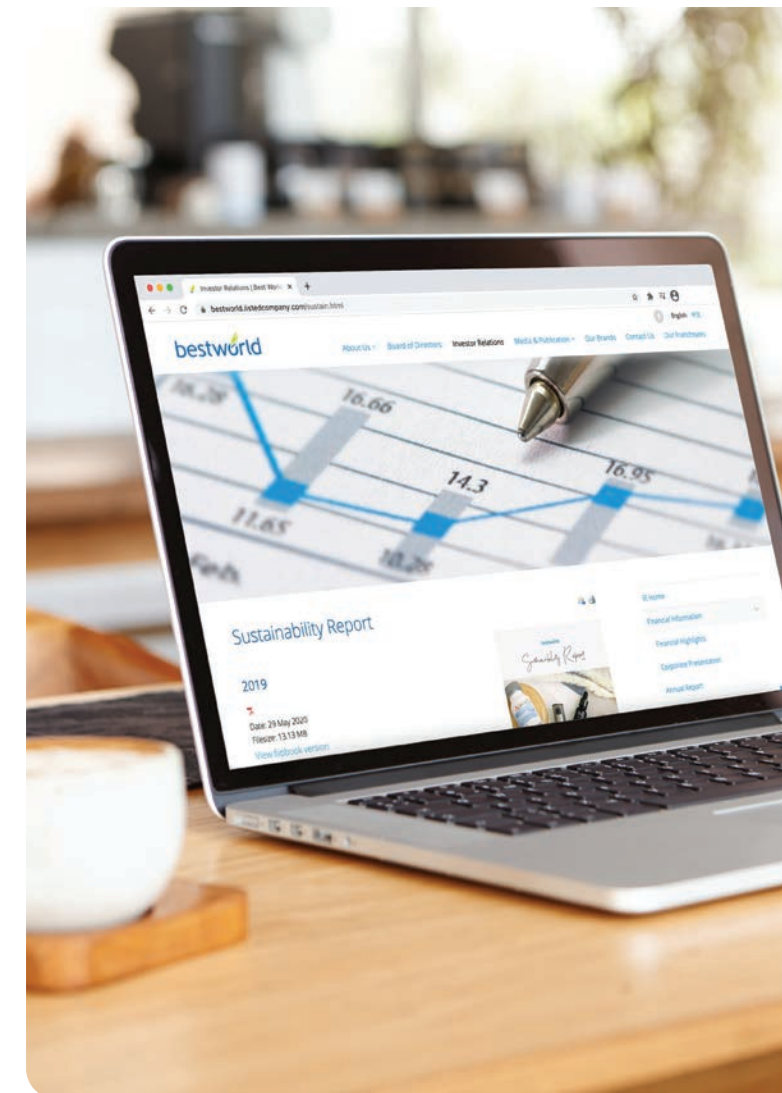
Our report has been drafted in accordance with the internationally recognised framework, Global Reporting Initiatives (‘GRI’) Standards - Core option, and the Singapore Exchange Securities Trading Limited (‘SGX-ST’) Mainboard Listing Rule 711(B).

No external assurance was sought for this report. We will consider doing so for future reports.

Moving forward, Best World shall continue to strengthen our sustainability efforts and report on the related non-financial metrics annually.

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	<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
			Share Investor Forum	
			Investor Relations (“IR”) personnel & engage an IR consultant	
			Attend Regional Investor Relations Non-Deal Roadshows (“NDRs”)	
			Annual General Meeting (AGM)	
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)	<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
			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	
Distributors, Members & Customers	<u>Distributors & Members</u> <ul style="list-style-type: none">• Maximise sales and foster a positive long-term relationship with Best World	<u>Distributors & Members</u> <ul style="list-style-type: none">• Regular and reliable support (to sustain and grow their sales & networks), product effectiveness and efficiency	Trainings (weekly)	<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 social media.• E-commerce platform (mobile applications)• Annual convention held to recognise distributors’ efforts and offer an opportunity to connect all distributors and members from all over the world
	<u>Customers</u> <ul style="list-style-type: none">• Receive products that meet their needs at a competitive price and conveniently	<u>Customers</u> <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	Meetings (daily)	
			BWL Mobile application & Online Shop	
			Social media such as Facebook, Instagram, Wechat, RED 小红书, Weibo and Line	
			Annual Convention	
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)	<ul style="list-style-type: none">• 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	<ul style="list-style-type: none">• Established an active member of the World Federation of Direct Selling Association.• Ethical business practices and contractual obligations.• Encourage main supplier to embark on sustainability journey
			Meetings	
			Email correspondences	

Materiality Assessment

Our initial assessment of Environmental, Social and Governance (“ESG”) matters was done in FY2017. 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:

We intend to revisit our assessment after our manufacturing facilities are completed, which will likely add on to our material factors in areas such as energy consumption and water usage.



STEP 1 - Identification and Selection

A preliminary list of ESG matters were identified and 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 and selected 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 and selected 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 reassessed 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 and selected. For a more comprehensive report, Best World chose to include two additional ESG matters to report.

	Material Matters	Corresponding GRI Topic-specific Standard
ET	Employees and Distributors Training and Advancement	GRI404: Training and Education
CS	Consumer Satisfaction	Not covered in GRI Topic-specific Standard
CH	Consumer Health and Safety	GRI416: Customer Health and Safety
CP	Counterfeit Products and Intellectual Property	Not covered in GRI Topic-specific Standard
RL	Responsible Labelling / Advertising	GRI 417: Marketing and Labelling
BE	Business Ethics	GRI 205: Anti-corruption
	Additional Matters	Corresponding GRI Topic-specific Standard
PM	Packaging Management	Not reporting any GRI Topic-specific disclosures
WD	Waste Disposal Management	GRI 306: Effluents and Waste

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

Sustainability Governance



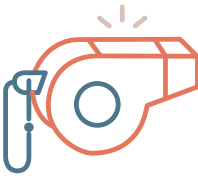
Business Ethics

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 deterrence to corruption.

Components of Our Anti-Corruption Framework



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.



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.



Gift and Entertainment Policy
Guidelines for employees on the proper procedures to process the gifts and entertainment from external parties to uphold business integrity.



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 FY2020, no cases of corruption were reported.

Perpetual Target	FY 2020
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 annual declaration form.	Achieved

Communicating Key Business Ethics Effectively

To promote 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.

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的法令規定，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能達成銷售目的，但卻很有可能讓消費者因達不到預期所說的狀態，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。

Keeping Guidance Handy

In 2020, we developed a corporate governance handbook for the company. The handbook incorporated key tenets of good corporate governance to guide management and key personnel and at the same time, highlight the Board's perspective and areas of emphasis. Subjects covered include duties owed by directors, directors' disclosure of interests, and the identification of conflicts of interests and guidelines on how to handle them. The handbook also took into account and incorporated the company's existing policies, such as the Anti-Corruption policy, Code of Ethical Conduct, Whistle Blowing, diversity, dividend and investor relations policies.

Responsible Business Practices

Consumers are at the heart of our business. Best World's continued success depends on the trust and confidence that consumers place in our distributors and conforming to respective countries' consumer legislation. We are also committed to the Code of Ethics and Conduct set out by the Direct Selling Association of Singapore (DSAS).

DSAS Code of Ethics and Conduct sets forth the basic fair and ethical principles and practices to which Members shall be required to adhere in the conduct of their business, which includes the following amongst others

- Obligations of the member
- Prohibited practices that no direct seller should engage in
- Accurate explanation of products or services
- Honouring customer order cancellation rights, the 7-Day "Cooling-off period"
- Respecting customer privacy
- Proper handling of customer complaints

Our Taiwan BWL subsidiary is also a member of the Taiwan R.O.C Direct Selling Association. The association was formally established on December 12, 1990, becoming Taiwan's first direct selling industry charity organization.

The role and function of Taiwan R.O.C. Direct Selling Association is to act as a communication



bridge between the direct selling industry and the regulators, the media, consumers and other relevant social members in a diverse society is focused on

1. Research and promotion of direct selling related laws and regulations
2. Establishing business ethics and promoting a positive image of direct selling industry
3. Promoting decent business philosophy to protect the rights and interests of consumers and distributors
4. Strengthening education, research and development of the direct selling industry and management capabilities.

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 maximize 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

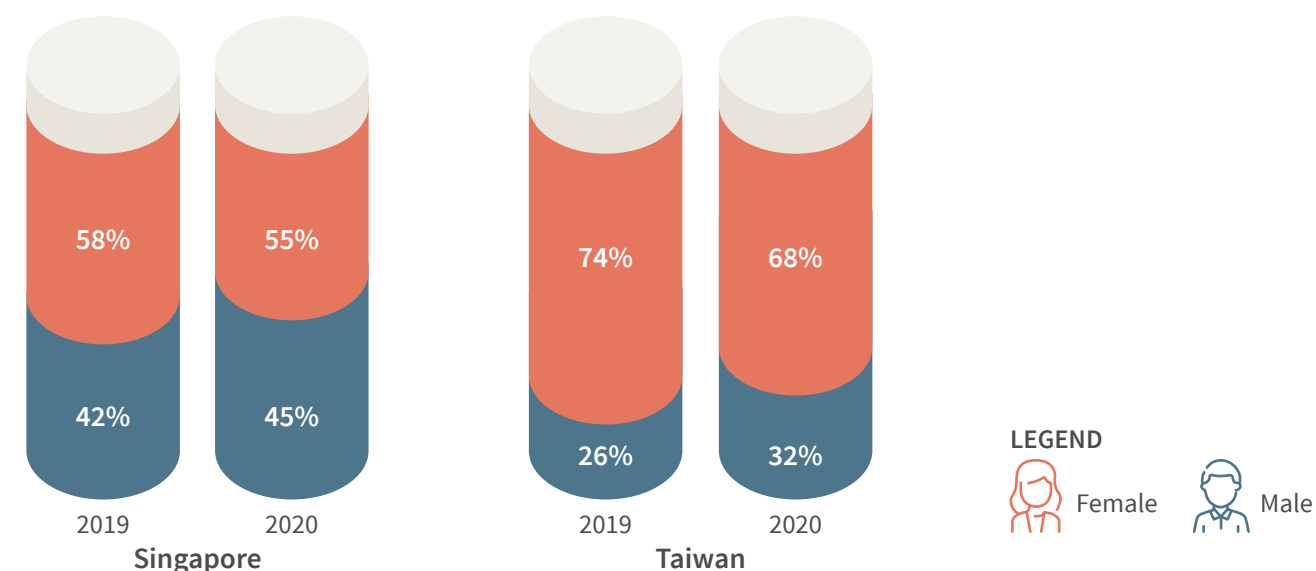


Figure 3

Composition of Employees by Age Group

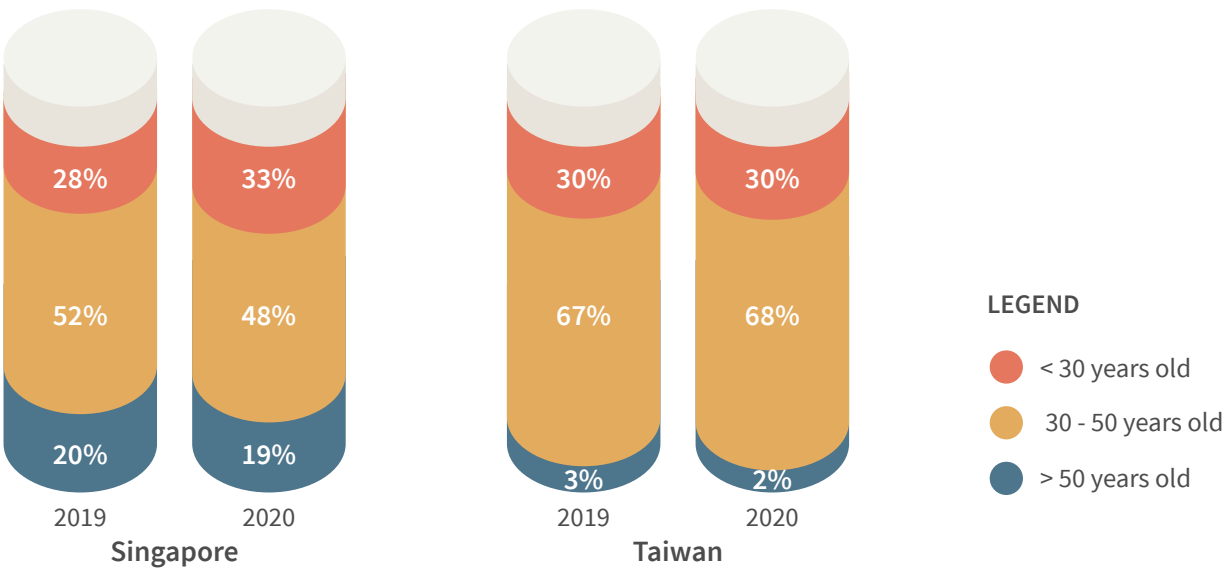


Figure 4

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 recognize 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.

The pandemic sent most mass activities online. After it became clear that the virus situation will take a long period to bring under control, HQ led the charge to curate a series of online training programs that can be deployed over zoom. These training programs covered a variety of topics, from product introduction, usage and its efficacy for the regular user to topics that hand hold distributors on selling techniques to build up a source of passive income. Our next step will be to dub these programs in a number of languages and put them up on our bwl app so that they are

available on demand and in the viewer’s native language.

With everyone online, cyber security awareness training quickly became a priority and was one of our key defenses against rampant online scams. We made sure all employees in the Group received training and also procured cyber security insurance to cover the company’s exposure to risks online.



Some of the training conducted in FY2020 are listed below.

Training Course	Details of Training	Date Conducted
Cybersecurity Awareness Training	To understand more about adversaries, and crucial knowledge to defend against them.	Various dates in 2020
Live Broadcasting Skills - You Should Know	<ul style="list-style-type: none">• Five rules for live broadcasting• Five essential equipment for live broadcasting• How to present your most beautiful and professional side• Five benefits of using social media live streaming• How to do live broadcast on the three most famous social platforms	4 August 2020
Quarterly Management Staff Reading Program	<p>Promote and cultivate positive mindset, creativity, invention, personal goal setting and self-actualization</p> <p>Reading topics include:</p> <ul style="list-style-type: none">• “Flipping the Switch – Unleashing the Power of Personal Accountability Using the QBQ 五項修煉”• “Embrace the Chaos: How India Taught Me to Stop Overthinking and Start Living 我在印度, 接近天堂也看見地獄”• “I am at Home, I start Business 我在家, 我創業”• “The Art of Speaking Yes 說話術”	27 March 2020 22 June 2020 21 September 2020 21 December 2020

Average Training Hours of Employees by Gender

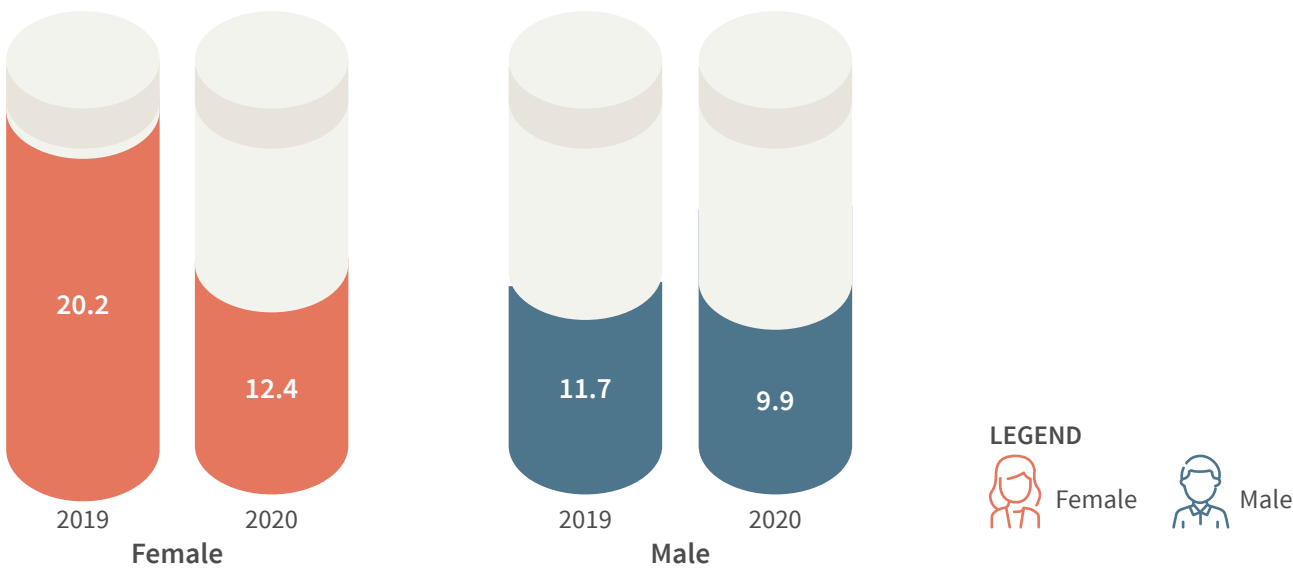


Figure 5

Average Training Hours of Employee by Employee Category

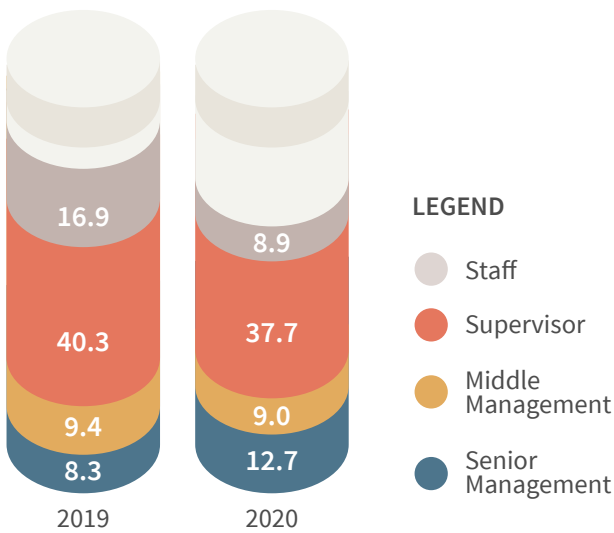


Figure 6

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 FY2020 was 11.3 hours. The drop was mainly due to less training hours achieved by employees in Singapore as traditional training classes were no longer conducted in response to pandemic control measures. Many trainings were either postponed or cancelled as the effectiveness of virtual trainings were uncertain at that time. On the other hand, Taiwan was not as impacted by the pandemic and were able to carry on with their normal activities. We will continue to strive towards providing all our employees with ample training opportunities to develop their capabilities and skillsets in the years ahead.

Perpetual Target	FY2020 Performance
To achieve minimum average of 16 hours	Not achieved

Our Products

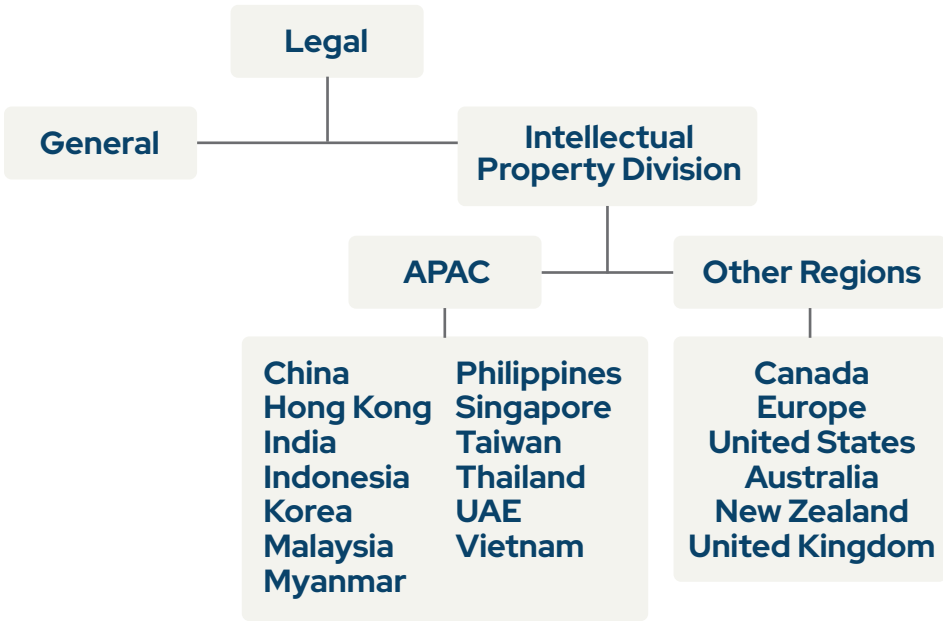


Intellectual Property Protection and Counterfeit Products

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 500 marks across the globe and including Singapore, China, Hong Kong, Taiwan, Indonesia, Thailand, UAE, Korea, Malaysia, Myanmar, Philippines, Vietnam, India, United States of America, Europe, Canada, Australia, New Zealand, United Kingdom 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 a (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 global 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 applications. This would ensure that identical or similar trademarks being registered will be quickly brought to our attention for our 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.

In essence, all major infringement matters will be handled directly by our IP Division. 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.



Also, 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	FY2020 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 organization but potentially cause harm to our consumers as well. We care deeply about the people we serve. We recognize the consequences of mislabeling and false 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. Labels are checked against the regional labelling requirements, product claim guidelines and code of advertising practices to ensure compliance by product development management team, content editors and regional product registration personnel.

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 mislabeling or false advertising. The recycling symbol is included 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 at the same time supporting artwork proofing and regulatory compliance.



Perpetual Target	FY2020 Performance
Zero cases of non-compliance concerning product information and labelling or marketing communications	Achieved

Our Customers



Halal Certification
For our Muslim customers, we endeavour to develop Halal certified products which do not use Haram material during the course of its manufacture, whenever possible. Periodic renewal of the certification is required. As of the date when this report was prepared, the following products are Halal certified.

- 1. Avance Borage Seed Oil
- 2. Avance Broculin
- 3. Avance Collagen Plus
- 4. Avance HA Jelly
- 5. Avance Immugain
- 6. Avance Nonimax
- 7. Avance Red Yeast Rice Plus
- 8. Avance Vitamin C



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 2020. We aim to continue to assess health and safety impact of all our products.



Perpetual Target	FY2020 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特优评鉴), 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. Our latest initiative is the establishment of a more extensive Global Customer Satisfaction Survey to obtain customers’ opinions on their experience with us on multiple touch points, including customer service, brand satisfaction and if applicable, social media interaction feedback. With a formal and systematic survey, we hope to gather regular consumer’s opinions and obtain good understanding on the degree of customer needs and expectations met by the organization to keep our service delivery in check and maintain high product quality for our customers. In addition, the survey is online based, reducing our paper usage and geographically reaching out more of the markets we operate in.

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 for the period between January to July of 2020. In August, we started a pilot test on the Global Customer Satisfaction Survey described above. We anticipate that we will be ready to launch the survey in 2021 after finalizing coordination needed with the departments involved.

Perpetual Target	FY2020 Performance
Achieve a satisfaction rate of 100% on the monthly distributor satisfaction survey	Achieved

We continue to invest in both our online platform and physical 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 Facebook, Instagram and Line 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.



COVID-19 has shown us the importance of digitalization and bringing our business online. Our early investments on the digital front shined brightly during this period and we continued to boost our IT capabilities and hire during the circuit breaker period. We are grateful for the timely government assistance programs that help develop staff with industry level training.

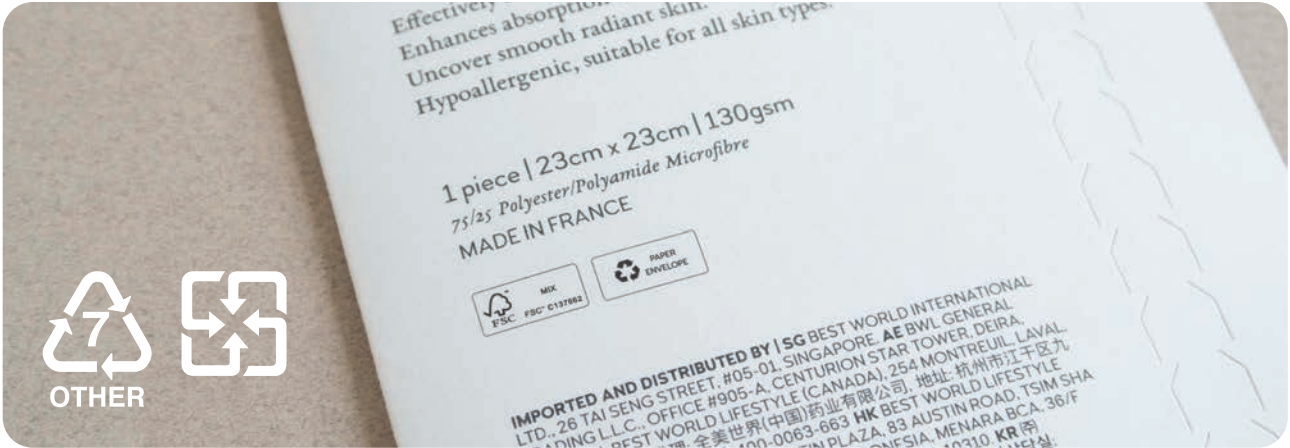
Having gained experience and knowledge on how users are using our online platforms and mobile app, our team launched our revamped online store platform and mobile app in July 2020, with a new look and a more flexible interface to enhance our users’ experience. To complement our efforts on curating online training programs, we will be upgrading and building a proper studio to enhance the quality and audio visual effects of the media produced.

Environmental Initiatives



Rallying Behind Community Initiatives
One of the hardest hit groups in this pandemic was our Migrant Workers. As Singapore experienced the first wave of COVID-19 infection and the migrant workers became a key cluster of massive spread, we donated a total of 3,000 pieces of Vitamin C, probiotics and sanitiser products for their use.

Best World was glad and honored to be able to participate in an ASME led initiative to raise funds to assist our migrant workers. With our government matching three dollars for every dollar raised, the initiative’s impact was substantially magnified. Best World contributed S\$50,000 to the initiative.



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 that 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 FY2019 and FY2020. The increase in non-hazardous waste was mainly due to expired products, products damaged during shipping and some packing materials that were no longer in use being disposed in FY2020 compared to the previous year.

Taiwan
No hazardous waste was generated by our Taiwan operations in FY2019 and FY2020. The decrease in non- hazardous waste was due to disposal of certain products that did not meet our quality control standards in FY2019 but there was no incident of a similar scale in FY2020. The products were incinerated by a SGS approved vendor in Taiwan.

In FY2020, no waste were sent to landfills for both Taiwan and Singapore.

Amount of Non-Hazardous Waste Produced in FY 2019 & 2020

Weights in kg	FY 2019				FY 2020			
	Recycle	Incineration	Landfill	Others	Recycle	Incineration	Landfill	Others
Singapore	N.M	1500	-	-	N.M	4590	-	-
Taiwan	47.78	1539	52.22	20.10	70.69	251.24	-	1.12

*N.M denotes not measured.

In FY2020, there were no cases of improper waste disposal and we will continue to make efforts to maintain these standards.

Perpetual Target	FY2020 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 tube filling and packaging line in Tai Seng for certain products in the DR’s Secret range. Certain discharge cannot be directly released into the sewers due to its viscosity. At the moment, as a temporary measure, we are reusing emptied intermediate bulk containers we received when buying other product raw material to contain these discharge and will send it to a certified vendor for processing and disposal when they becomes full and meet the vendor’s minimum order quantity. In future, we will be building a water treatment plant at the Tuas manufacturing facility to process this waste before releasing it into the sewers to fulfil the National Environment Agency’s requirements. In 2020, we accumulated 2 full bulk containers of waste. We will bring in the vendor when we have accumulated 4 full bulk containers. Corrugated carton boxes and empty drums accumulated during the production process are also consolidated and picked up by vendors for recycling.



Construction of Our Tuas Manufacturing Facility

In line with building regulations, our company policies and commitment towards sustainability, our manufacturing facility was constructed with the intention of attaining the BCA Green Mark certification. Areas assessed by the company include 1) environmental attributes of building material, 2) energy consumption & management, 3) GHG Emission & management, 4) waste management, 5) water consumption & management and 6) environmental compliance.

Energy efficiency opportunities were also assessed for our boiler and cooling tower, reviewing its intended use and suitability, possible upgrades and savings payback period if any to enhance energy efficiency.

Similarly, our policies on renovation projects revolve around principles of reusability and energy efficiency. During space planning, we seek to reuse the infrastructure in its existing condition where possible, minimising demolition works such as hacking of walls. Instead, we enhance them by repainting or resurfacing them with wallpaper to suit the intended purposes. To enhance energy efficiency, we use appliances that are certified with the energy star and all glass windows in our premises are fitted with solar film to reduce energy usage and at the same time lower cooling cost.



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 specialized 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

Due to the pandemic pushing transactions online, our initiative to transit to digital invoices was put on the backburner as much less sales were transacted at our experience centre. Instead, we focused our resources on launching and updating our online stores, iOS and Andriod apps, indirectly setting up the infrastructure to save paper and trees.



Environmental Considerations in Our Corporate Office

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.



GRI Content Index

Packaging Management

Our commitment to environment sustainability extends to our packaging materials. On top of ensuring that the packaging materials we use provide enough protection and are compatible with our products and brand image, we also strive to minimize their 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 changed the packaging for our DR’s Secret Vitalising Eye Mask, Aqua Boost Serum 10, Lip Butter, Lip Glacier and Miraglo 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. Of the 3 FSC certification labels, we have adopted FSC mix for our product packaging. Products that bear FSC mix are made using a mixture of materials from FSC certified forests, recycled materials, and controlled wood.

In addition, through the optimization of product packaging, we have reduced the use packaging material and also protection material, such as the downsized air pillows that fill the gaps between products in shipment boxes for online orders.

We will continue to explore new sustainability solutions and strive to become early adopters to support these initiatives to fulfil our commitment for sustainability.



GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
GRI 102 General Disclosure 2016			
Organisational Profile			
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	15
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	FY2020 Annual Report
102-12	External initiatives	Not applicable to Best World	N.A.
102-13	Membership of associations	Introduction: About Best World	6
Strategy			
102-14	Statement from senior decision-maker	Board Statement	5
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	12
102-18	Governance structure	Corporate Governance Statement	FY2020 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	

GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
GRI 102 General Disclosure 2016			
Strategy			
102-25	Conflicts of interest	Corporate Governance Statement	FY2020 Annual Report
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	8 - 9
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	8 - 9
102-43	Approach to stakeholder engagement	Stakeholder Engagement	8 - 9
102-44	Key topics and concerns raised	Stakeholder Engagement	8 - 9
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Introduction: The Report	7
102-46	Defining report content and topic Boundaries	Introduction: The Report	7
102-47	List of material topics	Materiality Assessment	11
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	7
102-51	Date of most recent report	Sustainability Report 2019 29 May 2020	N.A.
102-52	Reporting cycle	Introduction: The Report	7
102-53	Contact point for questions regarding the report	Introduction: The Report	7
102-54	Claims of reporting in accordance with the GRI Standards	Introduction: The Report	7
102-55	GRI content index	GRI content index	35
102-56	External assurance	Introduction: The Report	7

GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
Topic-specific GRI standard disclosures			
Category: Economic			
GRI 205: Anti-Corruption 2016			
103-1	Explanation of the material topic and its Boundary	Materiality assessment	11
103-2	The management approaches and its components	Sustainability Governance: Business Ethics	12
103-3	Evaluation of the management approach	Sustainability Governance: Business Ethics	12
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Governance: Business Ethics	12
205-3	Confirmed incidents of corruption and actions taken	Sustainability Governance: Business Ethics	12
GRI 306: Effluents and waste 2016			
103-1	Explanation of the material	Materiality Assessment	11
103-2	The management approach and its components	Environmental Initiatives: Waste Disposal Management	29
103-3	Evaluation of the management approach	Environmental Initiatives: Waste Disposal Management	29
306-2	Waste by type and disposal method	Environmental Initiatives: Waste Disposal Management	29
GRI 404: Training and Education 2016			
103-1	Explanation of the material topic and its Boundary	Materiality Assessment	11
103-2	The management approach and its components	Our People: Employees and Distributors Training and Advancement	16
103-3	Evaluation of the management approach	Our People: Employees and Distributors Training and Advancement	16
404-1	Average hours of training per year per employee	Our People: Employees and Distributors Training and Advancement	18

GRI Standard Disclosure Number	Disclosure Title	Section of Report	Page Reference
Topic-specific GRI standard disclosures			
Category: Economic			
GRI 404: Training and Education 2016			
404-3	Percentage of employees receiving regular performance and career development reviews	Our People: Employees and Distributors Training and Advancement	15
GRI 416: Customer Health and Safety 2016			
103-1	Explanation of the material topic and its Boundary	Materiality Assessment	11
103-2	The management approach and its components	Our Customers: Consumer Health and Safety	25
103-3	Evaluation of the management approach	Our Customers: Consumer Health and Safety	25
416-1	Assessment of the Health and safety impacts of product and service categories	Our Customers: Consumer Health and Safety	25
GRI 417: Marketing and Labelling 2016			
103-1	Explanation of the material topic and its Boundary	Materiality Assessment	11
103-2	The management approach and its components	Our Products: Responsible Labelling/ Advertising	23
103-3	Evaluation of the management approach	Our Products: Responsible Labelling/ Advertising	23
417-1	Requirements for product and service information and labelling	Our Products: Responsible Labelling/ Advertising	23
417-2	Incidents of non-compliance concerning product and service information and labelling	Our Products: Responsible Labelling/ Advertising	23
417-3	Incidents of non-compliance concerning marketing communications	Our Products: Responsible Labelling/ Advertising	23

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