



NUTRYFARM INTERNATIONAL LIMITED



SUSTAINABILITY REPORT 2020





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About This Report

SCOPE OF THE REPORT

This is NutryFarm International Ltd's (the "Group" or "NutryFarm") third year in publishing its sustainability report publicly, covering the Group's performance, initiatives and impact of its operations in the aspects of Environmental, Social and Governance ("ESG"). All data and activities reported were from 1 April 2019 to 30 September 2020 (the "Reporting Period") unless stated otherwise.

REPORTING FRAMEWORK

The report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards – Core option. The content of this report was defined by the four reporting principles established by GRI Standards: (1) Stakeholder Inclusiveness; (2) Sustainability Context; (3) Materiality; (4) Completeness. The Stakeholder Inclusiveness principle was implemented in determining the report context through various stakeholder engagements and internal discussions led by the Sustainability Committee. The Sustainability Context principle was implemented in determining the report context which covered the ESG aspects. The Materiality principle was implemented in determining the report context through stakeholder engagements and internal discussions. After which, all relevant factors were weighed according to their respective importance to stakeholders, as well as their impact on NutryFarm's business. This combined assessment allows NutryFarm to identify and agree upon the appropriate material ESG aspects for the business. This report is

developed with reference to the primary components set in Singapore Exchange Securities Trading Limited's (SGX-ST) Listing Rule 711B on a 'comply or explain' basis. Unless otherwise stated, the report covers the ESG performance of the Group across its core operations in the People's Republic of China ("PRC").

REPORT CONTENT AND QUALITY

This report aims to provide you with an integrated overview of NutryFarm's initiatives and strategies related to sustainability and responsible business development. Through these actions, we aim to address the key concerns and issues that NutryFarm's stakeholders face. To ensure content quality, we have applied GRI's principles of accuracy, balance, clarity, comparability, reliability and timeliness. All the data presented in the report use internationally accepted measurement units. Financial figures are presented in Hong Kong dollar unless otherwise stated.

AVAILABILITY

This report is released in PDF format, and is available for download via the SGX official website. As part of our continual efforts on improving the coverage of our sustainability practices in the report, we welcome stakeholders to submit their questions or feedback on any aspect of our sustainability performance to info@nutryfarm.com.



Board's Statement

Dear Stakeholders,

We are proud to present our third Sustainability Report as we continue our efforts in delivering long-term sustainable value for all our stakeholders. Through this report, we also want to share with our stakeholders on the Group's sustainability performance, as well as goals for the future.

It has been a challenging year for the business due to the outbreak of the COVID-19 pandemic and a myriad of other global issues, such as trade tensions and climate events. During this difficult period, NutryFarm has remained steadfast in our mission to delivering quality nutrition and health food products to our customers. We seek to navigating these difficult times with our employees, suppliers, customers and other stakeholders by incorporating sustainability practices at the core of our operations.

This year, in view of the COVID-19 pandemic, we have placed an even stronger emphasis in ensuring the health and safety of our employees by implementing a series of safe workplace measures and worked closely with local regulators to limit the spread of COVID-19 within the communities we operate in. We are pleased to see the remarkable efforts of our management in providing a safe work environment for employees during this trying period.

We have continued to innovate and work towards creating more products with the finest quality through our renowned research and development process. As at the end of the Reporting Period, we have 15 registered patents and 34 approved product types.

This Sustainability Report plays an important role in helping us increase transparency, accountability and progress towards sustainable growth. As we continue our sustainability journey, performance indicators and targets that are material to our business will be progressively reviewed and added.

ACKNOWLEDGEMENTS

We would like to also take this opportunity to express our gratitude to the directors and business partners for their unwavering commitment and dedication this past year. We seek to continue to strengthen our engagement with stakeholders and improve our sustainability efforts and practices, to forge a long-term sustainable business.

On behalf of the board

Cheng Meng

Executive Director and Chief Executive Officer
NutryFarm International Limited



Our Sustainability Statement

VISION, MISSION AND CORE VALUES

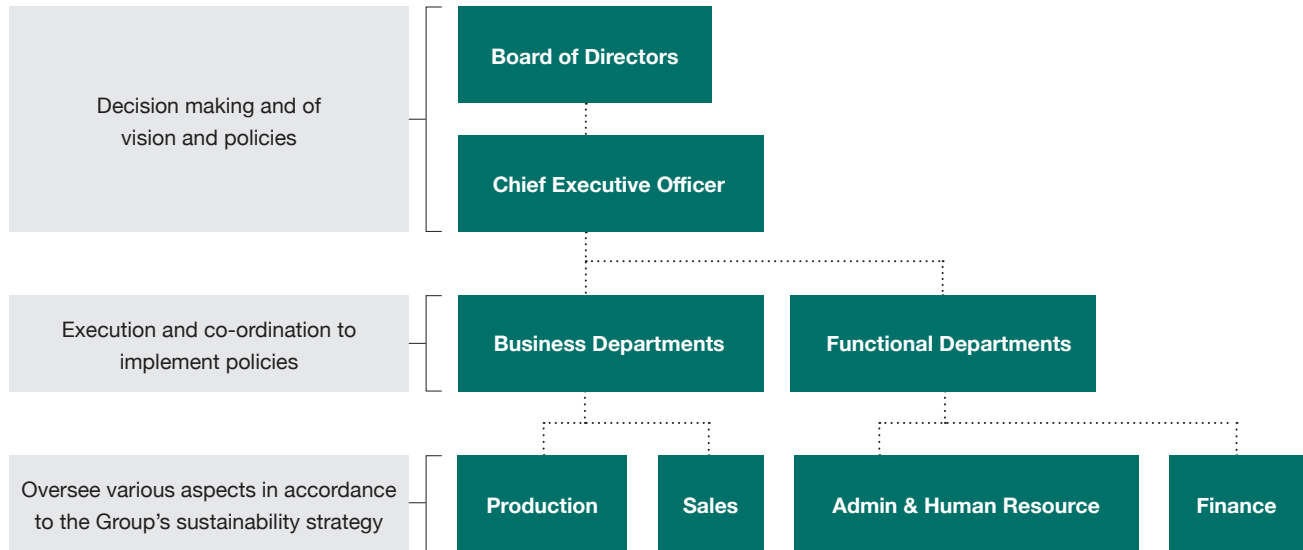


Code of Conduct

Company and Individuals Mutually Benefit Each Other.	We advocate the spirit of ownership. We believe that doing the right thing will bring success to both the Group and individuals. Our common pursuit for success unites us.
We Respect and Trust Every Employee.	We truthfully reflect individual performance. We believe that every employee can and is willing to maximize their potential. We motivate and help employees to achieve higher expectations, standards and challenging goals.
We Focus Strategically on Our Work.	We have clear and common goals and strategies. We only do what will promote our business. We simplify, process and standardise existing work whenever possible to improve efficiency.
Innovation is The Cornerstone of Our Success.	We challenge stereotypes and develop new working methods to win greater success in the market. We attach great importance to product development and innovation, so as to meet consumer needs and guide consumer awareness. We constantly improve service awareness, and strive to provide better service for internal and external customers through various ways and means.
We Monitor Changes and Development of Our External Environment.	We strive to best understand consumers and their needs. To establish a successful brand image, we create and provide first-class products, advocate natural and healthy consumption. We develop close and mutually beneficial relationships with customers, suppliers and partners. Our products and operations have sustainability integrated in them.
We Value Personal Growth and Development.	We encourage and expect employees to have excellent professional knowledge and skills. We believe that every employee will strive to continually improve themselves, help and develop others.
We Strive to Do Our Best.	We are good at drawing lessons from past successes and failures. We carefully measure our performance against the highest standards both inside and outside the company, and constantly revise and improve our efficiency. We strive to achieve the best in all strategic priorities of the company, departments and even individuals.
A Mutually Dependent and Supportive Way of Working.	Our departments and regions trust and cooperate closely with each other. We are proud to offer good advice and methods to others. We are proud to share good ideas and suggestions with one another. We have established sincere and friendly relations with all parties contributing to the achievement of the company's mission, including customers, consumers, partners and the government.

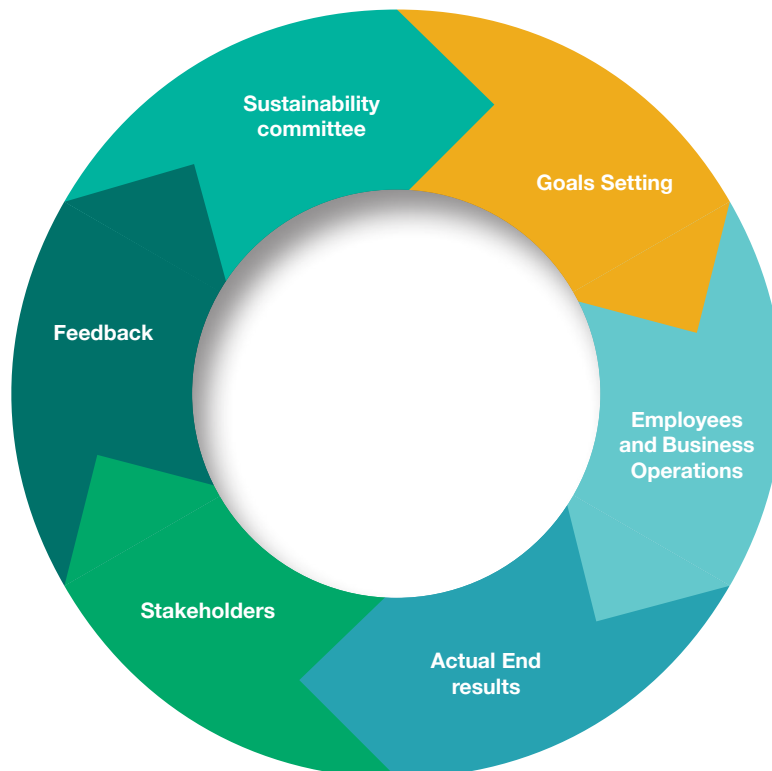
Sustainability Management

The Sustainability Committee that was set up in 2017 continue to fulfil their role in driving the sustainability efforts across departments and levels within the Group and provides strategic direction for managing sustainability-related risks and opportunities.



Feedback Loop

We have set up a feedback loop system to facilitate effective communications of our sustainability goals and performances and the expectations of our stakeholders.



Engagement With Our Stakeholders

NutryFarm believes that sustainable growth of the Group is dependent on meeting and exceeding the expectations of our stakeholders. We identify key stakeholders as groups which have material impact or could potentially be impacted by our operations and engage our stakeholders regularly through various communication platforms, constantly seeking to address their issues and concerns. The following table summarizes our key stakeholders, engagement platforms, frequency of communication and their key concerns.

Stakeholder	Engagement channels	Frequency	Key Feedback/ Issue
Employees	Performance appraisals	Annual	<ul style="list-style-type: none"> • Health and safety • Employee learning and development opportunities • Staff benefits
	Employee training and development	Ad-hoc	
	Communicate Group's policies and practices including code of conduct	Annually	
Customers	Customer feedback from corporate hotline, inquiry form on official website and through our official sales agents over the counters	Ad-hoc	<ul style="list-style-type: none"> • Product safety and hygiene • Transparency in product labelling • Product quality
Suppliers	Supplier meetings	Ad-hoc	<ul style="list-style-type: none"> • Fair and robust procurement system • Prompt payment cycles
Investors	Annual extraordinary/ general meetings	Annual	<ul style="list-style-type: none"> • Business strategy and outlook • Corporate governance • Timely and transparent reporting
	SGX announcements and media releases	Ad-hoc	
	Annual report and sustainability report	Annual	
	Group website	Ad-hoc	
Government	Correspondences through email and letters	Ad-hoc	<ul style="list-style-type: none"> • Compliance with laws and regulations • Corporate governance
	Meetings, briefings and regular reporting	Ad-hoc	
The Community	Sustainability report	Annual	<ul style="list-style-type: none"> • Safe and sustainable environment

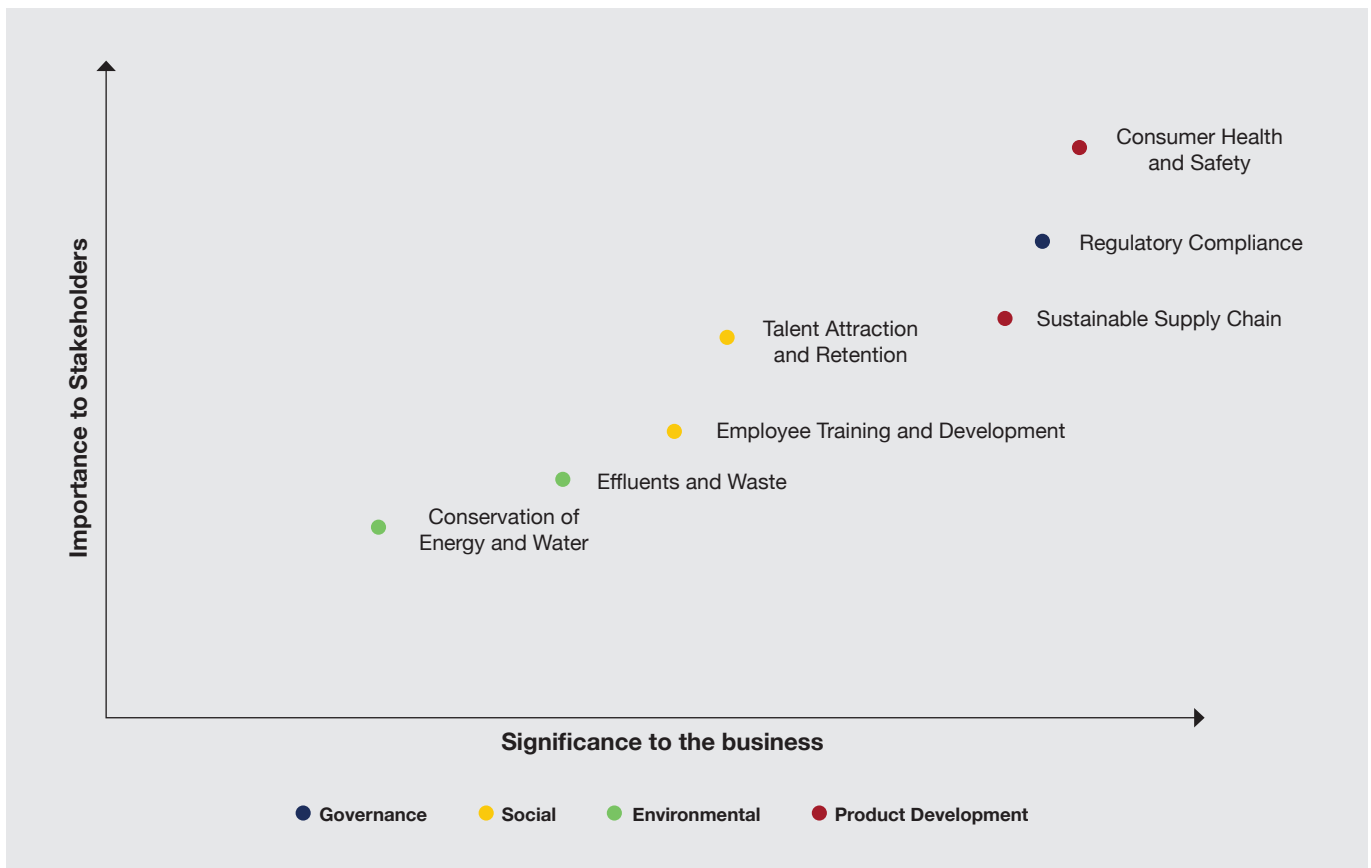
Materiality Assessment

Through the various channels of communications and feedback received, we carried out materiality analysis to identify sustainability issues that are important to our business and stakeholders. This assessment analyses and prioritizes stakeholder and market need to help us channel our resources more effectively as we make progress in achieving the long-term sustainability of our business.

The materiality review considered under the Global Reporting Initiative (GRI) guidelines and the topics are prioritized using a materiality matrix. The matrix considers the potential impact and relevance of each topic on our business and its importance to stakeholders.

Our review focuses on 4 key aspects with 7 identified material topics. For each material topic, we report on the relevance of it to our business and stakeholders, and the measures in place to address it. There is no newly added material topics as compared to materiality assessment carried out in 2019 given that there is no major change in our business and operations as well as the environment that we operate in.

2020 Sustainability Materiality Assessment



Governance



We uphold the belief that sound corporate governance practices are essential in fostering an ethical culture, thereby safeguarding the interests of all stakeholders. We have implemented a robust governance framework to maintain the integrity, transparency, accountability and discipline in all our practices. We are committed to comply with all legal and regulatory requirements in the jurisdictions that we operate in, and thus building a building a positive corporate image through exemplary corporate governance and business ethics. Throughout the reporting period, we have focused on maintaining good corporate governance practices.

CORPORATE GOVERNANCE

The Board of Directors (the “Board”) oversees the compliance of our corporate governance framework with the principles and guidelines of the Code of Corporate Governance 2018 (the “CG Code”) issued by the Monetary Authority of Singapore (“MAS”). The Board and Senior Management is also dedicated to conducting business with integrity consistently, setting the tone at the top.

In order to assist in the execution of the Board’s responsibilities, the Board has set up three committees namely the Nominating Committee (“NC”), Remuneration Committee (“RC”) and the Audit Committee (“AC”). The composition of the Board is reviewed annually to ensure an appropriate mix of diversity, expertise and experience. A performance evaluation process where the effectiveness of the Board as a whole and Board Committees as a whole is carried out annually.

ANTI-CORRUPTION PRACTICES AND WHISTLEBLOWING

We adopt a firm stance bribery and have zero tolerance towards corruption and fraud. Our commitment and values are guided by our code of conduct for directors and employees and other policies and procedures.

No anti-corruption training has been provided for directors and employees in the Reporting Period. But the Group will be looking into providing such training for directors and employees in the upcoming year.

During the Reporting Period, the Group was not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering.

A whistleblowing policy has been implemented to help employees who have concerns over any wrong-doing within our Group relating to unlawful conduct, financial malpractice or dangers to our Group, the public or the environment. Employees may report any suspected reportable conduct to the Chairman of the AC and/or member of the AC. All disclosures will be treated in a confidential manner, protecting the identity of the employee that made the disclosure so as to encourage employees to report any suspicious activities without fear of reprisal. For the reporting period, we have not received any whistleblowing reports.

Governance



RISK MANAGEMENT

Enterprise Risk Management (“ERM”) is a risk framework put in place by the Board of Directors and Management to identify and address potential events that pose risks to the achievement of business objectives. Emphasis has been placed on proper risk management to ensure the long-term sustainability of our business. On an annual basis, the Management will carry out an ERM exercise that identifies and assess emerging and existing risks and thereafter implement suitable risk responses in accordance to our risk appetite. The Group’s ERM framework is aligned and integrated to its strategic, objectives to maximize shareholder value. All significant risk information is communicated to the Board and Audit Committee on periodic basis.

Our risk committee members and their respective roles and responsibilities are tabled as follows:

Risk committee member	Roles and responsibilities
Board	<ul style="list-style-type: none"> • Exercises oversight of the key risk areas in the Group’s business • Set the overall strategic direction in the identification and assessment of risks • Ensuring that decisions and strategies adopted are in line with the risk management tolerances of the Group
Audit Committee	<ul style="list-style-type: none"> • Reviews the effectiveness of the Group’s system of internal controls in light of key business and financial risks affecting its businesses through discussion with Management and the auditor
Management	<ul style="list-style-type: none"> • Regularly reviews the Group’s business and operational activities to identify areas of significant business risk • Reviews all significant control policies and procedures and highlights all significant matters to the Directors and the Audit Committee

Some of the identified key risks are as follow:

I) Operational Risk

NutryFarm is susceptible to supply chain disruptions which comprise of sourcing of products and packaging, marketing and sales to end-consumers. This includes planning and control systems, our in-house standard operating procedures updated with current practices and management expectations, our information technology systems, reporting and monitoring procedures. Operational risk may result in delay in production and inability to meet customer demand. As such, we have ensured that appropriate measures and actions are taken to mitigate potential risks.

Governance



II) Regulatory Risk

As a manufacturer and distributor of nutrition and health food products, NutryFarm is exposed to regulatory risk as it is required to comply with regulations such as the China's National Food Safety Standard for Food Additive Use (GB2760-2014), National Food Safety Standard of General Hygiene Regulations for Food Production (GB14881-2013) and National Standard for Health Food (GB 16740-2014). We strive to comply to the regulations and to constantly improve our product quality standards, by adhering to strict quality assurance procedures based on the requirements under various certifications.

III) Financial Risk

The Group has identified the various financial risks, details of which are found on pages 89 of the FY2020 Annual Report. We seek to continually improve risk awareness within the Organization and to communicate the expected behavior expected from employees. For more information on the Group's corporate governance framework and policies, please refer to the Report on Corporate Governance included in the FY2020 Annual Report.

In the table below, we demonstrate how we have fared against our corporate governance targets in FY2019 as well as our target action plan for FY2020.

Corporate Governance Performance in FY2020	
FY2020 Target	Performance Update
Zero non-compliance breaches	Achieved zero non-compliance breaches.
Zero incidents of bribery or corruptions	Achieved zero incidents of bribery or corruptions.
Corporate Governance Performance for FY2021	
FY2021 Target	Action Plan
Zero non-compliance breaches	<ul style="list-style-type: none"> • Ensure 100% compliance to all relevant and material regulatory requirements and applicable industrial standards in the jurisdictions that we operate in. • Strict implementation of the Group's product quality management system.
Zero incidents of bribery or corruptions	<ul style="list-style-type: none"> • Continue to seek to assess the nature and extent of Group's exposure to the risks of internal and external fraud, bribery and corruption. • Require all staff to immediately report any incidents or suspicions of fraud, bribery or corruption to an appropriate management personnel.

Social



At NutryFarm, we believe that investing in human capital is fundamental to the Group's long-term success. We strive to create a conducive work environment, and is committed to fairness and equality for all our employees.

EMPLOYEE TRAINING AND DEVELOPMENT

We are committed to the holistic development of our employees and equipping them with skills to contribute effectively to the Group's performance.

All full-time employees undergo an annual performance review where there is an open discussion on the staff's performance, areas for improvement, and developmental needs. The management work closely with our employees through coaching and provision of on-the-job exposures to enhance their capabilities. We will be looking to track our employee's training hours in the subsequent year.

FAIR EMPLOYMENT PRACTICES

We adopt fair employment practices, and reward employees with a comprehensive and competitive compensation and benefit package. We had complied with all local manpower regulatory requirements, such as the "Labour Law of the PRC (the "Labour Law") and the "Law on Labour contract of PRC" ("Law on Labour Contract"), and there was no reported non-compliance during the Reporting Period that the Group is aware of.

All employees are given equitable career growth opportunities at the Group. Employees are recruited based on merit, such as skills, experience and ability. A set of stringent selection criteria to evaluate candidates that best fit the Group's culture, values and needs has been established.

We have also established feedback and grievances channels to raise any concerns faced during their course of work. During the Reporting Period, there were no significant concerns that was raised.

DIVERSITY IN OUR WORKPLACE

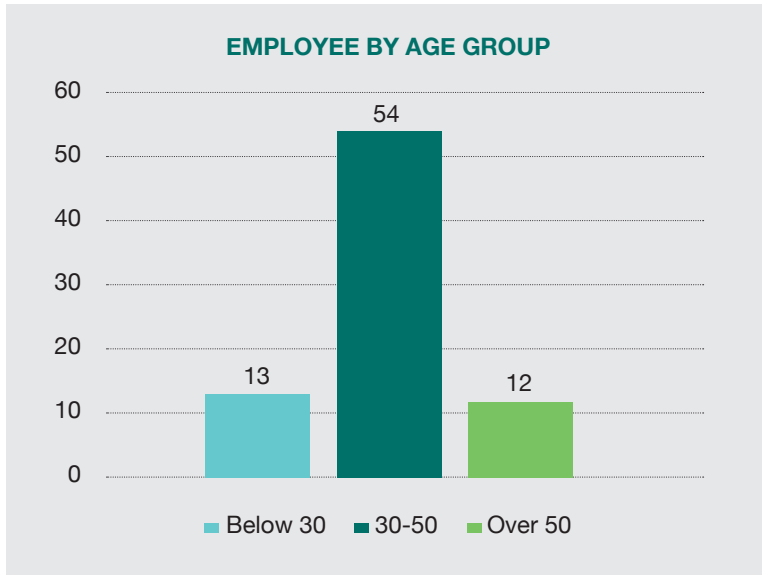
We aim to create a collaborative workplace environment and see great strength in the diversity of workforce, regardless of the gender, age, sexual orientation or religious backgrounds.

In addition, we firmly condemn all forms of workplace discrimination, physical or verbal harassment based on race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation.

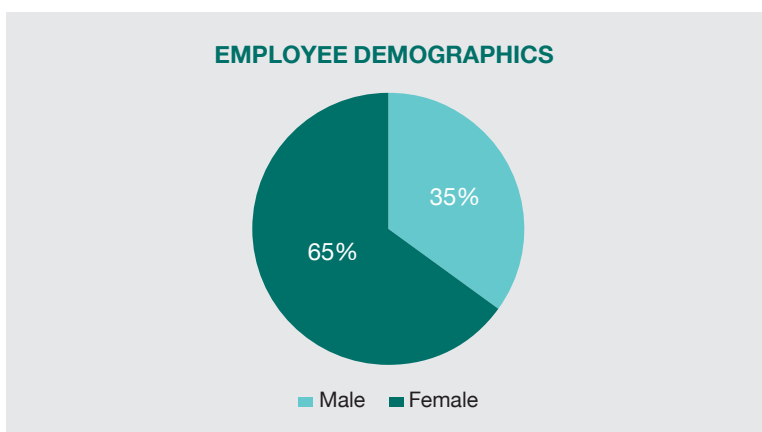
Social



Our employment profile is as follows:



Our colleagues working at the office and manufacturing plant (Source: Nutryfarm)



Social



TALENT ATTRACTION AND RETENTION

We offer our employees a comprehensive and competitive remuneration and benefit package to attract and retain talents. We attach great importance to equity in remuneration for both genders, providing fair and competitive compensation regardless of race, gender and nationality.

The Group strictly abides by the provisions of relevant regulatory requirements of the Labour Law and the Law on Labour Contract in the provision of rights and benefits of our employees.

Apart from our basic compensations, the Group also provides welfare and benefits such as medical benefits, as well as annual leaves to all employees. Additional types of leaves that the employees are entitled to includes urgent leave, marriage leave, compassionate leave, maternity leave as well as breastfeeding time off for female employees with children below one-year-old. We also offer annual health check-ups to our full-time employees.

We closely monitor the movement of our workforce and performs exit interviews to gather feedbacks from resignees to better improve our human resource practices. For the reporting period, the employee turnover rate is 7.6%.

HEALTH AND SAFETY

NutryFarm is committed to taking proactive steps in ensuring that occupational hazards and safety risks are reduced or eliminated, where possible, to provide employees with a safe and healthy working environment. During the reporting period, there was no instance of employee incident or fatality.

We seek to comply with all local health and safety regulations, such as the Law of the PRC on Work Safety (“Work Safety Law”) and the Law of the PRC on Prevention and Control of Occupational Diseases (“Occupational Diseases Control Law”). For the Reporting Period, the Group was not aware of any material non-compliance with health and safety-related laws and regulations.

TEAM BUILDING

Nutryfarm prioritises team building to help strengthen team work, communication and trust amongst employees. Employees will better understand the strengths and weaknesses of other employees which will help them work better together. Annual team building events are held to promote bonding between our employees.



2020 team building exercise conducted for Nutryfarm employees (Source: Nutryfarm)

Social



MANAGING THE IMPACTS OF COVID-19

The spread of the COVID-19 pandemic has restricted operations at our production facilities during the lockdown period. However, the lockdown has minimal impact on our production and supply due to the reserve stock and raw material we maintain at our warehouse.

We are mainly affected by the slowdown in demand for our products due to the slowdown in global economic activities. We have adopted prudent cash flow management to ensure sufficient working capital during the affected period.

Following the outbreak of the COVID-19 pandemic, the Group has placed great emphasis in ensuring the well-being of our employees and doing our part to limit the spread of COVID-19 within the communities we operate in. We have worked closely and fully complied with regulations imposed by the local government.

The following are some measures that were implemented in view of the COVID-19 pandemic:

- Employees are required to take temperature and don on mask prior entering the office.
- Surgical masks are provided to all employees by the Group.
- Temperature taking exercise is performed daily and mandatory for all employees.
- Employee who is not feeling well will be asked to return home.
- Office premises and common areas are labelled and cordoned-off to ensure safe social distance.
- Hand sanitiser and medical-grade mask are made readily available for our employees.
- There is regular building disinfection performed by building management staff.
- Employees are encouraged to work from home where possible.

Corporate Governance Performance in FY2020	
FY2020 Target	Performance Update
Zero employee incidents and fatalities	Achieved zero employee incidents and fatalities
Zero cases of non-compliance with health and safety	Achieved zero cases of non-compliance with health and safety
To achieve at least 13 average man hours of training for our employees	Due to the outbreak of the COVID-19 pandemic, we have yet to fully implement our training programme and will be looking to track training hours in the upcoming years.
Corporate Governance Performance for FY2021	
FY2021 Target	Action Plan
Zero employee incidents and fatalities	<ul style="list-style-type: none"> • Safety remains as our topmost priority and we will ensure that all safety guidelines are strictly adhered by our employees.
Zero cases of non-compliance with health and safety	<ul style="list-style-type: none"> • Our Human Resources will constantly update themselves and comply with any new labour laws and regulations.
To achieve at least 13 average man hours of training for our employees	<ul style="list-style-type: none"> • Begin tracking of training hours and identify employees' training needs through annual appraisal sessions.

Environmental

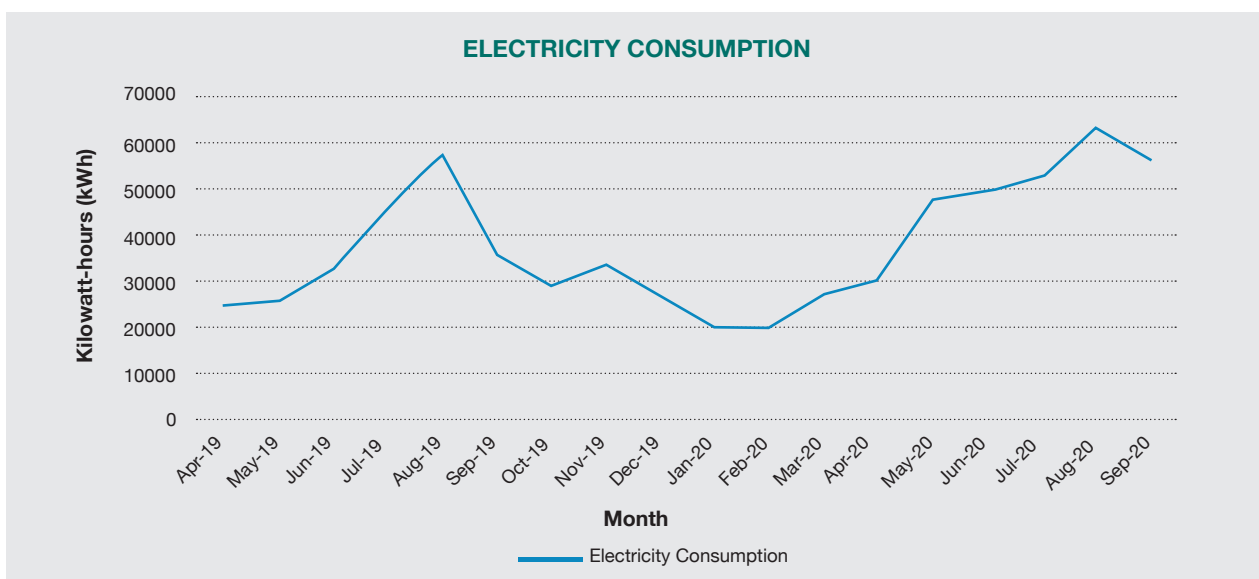
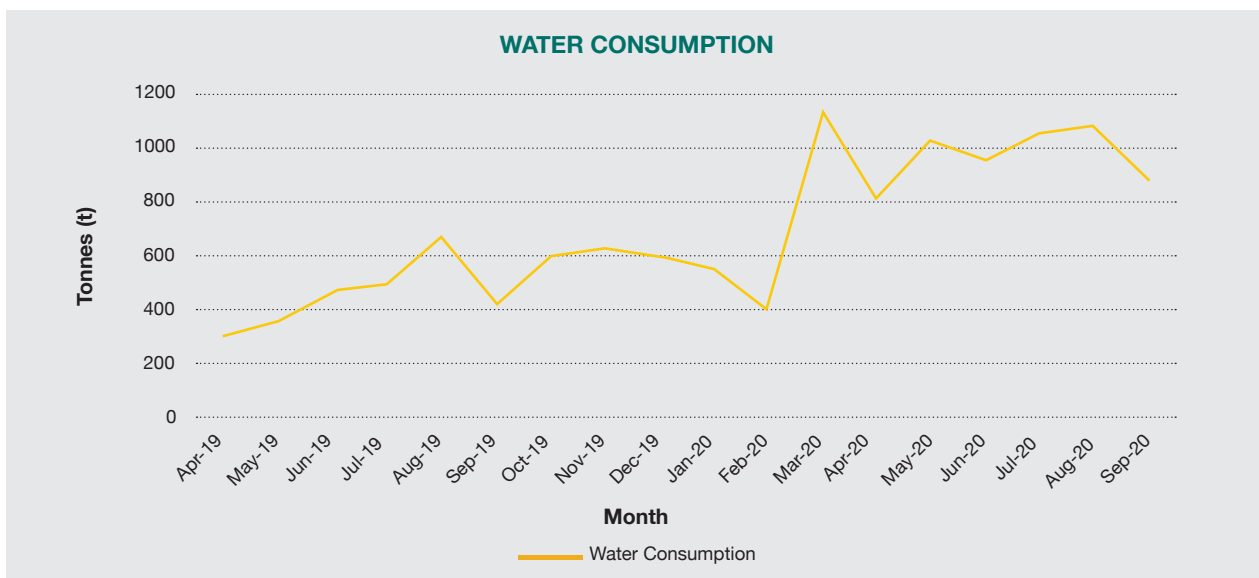


With increased global awareness on environmental issues, NutryFarm aims to ensure that manufacturing process of products and business processes are environmentally sustainable. We constantly review the adequacy of our environmental strategy against the emerging risks and opportunities. NutryFarm is committed to reduce the environment footprint and to build operational resilience to environmental changes.

ENERGY AND WATER CONSERVATION

NutryFarm inculcates an environmentally friendly culture to help reduce the carbon footprint through little acts. Some of which includes constant reminders to employees to switch off the lights and tap when not in use, re-use office paper, and encouraging employees to minimize wastage of water during maintenance and cleaning of machineries and equipment. Nutryfarm places great emphasis on staff active engagement resource conservation by participating in environmental conservation and reporting of non-compliance to environmental laws and regulations.

Management will continually monitor the water and electricity consumption. The water and electricity consumption at our manufacturing plant and offices during the Reporting Period are as depicted in the following graphs:



Environmental



EFFLUENTS AND WASTE

As part of our commitment to environmental preservation, we have put in concerted efforts to make waste management a part of our operations and processes. NutryFarm strives to reduce and minimize waste production during manufacturing.

Nutryfarm implements proper disposal channels to segregate all waste into the different designated waste categories (i.e. recyclable and non-recyclable).

To ensure that the by-products of our manufacturing activities are properly disposed of, NutryFarm engages reputable waste management and disposal company to collect, treat and dispose the waste. No hazardous waste is produced in the course of our production.

There were no incidences of non-compliance and/or fines pertaining to environmental regulations being imposed on Nutryfarm in FY2020. NutryFarm strives to ensure that the Group maintains in compliance with all relevant environmental regulations.

Environment Performance in FY2020	
FY2020 Target	Performance Update
Zero leaks of waste and effluents	There is no incident of waste and effluents leakage.
Zero incidents of environmental non-compliance	There is no incident of environmental non-compliance.
Environment Target for FY2021	
FY2021 Target	Action Plan
Zero leaks of waste and effluents	<ul style="list-style-type: none"> • Ensure proper and timely maintenance of all equipment and facilities. • Continue to engage external vendor to properly treat and dispose by-product waste and effluents. • Assess external vendors to ensure that the waste is disposed according to local government environmental requirements.
Zero incidents of environmental non-compliance	<ul style="list-style-type: none"> • Employees are to enforce stringent checks on the manufacturing processes and to inform the health and safety team of any leakages or non-compliance incidents.

Product Development



Consumers have trusted the NutryFarm brand for safe, high quality products to supplement their lifestyle and dietary requirements. We are committed to implement comprehensive quality controls and processes at every stage of our production to deliver quality products to consumers.

CONSUMER HEALTH AND SAFETY

All NutryFarm's products, including their raw materials and ingredients are fully compliant with local regulations, including the standards defined by PRC's National Food Safety Standard for Food Additive Use, National Food Safety Standard on Food Labelling of Pre-packaged Special Diet and General Hygiene Regulation for Food Production.

In FY2019, we have renewed our Food Production License as required under the Food Safety Law in PRC. Our license is valid until 13 December 2021.

We are committed to conducting responsible, safe and sustainable research and development that respects the concerns of our consumers and community. Prior to the purchase of our raw materials and imported products, NutryFarm will perform product tests to ensure that these materials and products meets all food safety and regulatory requirements.

We also conduct visits to suppliers' manufacturing plants to perform inspection on the environment and manufacturing processes, ensuring that the suppliers meet the Group's requirements, as well as all relevant regulatory requirements.

FEEDBACK AND COMPLAINT MANAGEMENT

The Group welcomes all feedbacks from customers as it is necessary to improving our products. Procedures for handling feedbacks are established. Feedbacks are recorded in detail and appropriate follow-up actions are taken promptly.

During the Reporting Period, the Group was not aware of any complaints received.

INTELLECTUAL PROPERTY RIGHTS MANAGEMENT

We have a comprehensive intellectual property strategy and management to protect our patents. As at the end of the Reporting Period, NutryFarm holds a total of 15 patents in PRC for our product formulas, ingredients extraction method, packaging and design. We work closely with legal consultants to ensure compliance with the requirements of the Patent Law of the PRC, the Rules for the implementation of the Patent law of the PRC and the PRC's Enterprise Intellectual Property Management Standards.

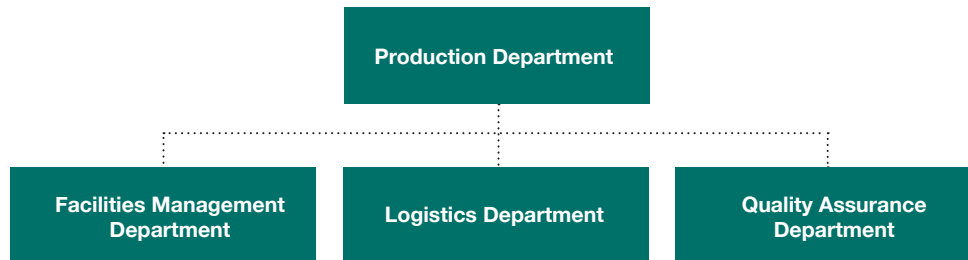
We also closely monitor the business environment for any infringements on our intellectual property rights and takes prompt measures to address the issue. During the Reporting Period, the Group was not aware of any material infringement of relevant laws and regulations relating to intellectual property rights, marketing and labelling.

Product Development



QUALITY ASSURANCE

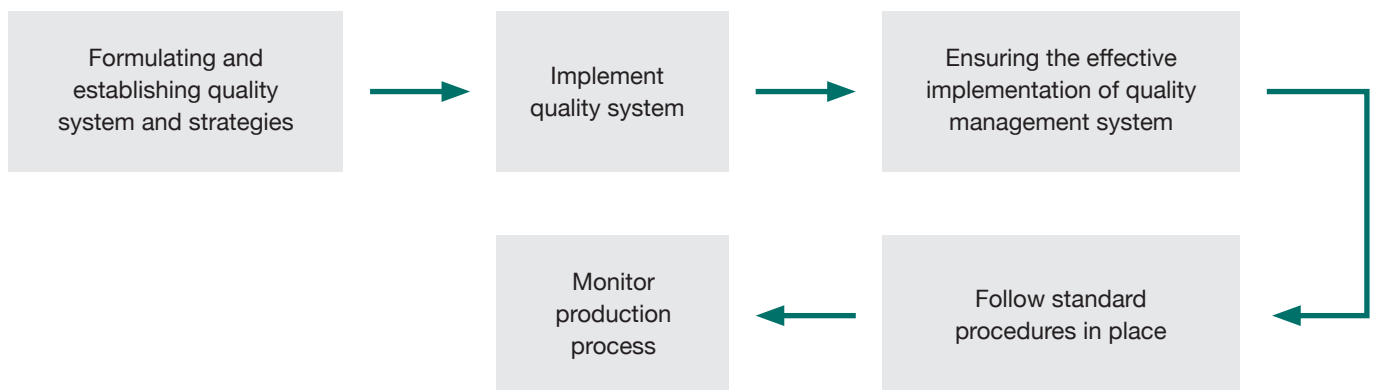
To deliver high quality and safe food products to consumers, the Group has established a quality assurance team to oversee the overall production and product quality. The following is the structure of our Production Department.



The roles and responsibilities of each department is as follows:

- Production department oversees overall quality assurance and production system.
- Facilities Management department ensures that the facilities are calibrated and maintained to ensure smooth production process and quality products.
- Logistics department conducts inspections based on our quality standards for ingredients and finished goods.
- Quality Assurance department exercises quality supervision and testing on the production process.

Our quality assurance process is as follows:



Product Development



SUPPLY CHAIN MANAGEMENT

NutryFarm aims to promote sustainability in our supply chain, and appoint responsible and ethical suppliers. Potential vendors undergo a comprehensive procurement process to ensure that quality suppliers are selected based on their price, value, business ethics, and compliance with applicable socioeconomic and environmental regulations.

We also regularly evaluate our key suppliers' performance to determine whether to extend our partnership with them. Such review process ensures alignment of our key vendors' services and products to our business and sustainability objectives, as well as ensure consistency in the quality of the material received.

We adopt a firm stance against all forms of business bribery and discrimination against any suppliers.

COVID-19 has posed a direct impact on the global supply chain. Due to the rapid spread of COVID-19, many countries have imposed lockdowns resulting in poor freight connectivity, delays or shortages in obtaining the necessary raw materials. However, there are no significant disruptions to the Group's supply chain. We have diversified the supply base for critical materials across our approved suppliers to minimize potential business disruption in the event of supply chain disruption. Further, we have maintained sufficient reserve of raw materials for continued production.

Environment Target for FY2021	
FY2021 Target	Action Plan
Zero case of non-compliance to regulatory requirements for food safety.	<ul style="list-style-type: none"> Continue efforts in quality assurance and production supervision to deliver high quality products to consumers.
Zero case of non-compliance to regulatory requirements for intellectual property rights, marketing and labelling.	<ul style="list-style-type: none"> Work closely with legal consultants and regularly review business environment for changes in regulatory requirements.

GRI Content Index

GRI Standard	Disclosure Title	Page Reference & Remarks
ORGANIZATIONAL PROFILE		
Disclosure 102-1	Name of the Organization	About this Report
Disclosure 102-2	Activities, brands, products, and services	Corporate Profile, Annual Report
Disclosure 102-3	Location of headquarters	Corporate Information, Annual Report
Disclosure 102-4	Location of operations	About NutryFarm, Annual Report
Disclosure 102-5	Ownership and legal form	About NutryFarm, Annual Report
Disclosure 102-6	Markets served	About NutryFarm, Annual Report
Disclosure 102-7	Scale of the Organization	About NutryFarm, Annual Report
Disclosure 102-8	Information on employees and other workers	Social, Diversity in Our Workplace
Disclosure 102-9	Supply Chain	Product Development, Supply Chain Management
Disclosure 102-10	Significant changes to the organization and its supply chain	No significant change to organization and supply chain
Disclosure 102-11	Precautionary Principle or approach	We do not explicitly refer to the precautionary approach or principle in our risk management framework. We seek to make contributions by generating profits responsibly.
Disclosure 102-12	External initiatives	None
Disclosure 102-13	Membership of associations	None
STRATEGY		
Disclosure 102-14	Statement from senior decision maker	CEO's Message, Annual Report; Board's Statement
Disclosure 102-15	Key impacts, risks, and opportunities	CEO's Message, Annual Report; Governance, Risk Management
ETHICS AND INTEGRITY		
Disclosure 102-16	Values, principles, standards, and norms of behaviour	Corporate Profile, Annual Report
Disclosure 102-17	Mechanisms for advice and concerns about ethics	Corporate Governance Report, Annual Report
GOVERNANCE		
Disclosure 102-18	Governance structure	Corporate Governance Report, Annual Report Sustainability Management
Disclosure 102-19	Delegating authority	Sustainability Management
Disclosure 102-20	Executive-level responsibility for economic, environmental, and social topics	Stakeholder Engagement
Disclosure 102-21	Consulting stakeholders on economic, environmental and social topics	Engagement with Stakeholders
Disclosure 102-22	Composition of the highest governance body and its committee	Corporate Governance Report, Annual Report

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GRI Standard	Disclosure Title	Page Reference & Remarks
GENERAL DISCLOSURE		
Disclosure 102-23	Chair of the highest governance body	Corporate Governance Report, Annual Report Governance, Corporate Governance
Disclosure 102-24	Nominating and selecting the highest governance body	Corporate Governance Report, Annual Report Governance, Corporate Governance
Disclosure 102-25	Conflicts of interest	Corporate Governance Report, Annual Report Governance, Corporate Governance
Disclosure 102-26	Role of highest governance body in setting purposes, values, and strategy	Corporate Governance Report, Annual Report Governance, Corporate Governance
Disclosure 102-27	Collective knowledge of highest governance body	Corporate Governance Report, Annual Report Governance, Corporate Governance
Disclosure 102-28	Evaluating the highest governance body's performance	Corporate Governance Report, Annual Report Governance, Corporate Governance
Disclosure 102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Management
Disclosure 102-30	Effectiveness of risk management process	Governance, Risk Management
Disclosure 102-31	Review of economic, environmental, and social topics	Materiality Assessment
Disclosure 102-32	Highest governance body's role in sustainability reporting	Sustainability Management
Disclosure 102-33	Communicating critical concerns	Engagement with Stakeholders; Governance, Whistleblowing
Disclosure 102-34	Nature and total number of critical concerns	Engagement with Stakeholders
Disclosure 102-35	Remuneration policies	Corporate Government Report- Procedures for Developing Remuneration Policies, Annual Report
Disclosure 102-36	Process for determining remuneration	Corporate Government Report- Procedures for Developing Remuneration Policies, Annual Report
Disclosure 102-37	Stakeholders' involvement in remuneration	Corporate Government Report- Procedures for Developing Remuneration Policies, Annual Report
Disclosure 102-38	Annual total compensation ratio	We choose not to disclose as we reward based on meritocracy.
Disclosure 102-39	Percentage increase in annual total compensation ratio	We choose not to disclose as we reward based on meritocracy.
STAKEHOLDER ENGAGEMENT		
Disclosure 102-40	List of stakeholder groups	Engagement with Stakeholders
Disclosure 102-41	Collective bargaining agreements	None of our employees have joined trade union
Disclosure 102-42	Identifying and selecting stakeholders	Engagement with Stakeholders
Disclosure 102-43	Approach to stakeholder engagement	Engagement with Stakeholders
Disclosure 102-44	Key topics and concerns raised	Engagement with Stakeholders

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GRI Standard	Disclosure Title	Page Reference & Remarks
REPORTING PRACTICE		
Disclosure 102-45	Entities included in the consolidated financial statements	Notes to Financial Statements- Subsidiaries, Annual Report
Disclosure 102-46	Defining report content and topic boundaries	Materiality Assessment
Disclosure 102-47	List of material topics	Materiality Assessment
Disclosure 102-48	Restatements of information	None
Disclosure 102-49	Changes in reporting	None
Disclosure 102-50	Reporting period	About This Report
Disclosure 102-51	Date of most recent report	31 March 2019
Disclosure 102-52	Reporting cycle	Annual
Disclosure 102-53	Contact point for questions regarding the report	About This Report
Disclosure 102-54	Claims of reporting in accordance with the GRI Standards	About This Report
Disclosure 102-55	GRI content index	GRI Content Index
Disclosure 102-56	External assurance	Not sought
MANAGEMENT APPROACH		
Disclosure 103-1	Explanation of the material topic and its Boundary	Social, Employee Training and Development; Social, Talent Attraction and Retention; Social, Health and Safety; Environmental, Energy and Water Conservation; Environmental, Effluents and Waste; Product Development, Supply Chain Management; Product Development, Consumer Health and Safety
ECONOMIC PERFORMANCE		
Disclosure 201-1	Direct economic value generated and distributed	Financial Review, Annual Report
Disclosure 201-2	Financial implications and other risks and opportunities due to climate change	Not applicable, Group's operations not significantly affected by climate changes.
Disclosure 201-3	Defined benefit plan obligations and other retirement plans	Not applicable
Disclosure 201-4	Financial assistance received from government	No financial assistance received in our reporting period.
MARKET PRESENCE		
Disclosure 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not reported as the salaries of all employees exceed the local minimum wages.
Disclosure 202-2	Proportion of senior management hired from the local community	Management Team, Annual Report

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GRI Standard	Disclosure Title	Page Reference & Remarks
INDIRECT ECONOMIC IMPACTS		
Disclosure 203-1	Infrastructure investments and services supported	None in our reporting report.
Disclosure 203-2	Significant indirect economic impacts	Not applicable as our business does not have significant indirect economic impact.
PROCUREMENT PRACTICES		
Disclosure 204-1	Proportion of spending on local suppliers	Financial Review, Annual Report
ANTI-CORRUPTION		
Disclosure 205-1	Operations assessed for risks related to corruption	No risk assessment performed related to corruption. But the Group has been fully compliant with all relevant anti-corruption and bribery laws.
Disclosure 205-2	Communication and training about anti-corruption policies and procedures	Governance, Anti-Corruption Practices and Whistleblowing
Disclosure 205-3	Confirmed incidents of corruption and actions taken	No reported cases during the reporting period.
ANTI-COMPETITIVE BEHAVIOUR		
Disclosure 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No reported cases during the reporting period.
MATERIALS		
Disclosure 301-1	Materials used by weight or volume	Not tracked, but the Group will look at maintaining records for future reporting.
Disclosure 301-2	Recycled input materials used	Not applicable, as operations does not use recycled input materials.
Disclosure 301-3	Reclaimed products and their packaging materials	Not applicable to the Group's business
ENERGY		
Disclosure 302-1	Energy consumption within the organization	Environmental, Energy and Water Conservation
Disclosure 302-2	Energy consumption outside of the organization	Not applicable to the Group's business
Disclosure 302-3	Energy intensity	Environmental, Energy and Water Conservation
Disclosure 302-4	Reduction of energy consumption	Environmental, Energy and Water Conservation
Disclosure 302-5	Reductions in energy requirements of products and services	Not applicable to the Group's business
WATER		
Disclosure 303-1	Water withdrawal by source	Not applicable, all water are source from utility organizations.
Disclosure 303-2	Water sources significantly affected by withdrawal of water	Not applicable

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GRI Standard	Disclosure Title	Page Reference & Remarks
Disclosure 303-3	Water recycled and reused	Not applicable
Disclosure 303-4	Water discharge	Not applicable, no significant water discharge from operations.
Disclosure 303-5	Water consumption	Environmental, Energy and Water Conservation
BIODIVERSITY		
Disclosure 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable as our offices and project development sites are not carried out in protected areas and areas of high biodiversity.
Disclosure 304-2	Significant impacts of activities, products, and services on biodiversity	
Disclosure 304-3	Habitats protected or restored	
Disclosure 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	
EMISSIONS		
Disclosure 305-1	Direct (Scope 1) GHG emissions	Not applicable, as operations do not have significant GHG and hazardous emissions.
Disclosure 305-2	Energy indirect (Scope 2) GHG emissions	
Disclosure 305-3	Other indirect (Scope 3) GHG emissions	
Disclosure 305-4	GHG emissions intensity	
Disclosure 305-5	Reduction of GHG emissions	
Disclosure 305-6	Emissions of ozone-depleting substances (ODS)	
Disclosure 305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	
EFFLUENTS AND WASTE		
Disclosure 306-1	Water discharge by quality and destination	Not reported as our business does not have significant water discharge.
Disclosure 306-2	Waste by type and disposal method	Environmental, Effluents and Waste Waste amount is not tracked. But there is no hazardous waste produced in our operations and the Group will look into tracking amount of waste disposed for future reporting.
Disclosure 306-3	Significant spills	Our business does not have significant spills.
Disclosure 306-4	Transport of hazardous waste	Not applicable as our business does not generate hazardous wastes.
Disclosure 306-5	Water bodies affected by water discharges and/or runoff	No water bodies affected by water discharge from our operations.

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GRI Standard	Disclosure Title	Page Reference & Remarks
ENVIRONMENTAL COMPLIANCE		
Disclosure 307-1	Non-compliance with environmental laws and regulations	No reported cases in the reporting period
EFFLUENTS AND WASTE		
Disclosure 308-1	New suppliers that were screened using environmental criteria	No new contractors/suppliers during the reporting period.
Disclosure 308-2	Negative environmental impacts in the supply chain and actions taken	No new contractors/suppliers during the reporting period.
EMPLOYMENT		
Disclosure 401-1	New employee hires and employee turnover	Social, Talent Attraction and Retention
Disclosure 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social, Talent Attraction and Retention
Disclosure 401-3	Parental leave	Social, Talent Attraction and Retention
LABOUR/ MANAGEMENT RELATIONS		
Disclosure 402-1	Minimum notice periods regarding operational changes	Not applicable as there are not any significant operational changes during the reporting period.
Disclosure 403-1	Workers representation in formal joint management-worker health and safety committees	Not applicable as the Group does not have a health and safety committee.
Disclosure 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	No reported cases of workplace injury or casualty during the reporting period.
Disclosure 403-3	Workers with high incidence or high risk of diseases related to their occupation	Not applicable as our business do not expose workers to high risk of diseases.
Disclosure 403-4	Health and safety topics covered in formal agreements with trade unions	Not applicable as there are no formal agreement with trade unions.
OCCUPATIONAL HEALTH AND SAFETY		
Disclosure 403-5	Worker training on occupational health and safety	Social, Health and Safety
Disclosure 403-6	Promotion of worker health	Social, Health and Safety
Disclosure 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social, Health and Safety
Disclosure 403-8	Workers covered by an occupational health and safety management system	Social, Health and Safety
Disclosure 403-9	Work-related injuries	No reported cases of work-related injuries during the reporting period.
Disclosure 403-10	Work-related ill health	No reported cases of work-related ill health during the reporting period.

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GRI Standard	Disclosure Title	Page Reference & Remarks
TRAINING AND EDUCATION		
Disclosure 404-1	Average hours of training per year per employee	We have not commenced tracking of employee's training hours. We will be looking to commence tracking of employee training hours in the upcoming year.
Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs	Social, Employee Training and Development
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	100%
DIVERSITY AND EQUAL OPPORTUNITY		
Disclosure 405-1	Diversity of governance bodies and employees	We choose not to disclose as we reward based on meritocracy.
Disclosure 405-2	Ratio of basic salary and remuneration of women to men	We choose not to disclose as we reward based on meritocracy.
NON-DISCRIMINATION		
Disclosure 406-1	Incidents of discrimination and corrective actions taken	No indication of occurrence during the reporting period.
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
Disclosure 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	No indication of occurrence during the reporting period.
CHILD LABOUR		
Disclosure 408-1	Operations and suppliers at significant risk for incidents of child labour	No indication of occurrence during the reporting period.
FORCED AND COMPULSORY LABOUR		
Disclosure 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	No indication of occurrence during the reporting period.
SECURITY PRACTICES		
Disclosure 410-1	Security personnel trained in human rights policies or procedures.	Not applicable as security is outsourced and not relevant to our operations.
RIGHTS OF INDIGENOUS PEOPLE		
Disclosure 411-1	Incidents of violations involving rights of indigenous peoples	Not applicable as our Group do not involve interactions with indigenous people.
HUMAN RIGHTS ASSESSMENT		
Disclosure 412-1	Operations that have been subject to human rights reviews or impact assessments	No impact review performed for human rights. But the Group has been fully compliant with all relevant manpower regulations.
Disclosure 412-2	Employee training on human rights policies or procedures	No training provided on human rights policies and procedures.

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GRI Standard	Disclosure Title	Page Reference & Remarks
Disclosure 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	No such agreements during the reporting period.
LOCAL COMMUNITIES		
Disclosure 413-1	Operations with local community engagement, impact assessments, and development programs	No significant operations with local community engagement.
Disclosure 413-2	Operations with significant actual and potential negative impacts on local communities	Our business operations do not have significant negative impacts on local communities.
SUPPLIER SOCIAL ASSESSMENT		
Disclosure 414-1	New suppliers that were screened using social criteria	No new contractors/suppliers during the reporting period.
Disclosure 414-2	Negative social impacts in the supply chain and actions taken	No negative social impacts occurred during the reporting period.
PUBLIC POLICY		
Disclosure 415-1	Political contributions	None during our reporting period.
CUSTOMER HEALTHY AND SAFETY		
Disclosure 416-1	Assessment of the health and safety impacts of product and service categories	Product Development, Consumer Health and Safety
Disclosure 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No indication of occurrence during the reporting period.
MARKETING AND LABELLING		
Disclosure 417-1	Requirements for product and service information and labeling	Product Development, Consumer Health and Safety
Disclosure 417-2	Incidents of non-compliance concerning product and service information and labelling	No reported cases during the reporting period.
Disclosure 417-3	Incidents of non-compliance concerning marketing communications	No reported cases during the reporting period.
CUSTOMER PRIVACY		
Disclosure 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No reported cases during the reporting period.
SOCIOECONOMIC COMPLIANCE		
Disclosure 419-1	Non-compliance with laws and regulations in the social and economic area	No reported cases during the reporting period.

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