

SUSTAINABILITY REPORT 2021



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STATEMENT FROM THE CHAIRMAN CORPORATE



Sustainability is not a fashion – it's a necessity, and as a company, we are fully dedicated to it. "

Dr. Dirk Lorenz-Meyer Chairman Corporate Member of Board of Directors

Dear Reader,

I am honoured to present you Behn Meyer's Sustainability Report 2021.

We have come through yet another extraordinary year that has changed the world in which we operate and live. Entering the year 2021, we were hopeful that things would soon normalise, but instead, international headlines continued to be dominated by COVID-19 news throughout the year. While Europe and North America saw the biggest impacts of the pandemic in 2020, most of Asia navigated safely through the first wave of COVID-19, but got hit harder in 2021.

In the face of this crisis, our priorities shifted immediately to keeping our colleagues safe and our business operations running. With effective hygiene measures and flexible work-from-home solutions, yet most notably with phenomenal teamwork, we managed to protect our people and continued to supply our customers during these challenging times. I am incredibly proud of all our colleagues for standing together to overcome the impacts of the pandemic that all of us felt in our personal and professional lives. There have been heart-warming displays of team spirit and solidarity, with colleagues in Vietnam temporarily moving into our warehouse to ensure deliveries of vital supplies to our customers as an outstanding example. On behalf of the Board of Directors, I wish to express our heartfelt gratitude to all our employees. I am delighted to see that this sense of togetherness carries over into our daily lives as we continue to care deeply for our colleagues and to look out for one another.

Behn Meyer stands for family values, trust and longevity, as well as for entrepreneurship and innovation. We are a diverse company with a multitude of backgrounds, genders, nationalities, and expertise, all adding to our strength. Our mission is to create innovative solutions for a sustainable future. At Behn Meyer, business sense and community spirit go hand in hand. Our focus on innovation is designed to drive both business value and social value. Sustainability for us is not a trend or a fashion. It represents the core of who we are as a company; it is our purpose and the connector between all our businesses, and the focal point of our R&D activities.

Inside this Sustainability Report 2021, you will find many examples of how Behn Meyer solutions improve the sustainability along the value chain of our customers' industries. From a series of soil health products which had also won the top spot in Behn Meyer's 2021 Sustainability Campaign, to plant-based alternatives for meat applications or antibiotic-free medicines in animal health,

Behn Meyer is driving change with its portfolio selection. We do screen our new supply partners for their contribution to our sustainability agenda.

Behn Meyer's environmental, social, and governance (ESG) strategy details how we are putting this purpose into action. We have understood that we cannot thrive as a business if our colleagues, our communities; or our planet do not thrive. Hence, we have set bold goals, measure our improvements; and provide transparency on our progress. This sustainability report represents the first time we've combined all of our ESG performance and actions into one holistic, transparent, and comprehensive statement.

The developments in FY2021 outlined in this report also demonstrate how deeply the United Nations Sustainable Development Goals (UN SDGs) are embedded in our corporate strategy as a compass for our actions. Behn Meyer is a member of the United Nations Global Compact (UNGC), and we are therefore guided by the UNGC's Ten Principles in the areas of human rights, labour, the environment, and anti-corruption. We map our most material issues to the SDGs and the underlying targets to identify where we have the most opportunity for impact. An index for this exercise is included in the report.

As the top goal, we are committed to our Net-Zero 2040 Ambitions in FY2021, working across the ESG spectrum to set our strategy for the decades ahead. Our ambition is to achieve the boldest carbon emissions commitment in our industry: carbon neutrality by 2040 – the year that marks the 200th anniversary of Behn Meyer. We have mapped out this transformational journey with long-term goals and near-term targets in four pillars: Environment, Labour and Human Rights, Ethics, and Sustainable Procurement.

For the near-term 2025 target, we will focus on energy conservation and emissions reductions; execute water management and waste disposal plans; and ensure positive impacts on local communities and the environment. We know that there is still a lot that needs to be done, but we now have a framework to follow through on our commitments and report our yearly improvements.

Positive change at the scale and pace the world requires needs a collaborative effort, with companies, people, and governments working together. I can confirm that at Behn Meyer, we are committed to doing our part and working with focus and determination to create a more sustainable, equitable, and prosperous world for all. I am very pleased to share our progress with you through this Sustainability Report 2021, and I welcome your feedback.

Yours sincerely,

Dirk Lorenz-Meyer Hamburg, 18 May 2022

OUR HISTORY















The Behn Meyer Group of Companies dates back to 1840, when two young men from Hamburg, Theodor August Behn and Valentin Lorenz Meyer, established Behn Meyer & Co. in Singapore. Since its early beginnings in trading and shipping, Behn Meyer has evolved into a specialty supplier for a wide variety of industries across the globe.

A Story of Persistence

- 1840 Behn Meyer is founded as the first German company in Singapore.
- 1914 Behn Meyer is now the largest German shipping and trading house in Southeast Asia.
- **1920s** Following an interruption in business during World War I, Behn Meyer returns to Asia, but then loses all its assets and properties during World War II.
- 1950s Behn Meyer rebuilds its business in Asia for the third time, focusing on agriculture and chemicals in Malaysia, Singapore, and Indonesia.
- **1990s** After returning to Thailand in 1978, Behn Meyer starts expanding into Vietnam and Myanmar.
- **Today** Behn Meyer is back in all ASEAN markets as a specialised regional distribution company.









Further Expansion and Digitalisation

2015

- **1990s** The Behn Meyer Group expands its offerings to include production, R&D, and services.
- 1996 Behn Meyer begins integrating the SAP system into all of its countries of operations.
- 1999 Performance Additives is formed as a manufacturer of rubber additives.
- 2006 Behn Meyer begins producing dispersions for latex applications.
- **2011** Behn Meyer acquires a production facility of Flexsys (Solutia Inc.) in Termoli, Italy.
- 2012 Performance Additives opens a manufacturing plant in Ohio, USA.
 Behn Meyer grows beyond SEA and sets up new companies in China and Taiwan.
- Behn Meyer adopts a new corporate identity.
 Behn Meyer doubles its warehouse capacity in Indonesia, Malaysia, the Philippines, and Thailand.
- Behn Meyer AgriCare builds new warehouses in Bintulu, Sarawak, and Pulau Indah, Port Klang, and also commissions its first fertiliser compaction plant in Lahad Datu, Sabah, Malaysia, the first to feature dry-granulation technology in East Malaysia.

A new office and warehouse in Hanoi comes into operation.

- **2016** Behn Meyer acquires the company Intracare B.V. in the Netherlands.
- 2017 Behn Meyer AgriCare Vietnam moves its fertiliser plant to a 5-hectare site at Phu My, Vietnam.
- 2018 Behn Meyer celebrates the grand opening of Agri First Co., Ltd. (a joint venture of Behn Meyer AgriCare and Mitsui) and Myanmar Agribusiness Public Corporation (MAPCO) in Thilawa, Yangon.

Behn Meyer AgriCare inaugurates a new manufacturing plant and fertiliser and agrochemicals warehouse in Pulau Indah, Malaysia, while simultaneously launching the premium compaction fertiliser IMPACT®.

Behn Meyer launches the new edition of its corporate history book, titled *Merchants Beyond the Seas*.

- 2019 The whole Behn Meyer Group embarks on a digitalisation initiative and adopts SAP S/4 HANA.
- 2020 Behn Meyer introduces its CRM system and celebrates its 180th anniversary.
- Nutrivo Ingredients, Thailand is formed as a manufacturer for the food industry, focusing on meat replacement and vegan solutions.

Behn Meyer acquires Myosyn Industries in Australia, which specialises in the production of meat and bakery applications.

Behn Meyer sets its long-term sustainability goals of net-zero carbon emissions in 2040 and 2025 near-term action plans.

OUR CORE VALUES

PERSISTENCE

We have been part of Southeast Asia for 180 years, making this heritage our anchor. While we are growing globally today, it is the legacy of our unwavering commitment to Asia that has built the trust in our name.





TRUST

We are a family firm and all our employees are part of this Behn Meyer family. We understand that customer confidence is based on reliability in long-term relations, and therefore, we trust in our people, empower them to grow, and treat everyone around us with dignity and respect.

COMMITMENT

We ensure that we possess the highest levels of professionalism and specialised application knowledge in the industries we serve. We think and act with our customers in mind. Our management is based on equality, diversity, and teamwork.





INTEGRITY

All our dealings are guided by the iconic handshake between Hamburg merchants. We always keep our word and practice an open partnership with our colleagues, customers, and business partners, based on honesty, sincerity, and transparency.

SUSTAINABILITY

Corporate Social Responsibility (CSR) has been part of our philosophy right from the company's foundation. We take responsibility for our environmental and social impact, protect the health and safety of everyone around us, and use a CSR management system to validate improvements. Giving back to the communities in which we live and work is an honour we hold in very high regard.





ENTREPRENEURSHIP

Our distinct Behn Meyer spirit is formed by a deep appreciation for business pioneers, our curiosity, and a passion for solutions that help our customers succeed. By listening and embracing technology, we uncover opportunities, innovate, and grow together.

OUR GLOBAL PRESENCE



OUR KEY INDUSTRIES

Today, the Behn Meyer Group combines the distribution of renowned brands with the development of its own products. Behn Meyer's core business units service a variety of industries:

















Fertilisers

Specialty Fertilisers

Additives & Specialties

Crop Protection

Food Ingredients

Animal Nutrition

Aquaculture

Personal & Home Care

Pharma

Petrochemicals

Water Treatment

Process Industries

Coatings

Leather & Textile

Plastics

Rubber



SUPERVISORY BOARD

Behn Meyer has a long history of upholding a high standard of corporate governance, performance, and fair dealings in our business processes. The Board Members and Senior Management of the business demonstrate their leadership by example. They collectively recognise that transparency and accountability in management will secure long-term sustainability for Behn Meyer.

Over the years and amidst a fast-paced operating environment, the company acknowledges and improves any weaknesses in management systems across all business units in all countries. Behn Meyer recognises this as vital for its continued success, and the practice has also allowed it to adapt quickly to many changing circumstances over the years.

The main corporate governing bodies of the Behn Meyer Group are the Supervisory Board, the Board of Directors, and the Steering Committee of the holding entity **Behn Meyer Holding AG**, **Germany**. As defined by corporate law, the Supervisory Board of a German corporation (Aktiengesellschaft, or AG) is appointed by the shareholders at the general meeting and needs to have three members or multiples of three. The Supervisory Board of Behn Meyer Holding AG consists of six members: three external and three representatives of the shareholding families. By corporate charter, the role of Supervisory Board Chairman is reserved for an external member.

BOARD OF DIRECTORS

The Board members contribute core competencies to the Group's decision-making capabilities. Behn Meyer's Supervisory Board appoints the members of the Holding AG's Board of Directors. Currently, six board members oversee the Group's business and strategies, including its sustainability strategies. Behn Meyer is an integrated life science group that focuses on the distribution and production of specialty additives for the agricultural and chemical industries.

Guardianship of the company is the responsibility of the Board. It sets the tone for Behn Meyer's long-term business objectives, organisational strategy, risk management, and global dealings. They review and approve business plans and ensure sufficient resources for Behn Meyer to fulfil its objectives. As Behn Meyer is a global leader in the industry, the Board also has a priority to ensure that environmental, social, and economic responsibilities are ingrained in Behn Meyer's operations. The Board's corporate responsibility also includes Behn Meyer's legal conduct and its dealings with partners in the business community.

The business of the Managing Board - is the execution of the company's function as the general partner in **Behn Meyer Holding AG**. Dr Dirk Lorenz-Meyer is the Chairman of Behn Meyer Corporate. The scope of the company is reflected in the Board of Directors with the following board members, each responsible for one key area: **Mr Prasonk Aramwittaya**, the Chairman of Chemical Distribution; **Mr Oliver Meyer**, the Chairman of Chemical Manufacturing; **Mr Teo Tee Seng**, the Head of Behn Meyer AgriCare; **Mrs Rohaya Muhammad**, the Head of Corporate Finance, Accounting, and IT; **Dr Dirk Lorenz-Meyer**, the Head of Group Structure and Management, and **Mrs Lotta Kellinghusen**, the Head of Marketing and Human Resources. Collectively, this approach enables balanced and high-quality decision-making.

The Board and each of its business units conduct quarterly meetings and evaluation of its performance with a particular focus on overall effectiveness. The evaluation process is an effective tool in ensuring sound corporate governance practices, which are important to the success of Behn Meyer's business and in advancing stockholder interests. The evaluation process provides valuable insight regarding areas of effectiveness and opportunities for improvement.

GOVERNANCE STRUCTURE

SUPERVISORY BOARD



Hoh Sooi Kim



Bernhard Becker



Christa Lorenz-Meyer



Jens Kellinghusen



Peter-Joachim Schoenberg



Khoo Su Chin

BOARD OF DIRECTORS



Prasonk Aramwittaya



Oliver Meyer



Dr Dirk Lorenz-Meyer



Rohaya Muhammad



Lotta Kellinghusen



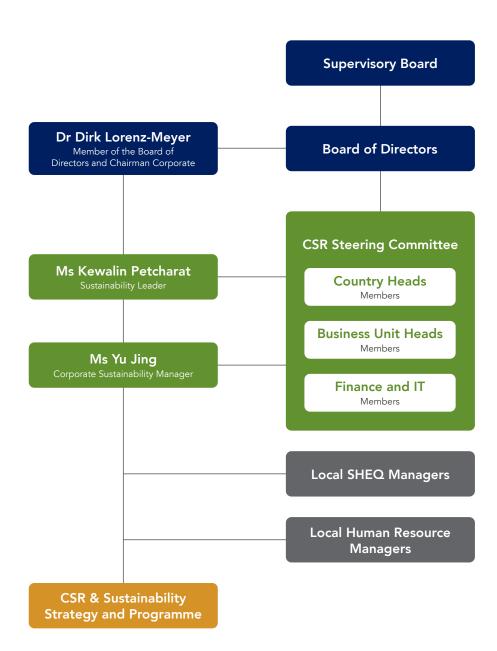
Teo Tee Seng

CSR STEERING COMMITTEE

Across all its global operations, Behn Meyer drives sustainability from the very top. This is evidenced by Dr Dirk Lorenz-Meyer, a member of the Board of Directors and Chairman Corporate, taking direct responsibility for the group's sustainability efforts at the holding level.

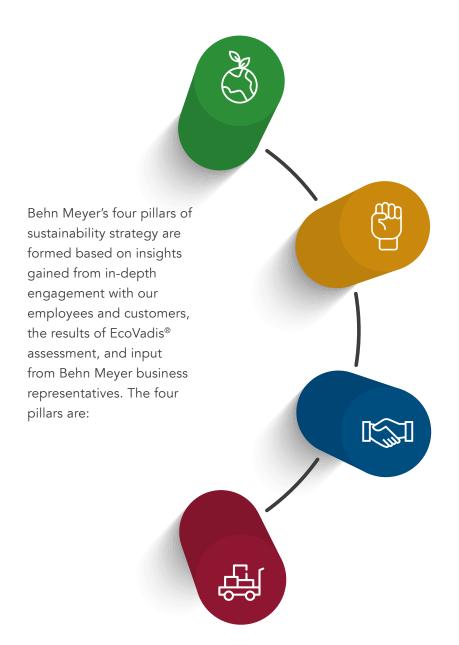
Underneath the Board level, the Group's Corporate Social Responsibility (CSR) Steering Committee oversees the execution of Behn Meyer's CSR and sustainability strategy in all affiliates. The CSR Steering Committee consists of all country heads, all business unit heads, and the Group's Finance and IT Directors. It currently has 24 members. These leaders integrate sustainability into the Group's business strategy, corporate culture, ground operations, and beyond. Steadfast leadership in this area is one of Behn Meyer's key strengths, enabling both latitude and penetration of sustainability-related initiatives.

Behn Meyer's CSR Steering Committee is led by **Ms Kewalin Petcharat**, the Business Unit (BU) Director for the Rubber and Coatings BUs. The Group's Corporate Sustainability Manager, **Ms Yu Jing**, reports to Ms Kewalin Petcharat and coordinates all aspects of the Group's sustainability efforts on the operational level. Ms Yu Jing, together with her team, collects and analyses relevant data, devises sustainability guidelines, and ensures complete implementation throughout the group of companies with the help of local SHEQ and HR leaders. She is also in charge of producing Behn Meyer's Annual Sustainability Report and proposes targets to the CSR Steering Committee for review. The final sustainability goals and action plans are approved and communicated by the Group's Board of Directors and reviewed annually.





STRATEGY FOR SUSTAINABILITY



Environment Pillar

We are dedicated to catalysing the transition to become a more sustainable manufacturer and distributor for the chemical, agricultural, and life science industries. We optimise the use of planetary resources in our operations and supply chain in a manner that minimises environmental impacts.

Labour and Human Rights Pillar

We are guided by our values of trust, integrity, and respect for one another. We invest in the development and well-being of our workforce in order to build current and future capacity that can create value for the business, stakeholders, and the communities we serve.

Ethics Pillar

We are committed to fostering a culture of responsibility and conducting our business in accordance with the highest ethical and legal standards across all our business activities.

Sustainable Procurement Pillar

Our practices ensure that the procurement process is fair and transparent. This is enabled by the principles of sustainable procurement for the evaluation of our supply chain.

VALUE CREATION

We at the Behn Meyer Group are committed to furthering our business objectives and achieving our goals in a responsible and sustainable way.

Aiming to secure sustainable business growth, Behn Meyer pursues sustainability in all aspects of its businesses. We accomplish this by aligning efforts and strategies to the UN Sustainable Development Goals (SDGs) where health, safety, and environmental protection is a high priority in the company's value chain. As a responsible business, Behn Meyer complies with all relevant laws and regulations worldwide in its areas of operation and strives to meet major industry standards.

As a member of the **United Nations Global Compact (UNGC)** initiative, our strategy incorporates the Ten UNGC Principles in areas such as human rights, labour, environmental protection, and anti-corruption, as well as the principles of the **Global Reporting Initiative (GRI)**. The UNGC also serves as a significant reference point as we map our contributions and progress for our long-term targets.



SUSTAINABILITY TARGETS

NEAR-TERM TARGETS

This year, Behn Meyer have set a series of ambitious sustainability targets for our operations. We are committed to achieving the near-term target by 2025. We will measure our progress in all four pillars using relevant KPIs and other metrics. The sustainability targets and KPIs will be under a continuous review in tandem with our ambitions to continue to grow moving forward. With less than five years to achieve the near-term targets, there is a priority to balance our human aspirations with the planet's ability to sustain them.



Expand Energy Conservation and Reduce Emissions

• Clean energy/renewable energy usage coverage.

- Energy intensity reduction below 2021 baseline.
- GHG emission intensity reduction below 2021 baseline (Scope 1+2).

Water Management Plans in Explicit Alignment With Municipal, Regional, and State Priorities

50% • Water reuse of total water consumption.

25% • Reduction in wastewater production intensity below 2021 baseline.

Reduce Compliance Risks Associated With Waste Disposal

Waste production intensity reduction below 2021 baseline.Packaging reusable, recyclable, or compostable.

Ensure Minimal Risk to Local Communities and Environment

- Maintain zero environmental accidents.
- Protect environmental and public health by complying with the environmental requirements.



Labour and Human Rights

Engagement on Sustainability Issues with Key Stakeholder Groups

Employee satisfaction rating and customer satisfaction rating.

- Launch BM Sustainability Campaign to advance innovation and collaboration on sustainability among BM employees.
- Drive sustainability efforts at all company levels.
- Implement a unified approach towards staff volunteering and community engagement across different locations.

Diversity and Inclusion

• Manager and above will be trained in diversity and inclusive leadership.

• Management positions to be held by women.

Working Conditions

• Employee job satisfaction rate.

- Align employee caring efforts to increase health benefits and improve health outcomes.
- Zero workplace accidents with lost time.



Compliance Management

• No reported issues of non-compliance with laws or regulations in social or economic areas.

Ethics and Fair Business Practices

- 100% Employees trained in policies and procedures relating to ethics.
- No material breaches of these policies and procedures.

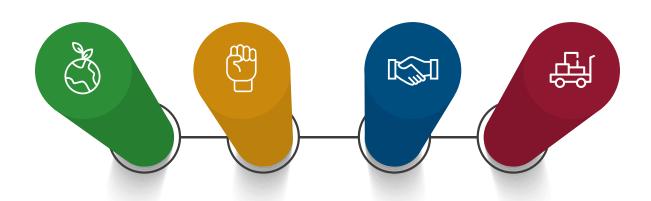
Crisis Management

100% • Behn Meyer sites to have effective crisis management and business continuity plans in place.



Sustainable Procurement

- 100% Screening of first-tier suppliers' ESG performance by 2025.
- Set up a comprehensive and systematic management approach towards sustainable procurement practices.
- Responsible, ethical, and sustainable sourcing of materials.
- Incorporate sustainability topics into all procurement procedures and help suppliers to reduce their Scope 1 and Scope 2 emissions.



LONG-TERM TARGETS

- Bring down Behn Meyer's global greenhouse gas emissions to net zero by 2040 in line with climate science.
- Make 100% of BM-label products environmentally sustainable by designing items that are more durable, eliminate waste, and encourage reuse by 2040.
- Create carbon-neutral products.



BEHN MEYER SUSTAINABILITY CAMPAIGN 2021

In order to accelerate Behn Meyer's progress to meet its 2025 sustainability target whilst sourcing for emerging solutions/technology to address the sustainability challenges impacting its business, Behn Meyer launched its first-ever Sustainability Campaign. This campaign called out all of Behn Meyer's employees across the globe to share their innovative project ideas for a more sustainable business operation. Throughout the campaign, we received a total of **38 project submissions from 7 countries**. To commemorate the finalists' efforts and achievements, more than 530 Behn Meyer employees worldwide attended the company's virtual Sustainability Award ceremony. The top three winning teams' project ideas indeed serve as a drive to further advance the innovation and collaboration in sustainability within the Behn Meyer Group.



Project Owners/Originators:

Behn Meyer AgriCare Malaysia

Project Title:

Soil Health as a Foundation to Sustainable Agriculture – Investment into bio-innovation capability in future product development

Brief Project Description:

Improving soil health and quality is an integral step towards achieving the Sustainable Development Goals (SDGs), specifically the goals on zero hunger (SDG 2), climate action (SDG 13), and life on land (SDG 15). Hence, it is pivotal that we start investing in internal bio-innovation R&D capability, capacity, and equipment which are necessary to support the development and production of the soil health products. At the same time, investment into education, promotion, and awareness campaign to the farmers, advisors, and policymakers on the importance of soil health is equally essential to ensure the project's objectives can be achieved. BM AgriCare Soil Health Initiative will encompass the following three pillars: soil remineralisation, soil remediation, and soil revitalisation.



Project Owners/Originators:

Aquaculture Department (Behn Meyer Vietnam)

Project Title:

Application of Innovazyme Pro AK Product in Handling Dead Shrimp from Shrimp Culturing

Brief Project Description:

This project intends to overcome the challenges associated with dead shrimp from shrimp culturing. Organic waste and dead shrimp are often just buried at pondside. This can cause the proliferation of viruses, bacteria, toxins; and leads to high ammonia, hydrogen sulfide, and low dissolved oxygen in the pond. Farmers can now use our Innovazyme Pro AK to hydrolyse the biomass and recover protein from waste in aquaculture. The utilisation of Innovazyme Pro AK can reduce shrimp farming waste from culturing activities, subsequently avoiding the spread of diseases, preventing environmental pollution, and achieving sustainable aquaculture.



Project Owners/Originators:

Warittha Sontijirawong (Behn Meyer Thailand)

Project Title:

Green Heart Zero Waste

Brief Project Description:

This project focuses on reducing CO_2 emissions reduction, waste management, renewable packaging, and educational activities. Noting that the volume of plastics used for the product packaging increases every year, this project proposes applying new technology to reduce the quantity of virgin plastic used, which can help to reduce environmental pollution. The project also looks at education plans to promote awareness among employees, allowing them to have a greater understanding of sustainability processes and how to successfully carry out initiatives to meet our target.

SUSTAINABILITY STAKEHOLDER ENGAGEMENT

Regular, open, and honest communication with stakeholders is a central part of Behn Meyer's approach to working with the many parties that the company relies on. We aim to respond expediently to all views and concerns to build long-lasting and meaningful relationships with our partners. This adds value to Behn Meyer's business while simultaneously serving the interests of our stakeholders. Communicating with these stakeholders is an imperative focus of the company's operational approach. Behn Meyer conducts a yearly Sustainability Stakeholder Engagement Survey via web-based questionnaires for both internal and external stakeholders. It aims to obtain anonymous feedback as input for us to verify the **ESG (environmental, social and governance)** risks and improve our supply chain management.

Throughout each financial year, Behn Meyer makes efforts to communicate with its key stakeholders, prioritising those groups fundamental to creating sustainable business operations. There are many parties which enable Behn Meyer's business to thrive. The selection of these stakeholders is due to Behn Meyer's ability to impact their value chain and their potential impact on Behn Meyer's business. Key stakeholder groups comprise company employees, customers, industry groups, business partners, distributors, suppliers, community, and the others.

Behn Meyer's stakeholders were consulted to gauge their views on the company's sustainability performance and future priorities. Through our stakeholder engagement exercise in FY2021, we gathered that the top three areas of relevance to our stakeholders are:

- 1. Compliance with product safety,
- 2. Data privacy and security, and
- 3. Product/service quality and responsibility.

The detailed material results of stakeholder feedback are illustrated in the next section.

The next annual stakeholder engagement exercise will take place in FY2022.

INTERNAL
Board Members
Directors
Middle Management
Employees

EXTERNAL	
Customers	
Suppliers	
Business Partners	
Industry Associations	
Community	

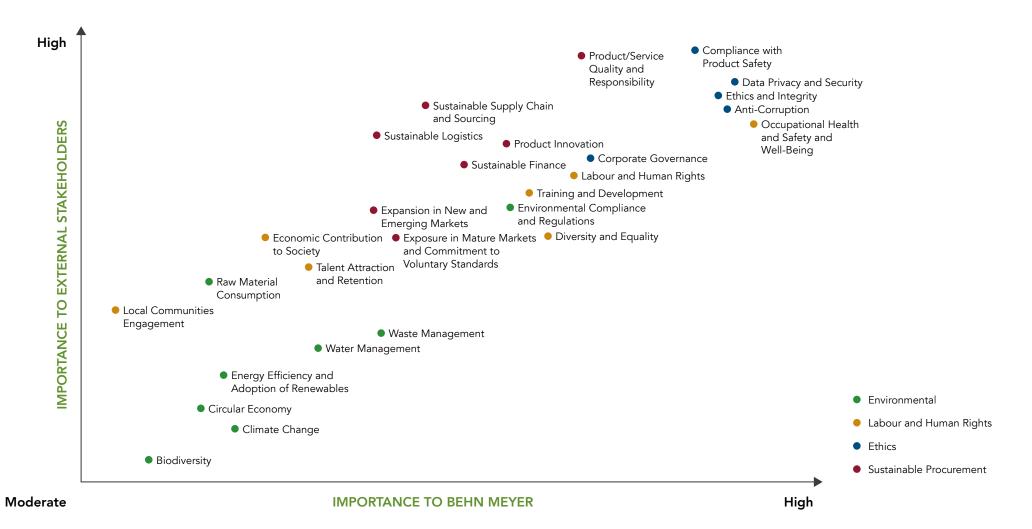
MEMBERSHIPS & ASSOCIATIONS

Behn Meyer actively participates in a number of industry organisations and advocacy groups around the globe. Our affiliation with these reputable associations demonstrates the company's commitment to a high standard of corporate governance. This list represents a cross-section of our areas of business:

Animal Health Companies Association (ASOHI)	Malaysian International Chamber of Commerce & Industry (MICCI)
Association of Hamburg Exporters e.V. (VHE)	Malaysian Plastics Manufacturers Association (MPMA)
Association of Indonesian Cosmetics Companies (PERKOSMI)	Malaysian Rubber Glove Manufacturers' Association (MARGMA)
Business Association of the German Rubber Industry e.V. (WDK)	Malaysian Rubber Products Manufacturers' Association (MRPMA)
Chamber of Commerce Hamburg	Malaysian-German Chamber of Commerce (MGCC)
Chemical Industries Council of Malaysia (CICM)	Myanmar Ministry of Agriculture, Livestock and Irrigation (MOALI)
Confederation of Italian Industry (Confindustria)	Responsible Care® Global Charter
Employers' Confederation of Thailand (ECOT)	Responsible Care Management Committee of Thailand (RCMCT)
Employers Confederation of the Philippines (ECOP)	Roundtable of Sustainable Palm Oil (RSPO)
Fertilizer Industry Association Malaysia (FIAM)	The Federation of Malaysian Manufacturers (FMM) Women in Business
FMM Export & International Business (EIB)	The Federation of Thai Industries (FTI)
FMM Subang Jaya & Puchong Regional	The German-Indonesian Chamber of Industry and Commerce (EKONID)
German Asia-Pacific Business Association (OAV)	The German-Thai Chamber of Commerce (GTCC)
German Myanmar Business Chamber	The Indonesian Food and Beverage Industry Association (GAPPMI)
German Rubber Society e.V. (DKG)	The Italian Federation of the Chemical Industry (Federchimica)
Global Compact Network Germany	The Plastics & Rubber Institute Malaysia (PRIM)
Indonesian Chamber of Commerce and Industry (KADIN)	The Thai Chamber of Commerce (TCC)
International Fertilizer Association (IFA)	The Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)
Malaysian Animal Health & Nutrition Industries Association (MAHNIA)	Überseeclub e.V.
Malaysian CropLife & Public Health Association (MCPA)	United Nations Global Compact (UNGC)

MATERIALITY

Behn Meyer's annual comprehensive stakeholder engagement exercise was conducted in FY2021. From this engagement, materiality was evaluated in two dimensions: stakeholders provided feedback on the relevance of each topic for Behn Meyer from their perspective and the company internally assessed the topics for value creation by Behn Meyer. The latter assessment included the potential influence of each issue on strategy development and achievement, market positioning and growth opportunities, risk management, compliance, and reputation management. A materiality matrix was created to provide structure and focus on the key issues important for Behn Meyer stakeholders. During the materiality assessment, we identified 28 major sustainability aspects impacting our operations.



STAKEHOLDER-DRIVEN MATERIAL ESG ISSUES

ISSUES					
	Торіс	Material ESG Issues	Boundary and Impact	Importance in BM's Value Creation	Importance to External Stakeholders
	Climate Change	Global warming and commitment to reducing air pollution	All stakeholders across our value chain		
	Energy Efficiency and Adoption of Renewables	Energy efficiency in production processUtilising renewable sources of energy	All stakeholders across our value chain	A	A
	Water Management	 Water use efficiency in production process Responsible waste and wastewater management at plant Mitigating risks of water pollution from effluent discharge 	All stakeholders across our value chain	_	A
Environmental	Raw Material Consumption	• Reducing the use of natural raw materials	All stakeholders across our value chain		
Environmental	Waste Management	Mitigating risks of soil contamination	All stakeholders across our value chain		
	Circular Economy	Life-cycle considerations in value chainExploring opportunities for a circular business model	All stakeholders across our value chain		A
	Biodiversity	\bullet Reducing biodiversity loss and maintaining ecosystem level at operation plant	All stakeholders across our value chain		
	Environmental Compliance and Regulations	 Compliance with environmental standards and regulations Sustainability and carbon emissions reporting Adopting energy or water management facilities 	All stakeholders across our value chain	_	A
	Occupational Health and Safety and Well-Being	 Ensuring occupational health and safety for all personnel Worksite health, hygiene, and wellness Emergency preparedness and response 	All stakeholders across our value chain	A	A
	Diversity and Equality	• Ensuring employees' diversity of gender, age, ethnic background, etc. • Ensuring that indefinite and non-permanent workers are not exploited	Within organisation	_	A
	Training and Development	• Employee training and development	Within organisation		
	Talent Attraction and Retention	• Employee remuneration, benefits, recruitment, and retention	Within organisation		
Labour and Human Rights	Local Communities Engagement	 Monitoring the economic impact of development Respect for labour and social policy rights Providing channels for local communities to express their grievances Social commitment, including employee volunteering programmes and social investment 	All stakeholders across our value chain	A	A
	Human/Labour Rights	No forced or compulsory labourNon-discrimination	All stakeholders across our value chain	A	A
	Economic Contribution to Society	• Operations contribution with tax revenue, local employment, and investments in community	All stakeholders across our value chain	_	A



	Торіс	Material ESG Issues	Boundary and Impact	Importance in BM's Value Creation	Importance to External Stakeholders
	Corporate Governance	Maintaining strong corporate governance practices	Within organisation		
	Anti-Corruption	• Commitment to anti-corruption and anti-bribery policies	All stakeholders across our value chain		
Ethics	Ethics and Integrity	 Ensuring adherence to company Code of Conduct; commitment to ethical workplace and labour practices Ethical behaviour in accordance with accepted principles of right 	All stakeholders across our value chain	A	A
	Compliance with Product Safety	• Product compliance with standards, including restricted substances lists	All stakeholders across our value chain		
	Data Privacy and Security	Privacy and security, data protection	All stakeholders across our value chain		
	Sustainable Supply Chain and Sourcing	 Traceability Factoring supplier environmental performance into the selection process for materials and services Factoring supplier workplace ethics performance into the selection process for materials and services Factoring supplier diversity into the selection process for materials and services Factoring supplier health and safety performance into the selection process for materials and services 	All stakeholders across our value chain	_	A
	Sustainable Logistics	• Embracing green transportation practices and principles	All stakeholders across our value chain		
Sustainable	Sustainable Finance	Meeting financial performance expectations	Within organisation		
Procurement	Product/Service Quality and Responsibility	 Commitment to customer satisfaction and service quality Provision of online tools or advisory services to assist customers in the selection of more sustainable products Adherence to ethical marketing principles 	All stakeholders across our value chain	A	A
	Expansion in New and Emerging Markets	Expansion into new and emerging marketsInnovation and adopting new technologies	All stakeholders across our value chain	_	A
	Exposure in Mature Markets	• Exposure in mature markets	All stakeholders across our value chain		
	Product Innovation	• Development of more resource-efficient and sustainable products	All stakeholders across our value chain		
	Commitment to Voluntary Standards	Commitment to voluntary standards	All stakeholders across our value chain		

RISK MANAGEMENT

Behn Meyer's risk management is a strategic activity and is considered a priority within the company, as our capacity to control risk influences future opportunities. Hence, to provide value to all of our stakeholders, there is a necessity for Behn Meyer to comprehend and govern all impacts, risks, and opportunities encountered across all of our business units.

The sustainable materiality assessment, the stakeholder engagement approach, and our enterprise risk management methodology are among the instruments we employ to identify and prioritise risks and opportunities. In fact, the integrated enterprise risk management approach is applied to effectively identify and manage risk at the corporate level. The outcomes of risk management are then communicated to the management on a regular basis.

Overall, the responsibility for managing risk rests with the executive management, while the Board and the Committees as a whole oversee the overall risk management process for the company, including the reviewing and approval of the enterprise risk management model.

The oversight responsibility of the Board and Committees is enabled by an enterprise risk management model and the process implemented by the management that is designed to identify, assess, manage, and mitigate risks. This allows the Board and the Committees to coordinate risk oversight and the relationships among the various risks faced by the company.





	Public Health Crisis	Climate Change Risks
Risks Landscape	A public health crisis or global outbreak of disease, including the COVID-19 pandemic, has had and could continue to have a negative effect on the company's operations, supply chain, and workforce, creating business disruptions that could continue to have a substantial negative impact on the company's results of operations, financial condition, and cash flows.	Climate change represents one of the most critical challenges facing humanity as well as businesses around the world. Along with the changing climate, Behn Meyer anticipates a more stringent policy landscape; frequent extreme weather events, which can result and supply chain disruptions; volatile energy prices; water scarcity; and an increase in the value of carbon efficiency in different markets.
Mitigation Measures & Opportunities	To persevere through this unprecedented challenge, Behn Meyer optimises its business continuity by leveraging location intelligence to gain an actionable yet holistic view of operating status and risks. Behn Meyer implements technology to monitor, manage, and communicate the impact of COVID-19 to internal and external stakeholders and support business continuity as the crisis develops.	Behn Meyer continues to invest in in- novative technologies and process improvements to minimise its environ- mental footprint. At the management level, the company makes continu- ous efforts to better understand cli- mate risks, exhibit climate leadership, and adapt the business to thrive in a low-carbon future. As awareness and transparency continue to increase, Behn Meyer's environmental leadership will continue to increase the preference for our products, driving a competitive advantage and market share into the future.











	Supply Chain Risks	Environmental Regulatory Risks	Information Security Risks	Community Risks	Safety Risks
Risks Landscape	Supply chain interruptions and supply shortages can result in significant cost increases and business continuity disruptions.	Owing to the scarcity of critical raw materials, increasingly strict environmental policies may constrain production output, resulting in small supplier closures and non-scheduled supplier closures due to random inspections.	incidents could lead to business dis-	Communities proximate to our operations live through significant socioeconomic challenges while retaining a strong cultural heritage and an aspiration to overcome these challenges. Lack of an understanding of this duality in our communities and the inability to maintain a harmonious relationship with them would pose a risk to our operations and reputation.	management measures need to be effectively enforced to prevent community transmission at Behn Meyer's operation locations. Failure to enforce these measures may lead to regulatory fines and/or disruptions to Behn Meyer's opera-
Mitigation Measures & Opportunities	guidelines that contain clear specifi- cations for responsible sourcing along	to ensure continual improvement and compliance with all existing	efforts to increase IT security awareness by investing in IT security and	Behn Meyer is dedicated to co-creating scalable solutions for our communities' most endemic development concerns. Each year, we invest in our communities through proven programmes promoting health, education, livelihood generation, and basic amenities. Behn Meyer deeply engages with the community and actively promotes cultural and ethnic diversity. We also recognise the value of culture differentiation at our operating locations and foster a relationship with our communities where we celebrate their history, culture, and tribal identity.	our employees and workers have always been Behn Meyer's priorities. Behn Meyer has a comprehensive Safety Management System with mechanisms and procedures for risk prevention, assessment, and mitigation. Behn Meyer's safety and health policy and assessment have been continually enhanced in standard and scope. We work closely with the respective country leads to ensure employees' and workers' work conditions are in line with national



AGRICARE

SOIL HEALTH INITIATIVE

Behn Meyer AgriCare has been a major player in the Southeast Asian agriculture scene since the 1950s, manufacturing and distributing fertilisers and crop protection products that improve plant health and crop yield. Faced with the global issue of soil nutrient depletion, the business has partnered with black soldier fly farms in Malaysia to produce frass fortified with organic minerals and trace elements that is able to rejuvenate and revitalise the soil. AgriCare's Soil Health Initiative is a comprehensive model that revolves around three components, namely soil mineralisation, soil remediation, and soil revitalisation.



SOIL MINERALISATION:

Getting Vital Nutrients Back Into Our Soil

- Soil remineralisation is the utilisation of natural mineral fines to restore soil fertility through replenishment of plant nutrients removed by agricultural activities or by forces of nature.
- Benefits of soil remineralisation include higher yields and enhanced flavour or quality of produce, faster growth and improved health of trees, and improved resistance to insects and pests compared to current unhealthy soils. It also greatly increases the health of plant biomass.

SOIL REMEDIATION:

The Remediation of Agricultural Land

• The primary sources of agricultural land contamination come from the indiscriminate use and residue of the fertilisers and pesticides used in agriculture. These contaminants not only will decrease the soil functions, but they will also cause negative impacts especially affecting human health.

- Soil remediation is important to ensure that the soil is clean and maintains its high quality. Clean soil, air, and water ultimately improve the soil's cultivation process.
- Bioremediation/phytoremediation is one of the sustainable soil remediation methods. Healthy and fertile agricultural land is the key to food security. Hence, by utilising the bioremediation/phytoremediation method, we may recover lands with low fertility as well as polluted lands.

SOIL REVITALISATION:

Building Healthy Soil Now for the Future

- Soils can break down over time, losing the ability to retain water while also running low on nutrients.
- Soil revitalisation helps to rejuvenate soil health by minimising the loss of topsoil, retaining more carbon than is depleted, boosting biodiversity, and maintaining proper water and nutrient cycling.
- Soil health practices revitalise soil naturally by working with the vast microbial soil community to improve soil quality and productivity. Improving soil health is the way to improve soil moisture, retention, fertility, and much more.

SUSTAINABLE AGRICULTURE & SOIL HEALTH IS A PROFITABLE BUSINESS

Profitable to the Environment

• Less footprint, more biodiversity.

Profitable to the Growers

- Prolong lifespan of soil asset.
- Optimised use of nutrients.
- Higher yield and quality.

Profitable to the Consumers

• Food safety.

Profitable to the Businesses

- Reputation gained, ESG compliance.
- Green profits.







SOIL HEALTH - VIT-SOIL™ BALANCE

Combination of the **Organic Frass** with **Azomite® & Naturon** that provides benefits for soil health, crop yield, carbon (C) sequestration, and greenhouse gas (GHG) mitigation.

- Reduces soil acidity, which decreases traditional liming to ameliorate acidic soils.
- Provides great habitat for micro-organisms; increases bioavailability.
- Creates a reservoir for water, nutrients, and, in certain applications, pollutants.
- Increases plant growth rates; provides an effective sink for sequestering atmospheric carbon dioxide.

VIT-SOIL™ BALANCE FOR SOIL REMEDIATION

Soil MicrobesBiodiversity, the living soil

Naturon (Biochar)
Balancing the pH of your soil

Natural Trace Minerals

Mobilisation and mineralisation

Organic Matter & Green Chelates Solubilisation of phosphates

FERTIGANIC FOR SOIL REVITALISATION

Product Features

- A high pure organic content aids in soil improvement, pH balancing, CEC improvement, and add-in beneficial micro-organisms.
- Auruma[™] Organic Minerals comprises 70+ medium, trace, and uncommon minerals like selenium, cerium, and lanthanum, which increase chlorophyll content, photosynthetic efficiency, enzyme activity, and vitality.
- Penergetic® Bio-stimulant helps plants absorb more nutrients, activates energy sources within the plant, encourages vigorous plant development, and boosts agricultural yields.
- Solid and odorless organic fertiliser granules with high solubility.

Product Benefits

- Helps the soil to be fertile; restores damaged soil.
- Enhances the vitality of the soil microbiome.
- Supplements nutrients and unlocks the potential of crop yield.

^{*}Auruma™ is a Registered Trademark owned by Behn Meyer AgriCare

^{*}Penergetic® is a Registered Trademark owned by Penergetic Int. AG

INGREDIENTS

SUSTAINABLE ANIMAL FEED ADDITIVES

Behn Meyer Animal Nutrition recently launched pure botanical raw materials that consist of active ingredients like triterpene saponins. Saponins are known to inhibit the urease enzyme, subsequently reducing both ammonia and carbon dioxide. The associated reduction in emissions increases animal welfare in the stable and improves animal health through the additional antiprotozoal effect in the intestine.

SAP@VIT Q

Consists of pure *Quillaja saponaria* powder and is mainly used to reduce emissions.

SAP®VIT QE

Has a guaranteed triterpene saponin content of at least 3.5% with the aim of increasing intestinal health effectively.

SAP©VIT EXL6

A liquid *Quillaja saponaria* concentrate with at least 6% triterpene saponins. It is used, among other things, as a drinking water additive and in biogas plants to increase gas yield.

BEHN MEYER'S NON-ANTIBIOTIC SOLUTIONS FOR DISEASE TREATMENT AND MANAGEMENT

Behn Meyer Animal Nutrition and Health Vietnam is delighted to announce three products that can benefit the animal health industry, developed to reduce the amount of antibiotics usage. Our innovative treatment, which excludes antibiotics, is also rich with nutritional supplements that can contribute to better animal health, improved welfare, and better output results for farmers. These programmes let us explore the various ways in which domestic pigs and dairy cows can be farmed healthily without the usage of antibiotics.

One of the most prominent factors of animal culling in the cattle, horse, sheep, and swine industries is hoof and skin diseases. To handle this global problem, farmers need products that are proven to be supportive and safe.

Intra Repiderma has proven itself in the international market. With its unique and patented formulation, Intra Repiderma is unlike any other spray available. It is a protective hoof and dermal spray that gives visible results after just one day of usage. By spraying micronised organic powder minerals, Intra Repiderma forms a protective layer which has very strong adhesion to provide the optimal contact time to the hooves and skin. Last but not least, the product is safe to use for the farmer, the animal, and the environment.

The use of antibiotics for disease treatment, prevention, and growth promotion has advanced productivity in conventional swine production systems for years, but their use has come at the cost of antimicrobial resistance (AMR), which has become one of the world's greatest health threats.

Intra Dysovinol is a new bridge treatment for *Brachyspira hyodysenteriae*, Salmonella, and *E. coli* in the swine industry. It is a unique, organic zinc complex with a very specific boat-shaped geometry. By interfering with the bacteria's (*Brachyspira hyodysenteriae*) adherence to the crypts cell and preventing further colonisation, the disease's progression can be observed. This is demonstrated by the rapid reduction in faecal shedding in examined pigs.

Again, it is to be noted that Intra Dysovinol is not an antibiotic. This means the vets and farmers now have the choice to treat diseases in the swine industry without using antibiotics while still stimulating weight gain.



Intra Repiderma



Intra Dysonivol

PERFORMANCE CHEMICALS

BIOTREATMENT CHEMICAL SOLUTION FOR BEVERAGES

Under the Performance Chemical business unit, our **Process Industries** division distributes a wide range of agro-based raw ingredients which are used to make a variety of downstream common products. We introduced a biotreatment chemical solution for the sugar and beverages industries. Zero-waste management in the beverage and sugar industries, with the optimisation of biological (bacteria) and chemical approaches, is a system that resonates with our pledge to have a more sustainable solution for all our segments.

Our products, such as the Terra series, are biological treatment products providing less chemical usage. When combined with a chemical treatment, it will minimise sludge volume and further reduce the disposal cost. Further processing on the sludge could produce compost or biogas to be used for further requirements. This is the circular economy concept we have introduced as well.

DIATOMACEOUS EARTH

Siliceous earth minerals, often known as **diatomaceous earth (DE)**, are a type of mineral recognised for its absorption and filtration abilities. It is a popular choice in many industries due to its insulating characteristics, low density, high porosity, and natural silica content. For example, our DE works well as a matting agent in paints and coatings, offering scrub resistance, breathability, and anti-cracking properties. DE can also be utilised to create a low-cost, high-performing gravity water filtration system. Being a sustainable mineral, DE can be used as a natural alternative to hazardous chemical pesticides in agriculture.

CHROME-FREE TANNING

As for the leather industry, we have innovated a new generation of chrome-free tanning, which is based on zeolite. The **Zeology leather** can offer low-emission bisphenol, which is a new regulation on the standard consumer product. Those products are chrome-free, heavy metal-free, aldehyde-free, and suitable for the white retaining process. They also have the benefit of reducing titanium dioxide consumption while maintaining a brighter white colour and good lightfastness. Due to the excellent binding matrix ability of zeolite particles with collagen, it will produce waste with low chemical oxygen demand, making it more environmentally friendly.

ACTIVATED CARBON REACTIVATION SERVICES

Activated carbon treatment at water treatment plants is normally installed to remove natural organic compounds, taste and odour compounds, and manufactured organic chemicals. Activated carbon, however, will get exhausted after a given length of service due to the absorption process.

Instead of disposing the activated carbon once its efficacy reduces, we employ a dedicated thermal reactivation technique to make the activated carbon ready for reuse. As the **reactivated activated carbon** is made up from 80% spent activated carbon and 20% virgin carbon, it allows us to minimise the consumption of coal, simultaneously lowering our carbon footprint.

POLYMERS

RUBBER ANTI-TACK

Anti-tack is widely used in the rubber compounding/mixing process. These agents help to prevent rubber compounds from sticking to each other, improve operational production efficiencies, and are available in various forms (e.g., dusting agent, paste, slurry, dispersing agents, etc.). In terms of chemicals, metallic stearate is one of the most well-known chemicals used for anti-tack, especially zinc stearate. However, zinc is not environmentally friendly, as it is classified as heavy metal.

To tackle this issue, Behn Meyer created the ULTRA-LEASE™ AT10, zinc-free anti-tacking agent in dispersing liquid form. The dilution ratio of ULTRA-LEASE™ AT10 with water is at a lower dosage, giving it a superior performance than other products currently available in the market. The outstanding foaming resistance of ULTRA-LEASE™ AT-10 will also help coat the compound better and ease the application regardless of a factory's anti-tack system. At an optimised dilution ratio, the dry film is almost dust-free. This creates a better environment and increases the occupational health and safety conditions of a workplace.



EPOXIDISED NATURAL RUBBER (ENR) FILLER TECHNOLOGY

Epoxidised natural rubber (ENR) is specialty-grade chemically modified natural rubber obtained through the epoxidation of natural rubber during the latex stage. With high potential for use in the tyre industry, our ENR is known for its elasticity, toughness, and ability to dampen vibration and noise. As ENR can be modified and reinforced with other blends to make it more biodegradable, it is also known as the more sustainable choice compared to synthetic rubbers. However, it lacks acceptable wear properties to be sustainable in tyre treads. Behn Meyer has developed a silica-based filler technology to enhance the wear of ENR to tyre standard levels. In 2020, our ENR filler technology products were ranked no. 6 among products by European Rubber Journal's Sustainable Rubber Initiative.

SUSTAINABLE FILLER AND REINFORCEMENT

Lignin, a product from the wooden remains of the paper and pulp industry, has the potential to be one of the most important and long-lasting bio-resources for manufacturing environmentally friendly polymer composites. As a renewable product, it has been in focus to replace oil-based products in the past. Its variability and large chemical structure also allow it to serve as a filler, reinforcing agent, compatibiliser, stabiliser, and other functions. Today, we are working with lignin to replace phenolic reinforcing resins and other uses.



Soda Process Lignin



NEAR-TERM TARGETS AND NET-ZERO GOAL

Conservation and caring for the Earth's resources are the primary considerations of the environment pillar. To accomplish this, Behn Meyer's operation team has set the sustainability near-term 2025 targets and the net-zero goal for the year 2040. Included in this goal are the resources used for production and business operation, including energy and water, as well as their corresponding outputs: greenhouse gas (GHG) emissions, waste, and wastewater. Maintaining an efficient operational system is essential to keep the company functioning within planetary boundaries. It is also cost-effective, enabling Behn Meyer's industry competitiveness. Through the talent of its production teams, the company has committed to a series of sustainability projects to meet the 2025 targets as follows:

Expand Energy Conservation and Emissions Reductions.

- 25%

Clean energy/ renewable energy usage coverage Energy usage intensity reduction below 2021 baseline

GHG emission intensity reduction below 2021 baseline (Scope 1+2)

Water Management Plans in Explicit Alignment With Municipal, Regional, and State Priorities.



50%



25%

Water reuse of total water consumption

Reduction in wastewater production intensity below 2021 baseline

Reduce Compliance Risks Associated With Waste Disposal.

25%

Waste production intensity reduction below 2021 baseline

Packaging reusable, recyclable, or compostable

Ensure Minimal Risk to Local Communities and the Environment.



Maintain zero environmental accidents

Protect environmental and public health by complying with the environmental requirements

SCOPE AND METHODOLOGY

Behn Meyer's impacts have been tracked using a consolidated reporting platform that spans all production sites, warehouses, distribution offices, and laboratories. A standardised dashboard tool also helps teams understand their performance against all 2025 targets. This dashboard serves as a reporting tool to facilitate and align communication across all business units.

Behn Meyer's dataset includes production sites, distribution offices, administrative offices, laboratories, and warehouses owned or operated by Behn Meyer across the globe. Many of these smaller locations do not contribute significantly to the company's overall environmental profile. However, reporting on their footprint provides a truly complete overview of all locations that the company owns or operates in. The majority of the company's ecological impacts come from production and distribution activities. Thus, the environmental performance intensity is based on the total production output of manufacturing operations and/or total sales volume of distribution offices and warehouses.



Laboratory at Intracare B.V., Netherlands

KEY PERFORMANCE SUMMARY

		Unit Measurement	Year 2021
GHG Emissions	Scope 1 GHG Emissions	tonnes CO ₂ e	28,658
	Scope 2 GHG Emissions	tonnes CO ₂ e	10,543
	Scope 3 GHG Emissions ²	tonnes CO ₂ e	143,903
	GHG Intensity (Scope 1+2)	tonnes CO ₂ e per tonne of production ¹	0.04
Energy Usage	Direct Energy	TJ	117
	Indirect Energy	TJ	72
	Renewable Energy	GJ	464
	Energy Usage Intensity	MJ per tonne of production ¹	217
	Water (Total)	thousand m³	624
Water Usage	Water Reused	thousand m³	320
	Water Usage Intensity	m³ per tonne of production¹	1.08
NA / 1 1	Wastewater Discharged	thousand m³	469
Wastewater	Wastewater Intensity	m³ per tonne of production¹	0.54
	Hazardous Waste	tonnes	5,206
Waste	Non-Hazardous Waste	tonnes	38,664
	Waste Intensity	kg per tonne of production ¹	50.33
	Packaging (Total)	tonnes	2,430
Packaging	Packaging Recycled	tonnes	139
	Packaging Intensity	kg per tonne of production ¹	2.79

¹ Production volume includes operation output of manufacturing plant and/or total sales volume of distribution office/warehouse. ² Selected Scope 3 categories reporting for this year.

GHG EMISSIONS

Behn Meyer operations evaluate GHG emissions in terms of tonnes of CO_2 -equivalent (tCO_2 e) per tonne of production and/or sales volume as a performance metric. Non-production sites such as administrative offices, comprising a minor fraction of the company's emissions footprint, also contribute to its commitment to reduce emissions intensity by 25% by the year 2025 by tracking and assessing their emissions profiles in absolute quantities.

Scope 1^1 and Scope 2^2 GHG emissions in FY2021 amounted to about 39,200 tCO₂e. The Scope 1 emissions, process emissions, and refrigerants resulted in 21,181 tCO₂e, which made up 74% of Scope 1 emissions. Natural gas accounted for 3,265 tCO₂e of the remaining Scope 1 emissions, followed by stationary combustion fuels, which resulted in 3,018 tCO₂e of emissions, and combined vehicular fuels, which accounted for 1,152 tCO₂e of emissions. Scope 2 sources produced emissions totalling of 10,543 tCO₂e, with purchased electricity at 10,515 tCO₂e and renewable energy at 16 tCO₂e, while the remaining small amount of purchased steam was at 12 tCO₂e.

Energy reduction measures are coordinated with Scope 1 and Scope 2 GHG emissions management. Behn Meyer actively mitigates daily energy use by streamlining production operations and its product ranges. The current company focus is on increasing the renewable energy coverage, such as solar power in our manufacturing plants, in order to reduce the impact of GHG emission intensity.

Scope 3^3 emissions have been calculated, totalling to nearly 143,903 tCO₂e. Similar to the pattern observed in other companies, Scope 3 emissions at Behn Meyer accounted for the majority of the company's total emissions profile, when taken into account alongside its Scope 1 and Scope 2 emissions. Upstream goods transportation and distribution (116,068 tCO₂e), downstream goods transportation and distribution (13,601 tCO₂e), packaging (6,949 tCO₂e), fuel- and energy-related activities (2,885 tCO₂e), and waste generated in operations (2,879 thousand tCO₂e) contributed the most to Scope 3 emissions, while the remaining emissions cover business travel and raw materials.

This class of indirect emissions represents a new challenge for corporations like Behn Meyer. Because Scope 3 emissions are a major component of our sustainable procurement pillar, the company will increasingly focus on partnerships with all upstream and downstream businesses and suppliers to make quantifiable change in this area. As a step towards taking meaningful action to manage our Scope 3 contributions, we continue to update and digitise our processes for data collection and analysis. These efforts, currently underway, will continue to improve understanding of our value chain impact and opportunities, and further enable a sustainable foundation for targeted future actions.

Actions that we have taken to begin addressing our Scope 3 emissions include:

- Improving our sustainability-focused supplier interaction, with continuous emphasis on data quality and traceability.
- Launching Supplier Sustainability Guidelines for purchasing and integrated supply chain, which includes ESG key performance indicators and CSR risk assessment.
- Incorporating sustainability topics into procurement procedures to track supplier input.
- Tracking the primary GHG data from suppliers' Scope 1 and Scope 2 emissions. The suppliers' GHG emitted in the year 2021 were collected during the suppliers' sustainability assessment at the corporate level, but there is still a challenge as not many suppliers have done their GHG emission calculations.
- Digitalisation to optimise our logistics efficiency.

The methodology employed to quantify Scope 1, Scope 2, and Scope 3 emissions is in accordance with the Greenhouse Gas Protocol Corporate Standard, and were developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development. Scope 1 emissions are selected for reporting based on their presence in company operations. Hence, CO2e figures for Scope 1 emissions sources include carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons. Global Warming Potential (GWP) and Scope 1 emission factors are sourced from the GHG Protocol guidelines. Scope 2 and Scope 3 emission factors were drawn from a variety of sources, chiefly the Guidelines to Defra/DECC's GHG Conversion Factors for Company Reporting, which was jointly developed by the United Kingdom Department for Environment, Food, and Rural Affairs and the Department for Energy and Climate Change.

OZONE-DEPLETING SUBSTANCES

Ozone-depleting chemicals (ODCs) are not intended components of Behn Meyer's products; therefore, these substances should not be used in the products' synthesis or finishing. On that basis, ODCs are unlikely to be present in Behn Meyer products. Scope 1 emissions from ODCs amounted to 17,411 tonnes, mainly from use of R-22 (chlorodifluoromethane), R410A, and R404A. The GWP for refrigerants, including R-22, is derived from the Intergovernmental Panel on Climate Change's Fifth Assessment Report.



¹ Scope 1 emissions: Direct emissions occur from sources owned or operationally controlled by Behn Meyer. These include emissions from stationary combustion fuels, vehicular fuels, process emissions, refrigerants, and ozone-depleting substances.

² Scope 2 emissions: Indirect emissions produced during the generation of purchased electricity and purchased steam.

³ Scope 3 emissions: All indirect emissions (not included in Scope 2) that occur in the value chain of Behn Meyer, including both Behn Meyer's upstream and downstream emissions. Those resulting from company operations, but not directly owned or controlled by Behn Meyer.

ENERGY

Behn Meyer's energy portfolio includes purchased electricity, steam, natural gas, stationary combustion (diesel and fuel oil), and various types of vehicular fuels. Most electricity is used to run plant machinery, IT systems, and air-conditioning. Steam, purchased from external providers, is mainly required for process heating.

As production sites are the major consumers of energy, they are the major targets for energy savings. Production heads enable this by taking relevant steps to accomplish reduction targets. During the reporting period, energy and other resources undergo routine joint reviews with members of senior management. These discussions are valuable in monitoring progress while giving the production teams an opportunity to debate on the feasibility of the newly proposed measures on a regular basis.

In FY2021, Behn Meyer's overall energy consumption was 188.92 TJ. While efforts to diversify the company's product mix in favour of less carbon-intensive resources are underway, energy intensity for output in FY2021 was still at 217 MJ per tonne. Intensive efforts are being made to guarantee that the company's less-efficient operations receive the support they need to match with the rest of the company's energy management strategy.

Direct energy sources in FY2021 accounted for about 62% of Behn Meyer's total demand. As a matter of fact, the company consumed more than 60 TJ of natural gas and 40 TJ of stationary combustion diesel and fuel oil as its direct energy sources over the course of the year. The remaining energy was derived from a combination of other vehicular fuels and lubricants. In addition, in FY2021, the indirect energy from purchased electricity and steam comprised roughly 38% of Behn Meyer's overall energy use, totalling over 71.97 TJ. The best approach for lowering energy use has been proven to be diligently applying simple and cost-effective alternatives.

For FY2021, Behn Meyer consumed approximately 0.46 TJ of renewable energy in total. At the moment, renewable energy development is being monitored closely in manufacturing plants. As we forecast that solar photovoltaic panels will remain the powerhouse of growth in renewable electricity, capacity additions are also expected to increase in Behn Meyer operations in the coming years. For instance, Behn Meyer Thailand recently began its journey to use green energy by installing sun-powered panels on its warehouse building. The solar panel installation, which started in September 2021, was officially completed in December 2021. The maximum electrical output that can be generated by these solar panels is 237.6 kWp. As electricity is typically generated by using fossil fuels (e.g. coal), which have limited sources, this shift to an alternative energy source is an optimal choice, given that the sun's energy can be used indefinitely without diminishing its future availability.



Behn Meyer Thailand is Going Green with Solar Panel Installation

WATER

As the climate crisis intensifies, the impacts on our shared freshwater resources are far-reaching. Safe, accessible water is also essential to the health of our neighbouring communities, critical to ecosystems, and integral to economic growth. Water is used for routine activities and is a crucial component for some of Behn Meyer's products. In FY2021, Behn Meyer's overall water withdrawal was 624,000 m³. Water withdrawal intensity stands at 1.08 m³ per tonne of production.

One effective method employed in our production plant to minimise water withdrawal has been the reuse of steam condensate. As the condensation process takes place through indirect heat exchange mechanisms, steam condensate remains uncontaminated by chemical mixtures and can be used in place of municipal water, surface water, or groundwater sources. This is a basic and easily applied practice, and can reduce water withdrawal quantities at specific locations. The amount of reused water was 320,000 m³, which is equivalent to 51% of the company's total consumption needs. Behn Meyer has set the target to maintain at least 50% of its water reuse.

WASTEWATER

Responsible wastewater management is employed in order to ensure minimal risk to communities and the environment. In wastewater treatment, Behn Meyer uses a combination of onsite and offsite approaches. Our water-usage-intensive plant has effective treatments tailored to the unique characteristics of its activities. The sequence of chemical, biological, mechanical, or thermal treatment processes depends on the physical and chemical nature of the wastewater generated at the production plant. Whether final treatment is carried out by Behn Meyer or by an external contractor, treated wastewater will only be discharged in accordance with all applicable legal frameworks and local permits.

Further, treated wastewater that is intended for final treatment elsewhere will undergo monitoring to ensure that regulatory or contractual threshold limits are not exceeded. This also applies to wastewater bound for final treatment at a municipal plant, as well as wastewater handled by third-party contractors. Behn Meyer does not allow the reuse of its wastewater by other organisations. Behn Meyer treated 469,000 m³ of wastewater in FY2021, and wastewater intensity stands at 0.54 m³ per tonne of production.



WASTE

Most of Behn Meyer's waste is derived from manufacturing activities. Hazardous waste primarily comprises packaging material, product residues, residues resulting from industry production and other liquids that cannot be disposed of as wastewater, and residues remaining after production at certain plants.

Non-hazardous waste consists of office waste, uncontaminated packaging material, and other industrial waste. Behn Meyer's teams aim to reuse and recycle as much of our non-hazardous waste as possible. Material categories deemed acceptable for recycling by contractors vary from country to country. Non-hazardous waste unsuitable for recycling due to local limitations is disposed of as municipal waste.

For FY2021's totals, hazardous and non-hazardous waste came to 43,870 tonnes. The amount of hazardous and non-hazardous waste generated per tonne of production was 0.05 tonnes. FY2021 had no major hazardous waste spillage incidents at any of Behn Meyer's locations.

Of the total waste generated by Behn Meyer sites, 75 tonnes were either reused or recycled, 351 tonnes were incinerated, and 8,749 tonnes were sent to landfill. The bulk of landfill waste was non-hazardous, with a small quantity of hazardous waste contained on licensed sites dedicated to industrial waste stabilisation facilities. Hazardous waste was the main category of material sent for incineration, and was converted to energy at vendor-located waste-to-energy incineration plants.

Behn Meyer's SHEQ management system contains a precautionary framework governing the handling and disposal of hazardous waste. All hazardous waste for disposal is handled by licensed waste management contractors. Behn Meyer's external partners are to obey all applicable laws and regulations and undergo annual audits. In addition to local laws and regulations, Behn Meyer's policy prohibits hazardous waste disposal in any way that may harm the community or the environment. Transportation of company waste across national borders is also prohibited.

To the best of the company's knowledge and understanding, Behn Meyer's operations do not take place near ecosystems that are either protected or known to be highly biodiverse. Any new manufacturing sites involve environmental and social impact assessments to examine the potential risks resulting from company presence and activities. Hazardous waste and wastewater contractors are also evaluated along these lines. There were no significant spills on Behn Meyer's operations in FY2021. Behn Meyer Group has spent more than USD 1.5 million on environmental expenditure, specifically on waste disposal, emissions treatment, and remediation, and around USD 110,000 on environmental protection to prevent, reduce, control, and document environmental aspects, impacts, and hazards.



SUSTAINABLE PACKAGING AND LOGISTICS

Safety surrounding transportation is also an important aspect to look into as transporting chemicals involves the risks of spillage caused by cargo mishandling. There are potentially significant consequences to human health and safety, and environmental damage may take place.

To manage this risk, multiple precautionary layers are required to ensure that Behn Meyer products arrive safely and intact. Selecting experienced and licensed transportation contractors minimises many of the potential risks. Packaging must be suitable to effectively contain and protect the products throughout the journey. To withstand the unique weather conditions of each destination Behn Meyer sends its items to, the company used 2,430 tonnes of packaging material in

FY2021, including cardboard boxes, plastic drums, bulk containers, plastic wrapping, and other packaging types. The overall packaging intensity was 2.79 kg per tonne of production and sales volume for distribution.

Ahead of product shipping, appropriate warning labels are applied on every box, drum, and container, in accordance with the United Nations Globally Harmonised System of Classification and Labelling of Chemicals (GHS). Without these labels, customers working directly with Behn Meyer products would have limited information on the appropriate handling and emergency response requirements. Behn Meyer's products are 100% compliant with GHS requirements and have not had a severe labelling-related incident.

For product transport, the logistics team has taken active steps to minimise Behn Meyer's indirect environmental impacts. Coordination is undertaken with a multitude of customers and transportation companies with the aim of meeting the expectations of all partners. The logistics team also aims to make optimal use of each container load, prioritising full, rather than partially empty, containers for dispatch. By doing so, they help mitigate the company's indirect emissions impact and cut overall transportation costs.

Behn Meyer's distribution networks are also organised with efficiency in mind, using direct shipments from production plants to sales regions. Regionally, the company maintains a distribution centre as well as a network of local warehouses that are strategically located near clusters of producers. Ultimately, the careful selection of warehouses based on geographical locations helps reduce the number of partial truckload trips required to reach our various customers.





OUR EMPLOYEES

Behn Meyer's employees are the primary drivers of its success. Accordingly, the company maintains a strong focus on recruiting and developing top talents. An inclusive work environment is also provided, allowing employees to flourish and build a strong future with Behn Meyer. These efforts are supported by an extensive workforce engagement programme designed to map specific pathways for each employee and provide the necessary skills to guide them to their specific goals. Each employee's potential is maximised through training, development, and advancement opportunities, which are provided according to their specific needs and capacities. This approach has been consistently effective, demonstrating solid results in both workforce diversity and growing long-term employee retention.

Behn Meyer's total workforce of about 1,200 employees is made up of 94% full-time permanent employees and over 1% part-time permanent employees. Temporary employees, including employees with fixed-term or temporary employment contracts, represent approximately 4% of Behn Meyer's workforce. Around 1% of work performed at various Behn Meyer locations is conducted by external contract workers, including those overseeing security, cleaning, and maintenance services, based on the number of man-hours.

As of 2021, approximately 3% of the Behn Meyer global workforce is composed of individuals from groups identified as minority or vulnerable in their country locations. Behn Meyer's employment numbers did not change significantly throughout the year for all locations.

Analyst Data Summary	Total	Male	Female
Total Workforce ¹	1219	740	479
Senior Management	53	39	14
Middle Management	235	143	92
Admin/Support Staff	545	242	303
Technical/Laboratory Staff	173	111	62
Production Workers/Supervisors	213	205	8
¹ Figures include all employees.			
Full-time Employees	1147	687	460
Non-full-time Employees & Workers (Incl. part-time employees, fixed-term or temporary employment, and regular on-site workers)	72	53	19
Percent of Total Workforce (Aged 18-29)	21.0%	13.8%	7.2%
Percent of Total Workforce (Aged 30-49)	61.7%	35.5%	26.3%
Percent of Total Workforce (Aged 50-64)	16.4%	10.1%	6.3%
Percent of Total Workforce (Aged 65 and above)	0.9%	0.8%	0.1%
Rate of New Employee Hires (Ages 18-29)	7.1%	4.1%	3.0%
Rate of New Employee Hires (Ages 30-49)	6.1%	4.6%	1.5%
Rate of New Employee Hires (Ages 50-64)	0.4%	0.2%	0.2%
Rate of New Employee Hires (Ages 65 and above)	0.0%	0.0%	0.0%
Overall Rate of New Employee Hires	13.6%	8.9%	4.7%
Employee Attrition Rate (Ages 18-29)	4.9%	3.0%	2.0%
Employee Attrition Rate (Ages 30-49)	7.1%	5.3%	1.9%
Employee Attrition Rate (Ages 50-64)	0.7%	0.4%	0.2%
Employee Attrition Rate (Ages 65 and above)	0.1%	0.1%	0.0%
Overall Employee Attrition Rate	12.8%	8.8%	4.1%

OCCUPATIONAL HEALTH AND SAFETY

The occupational health and safety of Behn Meyer employees is a top priority for the company. As a baseline, Behn Meyer ensures compliance with all applicable laws and regulations. It also implements health and safety policies specific to activities at each of its locations. In ensuring that all these policies are adhered to, a **SHEQ** (**Safety, Health, Environment, and Quality**) team functions under each country's leadership. Each local SHEQ manager and their team will ensure that all employees and subcontractors observe the laws, regulations, and internal policies on-site. Also, the SHEQ teams develop vigilance-related guidelines and training programmes. These are used to educate technical and production staff on keeping themselves and their colleagues safe.

Behn Meyer aims to provide a safe environment for both employees and workers on the site. A strict safety policy is in place to help eliminate risks and inculcate a safety mindset to support this goal. This policy provides guidelines for implementing safety rules for office premises and production sites, an indication of potential risks encountered in facilities with clear visual displays, availability of emergency plans, and an indication of site evacuation routes in the case of an emergency. Making safety a success requires the support of all those working in company facilities. As such, our Italy operation is ISO 45001 certified.

Fire safety is paramount, especially in many of Behn Meyer's production facilities. Fires can be highly destructive and can lead to loss of life, structures, equipment, investments, and jobs. Hence, Behn Meyer conducts frequent firefighting training and drills at its locations to ensure that its employees are aware of the threat and are prepared to assist in fire prevention.

As emergencies can arise quite unexpectedly, both at home and in the work environment, all employees should be prepared to take action and extend help when needed. For instance, Behn Meyer employees at some locations received emergency preparedness and CPR training. It enables them to be more equipped to deal with circumstances like common household fires or medical

emergencies. Because employee health is vital, Behn Meyer holds trainings to ensure that its employees are aware of many of the common health risks they may experience at work. This year, a total of 5,374 hours of training were dedicated to **Health, Safety and Environment (HSE)** topics.

Furthermore, a joint management—worker health and safety committee helps monitor and advise on occupational health and safety programmes on-site in accordance with occupational safety and health guidelines. An average of 20.7% of the total workforce is represented in formal joint management—worker health and safety committees. All employees and workers are covered by an occupational health and safety management system, which also includes employee health and safety risk assessments.

All manufacturing plant locations have a system of rules that are applied in recording and reporting accident statistics. There were five incidents of occupational injury that affected employees between January and December 2021. No incidents of occupational injury affecting external contractors working on-site were recorded, and no work-related employee or external contract worker fatalities occurred in 2021.

In terms of total working hours, besides office workers, 26% of the total working hours were contributed by production site workers and laboratory staff, while 13% of the total number of hours of work were performed by external contract workers.

Lost time injury (LT I) frequency rate* for direct workforce * Total number of lost time injury events x 1,000,000/ total hours worked company-wide	2.2
Lost time injury (LT I) severity rate* for direct workforce *Number of days lost due to injuries x 1,000/total hours worked	0.1

HEALTH AND SAFETY DURING THE PANDEMIC

COVID-19 has exposed long-known underlying weaknesses in health systems and their ramifications for society. In response, there is a growing push for corporations to be more involved in protecting their workers. This is a call that we at Behn Meyer take very seriously. For instance, in our effort to curb COVID-19 transmission and expedite the transition to normalcy, Behn Meyer Thailand has engaged with The Chulabhorn Royal Academy (CRA) to inoculate

our team members in Bangkok with the Sinopharm vaccine. With COVID-19 infections remaining high, Behn Meyer is seeking to ensure the well-being of our staff, and we hope that this step will give assurance to workers who are concerned about their safety at work.

Even with Behn Meyer position as a prominent entity in the sector, braving the challenges in times of pandemic was not easy, as Vietnam imposed lockdown and social distancing regulations on its citizens. The '3-on-site' model set by the government for all manufacturing companies in Vietnam was particularly demanding, as only a small number of people were chosen to work, sleep, and eat on "sealed-off" factory grounds to minimise the chance of virus spread through the population while sustaining operations. Despite the difficulties, as a responsible business, we did our best to ensure the safety and well-being of personnel who were required to remain on the premises.



Behn Meyer Vietnam: COVID-19 Checking, Preparing for the '3 On-Site' Model for Business





The '3 On-Site' Model for Business

WORKING CONDITIONS

Employee perks include a wide range of competitive benefits for both full-time and part-time employees. Temporary employees are eligible for selected benefits. Behn Meyer's benefit plans vary by country, as they are designed to supplement the social security benefits provided in each nation. In many of Behn Meyer's locations, employees are provided with the following benefits with the aim to support their needs and strike a balance between their personal and professional lives.

- Pension plans Either defined benefit or defined contribution plans
- Medical plans Often including prescription drug coverage and dental
- Life insurance
- Disability protection
- Accident insurance
- Business travel accident insurance
- Paid vacation, holiday, and leave programmes
- Compensation for extra or atypical working hours; additional compensation to employees for overtime and/or all other forms of hours worked in excess of the normal hours
- Additional leave beyond standard vacation days (e.g., maternity leave, paternity leave, marriage leave, compassionate leave, study leave, etc.)
- Flexible organisation of work available to employees (e.g. remote work, flexi-time)
- Flexible working arrangement (e.g. part-time, telecommuting, variable work schedules)
- Childcare leave or allowance
- Bonus scheme related to company performance; monetary remuneration for employees beyond basic salary, linked to company performance
- Granting of special remuneration/time off for overtime worked
- Employees receive at least 24 hours' rest within a time frame of 7 consecutive days

Employees under unions or workers' organisations are protected by collective agreements. All agreements regarding working conditions and terms of employment (e.g., wages, working hours, vacation days, etc.) will be written in black and white to safeguard employees' welfare. All items that were concluded between the company as an employer and the representatives of these workers' organisations have to be in accordance with national laws and regulations.

To cultivate a positive working environment, interactive communication sessions with employees regarding working conditions are frequently deployed between the Human Resources Department and employees. This allows employees to provide input and feedback on their working conditions and benefits directly to the management while also allowing the management to respond directly to the given feedback.

BEHN MEYER GROUP SURVEY RESULTS

According to the recent Group employee survey conducted from November 2021 to January 2022, the company received an engagement score of 81% as a group. The overall survey results are captured in the picture below:



84% Basic Needs



82% Teamwork



Management & Leadership



81% Career Growth



81% Retention

Behn Meyer's overall employee job satisfaction rate is at 84%. Employees' enthusiasm for working for Behn Meyer is reflected in their willingness to go above and beyond the call of duty. In fact, 83% of employees are happy to do more than what is expected at work. From the survey, it was also noted that 82% of the respondents would recommend Behn Meyer as an employer to their friend. This high percentage illustrate a positive work culture at Behn Meyer.



Behn Meyer Indonesia Held a "Thank You Moment" Event to Appreciate Employees' Sincere Effort for 2021

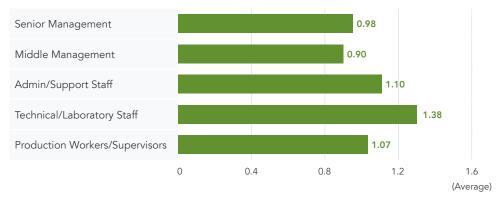
REMUNERATION PROCESS

Calibrating the ESG metrics to the employees' remuneration can be a challenging task for many businesses, as it includes the considerations of risk mitigations, performance goals, and financial capacity. However, we recognise the necessity of morphing these two together to improve Behn Meyer's sustainability. To maintain Behn Meyer's solid wage structure, the company always ensures that employees' remuneration reflects the labour market practice to avoid unnecessary operational costs and difficulties in retaining talents.

Embracing the principle of equality, Behn Meyer does not accept any discrimination on the basis of ethnicity, nationality, gender, religion, age, family status, handicap, or any other protected status under the local law. We value diversity and inclusiveness, and this is reflected in our remuneration policies, which promote a culture of fairness. All employment-related decisions, including compensation decisions, are made based on an

individual's qualifications, performance, and behaviour, as well as other legitimate business considerations, such as the Group's profitability and strategic needs. The Management Board analyses our pay practices on a regular basis to identify possible areas that require additional attention, in keeping with our long-term commitment to fair pay.

RATIO OF BASIC SALARY AND RUMENERATION OF WOMEN TO MEN



17.44

Annual total compensation for the organisation's highest-paid individual to the median annual total compensation for all employees.



Percentage increase in annual total compensation for the organisation's highest-paid individual to the median percentage increase in annual total compensation for all employees.

CAREER MANAGEMENT AND TRAINING

RECRUITMENT

The recruitment process is usually where the journey to developing a sustainable workforce with a productive long-term employer–employee relationship starts. Acknowledging this, Behn Meyer begins its recruitment process with ensuring transparency at the outset by displaying precise job descriptions in its hiring advertisements. For each posting, we will list the basic requirements, including the requisite language and skills, as well as the accurate title for the position. Job descriptions are written in a clear and transparent manner to make it easier for our prospective employees to grasp what is required of them.

Once a shortlisted candidate is hired, they will be required submit their personal details to the company, undergo a medical check-up to confirm that they are healthy enough to take up the position, acknowledge the Company's Code of Conduct, and declare any conflict of interest. This is a crucial step in the recruitment process, as we need to ensure that our new hires have the capacity to perform their tasks and share our values.

US MAXIMIZE
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AgriCare's Fertiliser Team Training in Pulau Indah Warehouse, Malaysia

Opportunity for an upward career mobility is also an important factor in determining employee retention. In Behn Meyer, an employee may be considered for a promotion, provided the employee has shown competency and meets all the criteria the position demands. The pathway of promotion is open for those who demonstrate aptitude for the position, given that there is an opening for that position.

As measures to minimise retrenchment/layoff and prevent any negative repercussions towards our employees, for all types of termination, Behn Meyer ensures that employees are given adequate notice in advance. In some cases, Behn Meyer even provides support to maximise employees' prospects for re-employment by assisting them to register on job-seeking platforms.

In the event of a potential dismissal owing to poor performance or misconduct, the Human Resources Department will first inform the employees of the situation. Employees are typically sent a formal warning letter(s) for them to reflect on their behaviour and amend their faults. Should a similar problem arise and be deemed intolerable by the company, a dismissal letter may be issued.



Regional Sales Training on Creamino Products in Bangkok, Thailand

TRAINING & SKILL DEVELOPMENT

Behn Meyer's success can be mainly attributed to the skills and capacity of its talented workforce. Apart from recruitment, the company also strives to retain and maximise our talents by implementing coaching and mentoring schemes, and cultivating a learning culture where sustainability knowledge is successfully shared.

The company's leadership consistently provides practical skill development opportunities for its employees through various training and development programmes. The company continually builds its capacity with the most effective skills and the latest relevant industry knowledge. Learning opportunities are developed in line with the latest industry trends and technological advances to ensure that employees are equipped with the information they need. Throughout the organisation, Behn Meyer pushes health and safety, environmental, quality, and technical training for its employees.

All Behn Meyer employees receive training opportunities to enable them to effectively perform their responsibilities and rise to new challenges as they develop their capacity. Training opportunities are available and encouraged at every level of the company, from production workers to senior management.

To foster synergy and effectively transfer knowledge and information across Behn Meyer's global presence in over 14 countries, Behn Meyer promotes the use of English as a common language. Clear and consistent communication enables the best ideas to be exchanged and realised effectively.

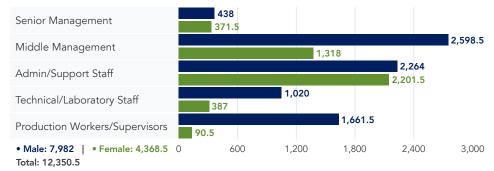
The scarcity of skilled labour at rural production plants and other locations can be a significant human resource challenge. Behn Meyer transforms this challenge into a mutually beneficial opportunity by hiring and training local community members, fulfilling a need for the company while providing economic opportunities and enhancing the capacity of local workforces.



AgriCare Product Training for Amco Niaga, Malaysia

Employees are encouraged to continuously enhance their knowledge, skills, and capacity to advance their careers, take on the challenges of the future, and achieve sustainable growth for the company. In FY2021, Behn Meyer sponsored 5,484 training hours dedicated to skills enhancement, and 5,374 hours of training were dedicated to HSE topics. In 2021, Behn Meyer provided an average of 10 hours of training per employee.

HOURS OF TRAINING OR EDUCATION PROVIDED



Upskilling the workforce is critically important to prepare for the level of change we are experiencing. If workers do not have the proper skills today, they may be left out of the labour market as soon as next year. Globally, Behn Meyer's Human Resources team is working with the regional offices to upscale training objectives. This includes areas like mandatory training for regulatory, safety, quality, business ethics, human rights, certification work, technical training related to improving and enhancing job competencies, and soft skills training for areas like supervisory and interpersonal skills. This will help Behn Meyer staff improve competencies and perform their jobs better.

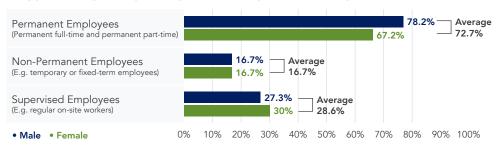
Beyond training, the company also works through a variety of other means to create a vibrant workforce. It hosts a Management Trainee Programme for young professionals, offers educational sponsorship for employees, and has an employee recognition programme to profile the efforts of those creating a positive impact within Behn Meyer.

APPRAISAL

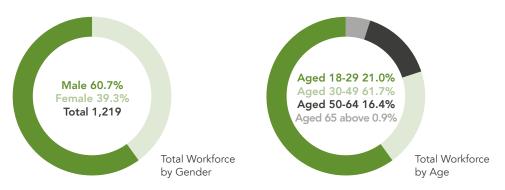
Regular quantitative and/or qualitative assessment of individual performance is vital for employees' job communication. This is why performance appraisals are conducted annually at Behn Meyer. Noting that employees are more engaged in their work and the company when they are given the chance to reflect on their performance and take ownership of their jobs, Behn Meyer also encourages employees to conduct self-evaluation before they are appraised by their superiors. As many as 73% of Behn Meyer permanent employees received annual performance appraisals and career development planning, which aimed to assist employees in reaching their short- and long-term career goals while improving present job performance.

As a recognition to those who have been loyal to Behn Meyer, the company awards its steadfast employees with the Long Service Award. To protect employees after their retirement, the company also invests in the employees' provident fund. This provident fund intends to help employees to be financially independent even after their departure from Behn Meyer.

REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS



DIVERSITY AND INCLUSION



Behn Meyer is committed to promoting diversity throughout its premises worldwide. In all areas of the company's work, a fair and equitable workplace should be provided for all employees at all times. Thus, Behn Meyer treats employees fairly, provides equal access to opportunities, encourages teamwork and collaboration, promotes the integration of senior employees, focuses on developing innovation in the workforce, advocate organisational flexibility, and has collaborative conflict resolution processes in place.

Our corporate sustainability plan includes gender equality. Behn Meyer's leadership commits to diversity and actively seeks women to be a part of its workforce. We have 50% Asian and 33% female board members. However, at our manufacturing sites, the majority of applicants and employees continue to be men due to the job nature. Many women prefer not to work in jobs that require manual labour and machines. Currently, women comprise about 39% of the workforce and 37% of management roles. In FY2021, 34% of new hires at the company were women.

Parental leave, which provides employment protection following the birth of a child, is a contractually guaranteed benefit for 85% of Behn Meyer employees. In 2021, 92.3% of female employees returned to work following maternity leave, while all men returned to work after paternity leave. From this, we are aware that our diversity and inclusion procedures at Behn Meyer still have potential for growth. On gender equality, as more women choose to climb the corporate ladder at Behn Meyer, we strive to create more opportunities to further narrow the workplace gender gap.





Behn Meyer Malaysia Celebrates in Blue

BEHN MEYER 181 YEARS

BM Myanmar: Rebuilding Communities

DISCRIMINATION AND HARASSMENT

The company does not support any form of discrimination, and no employee may be disadvantaged based on ethnicity, religion, ideology, gender, age, disability, or sexual orientation. Behn Meyer's Code of Conduct does not allow any kind of harassment. The company will act on reported incidents pertaining to discrimination or harassment.

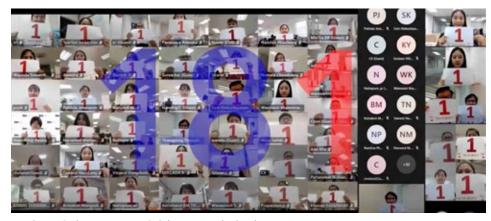
Behn Meyer provides periodical awareness training as part of Code of Conduct training to prevent discrimination and/or harassment. Web-based and in-person training programmes are provided to employees to strengthen their knowledge on discrimination and harassment issues. This is so they can avoid any hostile or discriminatory situations. There are also clauses mentioned in the Code of

Business Ethics regarding the measures to prevent discrimination and harassment in the workplace. All employees have received some sort of training on preventing discrimination and human rights violations. There is also a whistle-blower open channel to address discrimination and harassment issues. A remediation process as part of the risk assessment procedure is in place for identified cases of discrimination and/or harassment.

COMFORTABLE WORKPLACE

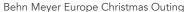
With locations and operations around the world, Behn Meyer understands the value of diversity. As such, the company is dedicated to providing an inclusive work environment that embraces a variety of cultures and uses different perspectives as a driver of innovation.

Behn Meyer's offices encourage and celebrate local traditions and cultures and often engage in respective traditional practices at company-sponsored events. To show appreciation for employees' hard work and achievements, annual year-end celebrations are organised by the management to boost confidence and morale. Here are some examples from Behn Meyer's 181st anniversary, which was celebrated globally:



Pandemic-Style Anniversary Celebration in Thailand







Behn Meyer Indonesia "Cheers for Future Achievements and Past Glories"

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Behn Meyer respects its employees' rights to establish and support labour unions and workers' councils, and to participate in collective bargaining. An average of 23% of the total workforce (including employees with contracts as well as workers without contracts) is covered by collective bargaining agreements.

The company does not discriminate against labour union representatives, and their members have full access to the workplace. In fact, in making sure that the welfare of union employees is taken care of, Behn Meyer maintains strong ties and works closely with these collective bargaining associations. In Thailand, the Employers' Confederation of Thailand regularly updates the company on the new Thai Labour Law and gives consultations on reviewed employee contracts. Collaboration with the Vietnam General Confederation of Labour has also helped Behn Meyer to engage better with its union workers. Employees under the union are now entitled to a free breakfast once a month and gifts for the Vietnamese Autumn Festival. As a result of these partnerships with different employees' associations to protect workers, Behn Meyer had no labour-related violations or related files in 2021.

Nevertheless, over the year 2021, two grievances or complaints cases concerning labour practices were formally filed. Both are now under review. No fine or non-monetary sanctions or penalties were paid in 2021 for labour-related violations. There was also no labour-related case brought through dispute-resolution.

HUMAN RIGHTS

As a responsible transnational business, Behn Meyer respects the fundamental rights of all, regardless of whether they are the company's employees or external parties. Across all countries of operation, labour laws are adhered to without exception. Thus, should there be any operational changes that may affect employees' employment significantly, the company will give the affected employees or their elected representatives a notice period within 4 to 17 weeks prior to the implementation of these operational changes. During the reporting periods, Behn Meyer has received no fines or penalties related to labour practices and human rights abuse. There were also no cases of illegal conduct surrounding the treatment of local communities and indigenous peoples.

An important aspect of Behn Meyer's Code of Conduct is the Social Accountability Declaration. The company subscribes to the philosophy that discrimination based on race, ethnic origin, gender, religion, philosophy, political or union membership, disability, age, or sexual orientation will not be tolerated.

Behn Meyer empowers and depends on its management teams to adhere to the Code of Conduct and the Codes of Business Ethics. Instead of formalised procedures for human rights assessments and actively monitoring activities at its respective locations, this approach ensures that the company's activities are conducted in a locally relevant manner and to address any risks or known breaches in ethics at a local level.

To avoid any oversight by the local management, employees are encouraged to report any violations directly via open feedback channels to the Compliance Committee, whose contact details are made available to all employees. Any breaches of ethical principles can also be brought to the attention of Behn Meyer's CSR Steering Committee via the local reporting channel.

At Behn Meyer, all new employees are required to read the company's Code of Conduct, which includes the human rights policies. Additionally, all Behn Meyer's agreements and contracts include a clause that requires business partners to abide by all local laws and regulations.

Behn Meyer's operational sites have been subject to ongoing human rights reviews or human rights impact assessments. For instance, Thailand operations have been assessed by the Thai Ministry of Labour (Department of Labour Protection and Welfare) and received Thai Labour Standard certification.

Behn Meyer regularly monitors for signs of human rights abuses in its supply chain through its supplier engagement process and regular onsite visits. To ensure that the basic standards of business conduct are maintained, Behn Meyer routinely reassesses its approach to supplier management.

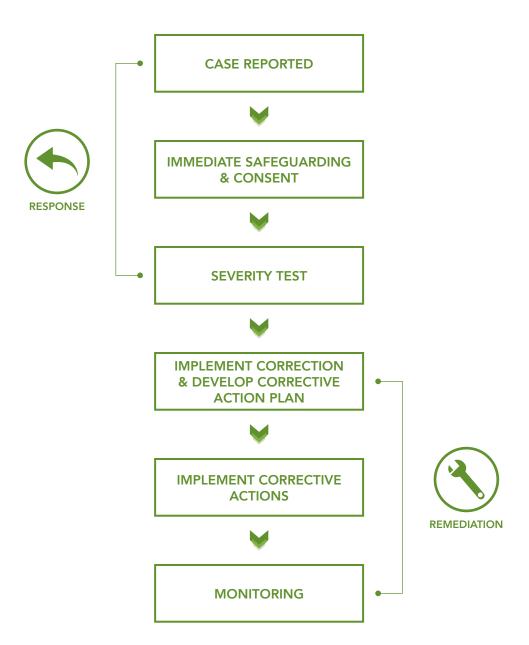
There were no grievances or complaints reported in FY2021 through formal grievance mechanisms related to discrimination, gender equality, freedom of association, collective bargaining, child labour, forced labour, or compulsory labour.

CHILD LABOUR, FORCED LABOUR OR COMPULSORY LABOUR

The manufacturing plants in which Behn Meyer operates do not face child labour as a significant risk. Behn Meyer does not allow child labour and no sites controlled by the company employ children. Country leads ensure adherence to this policy. Also, those below 18 years old are not employed for safety reasons regardless of local legal working age. Behn Meyer also has a zero-tolerance policy towards child labour when it comes to its suppliers; selected high-risk suppliers are required to undertake an independent external audit yearly.

Beyond child labour, Behn Meyer is also vigilant of forced or compulsory labour and human trafficking in every market, especially in the case of developing countries and emerging markets. Both internal and external audits will be required to ensure no forced labour takes place in Behn Meyer's operations. While there is low internal risk, the company is still cautious for signs of forced labour, including prison labour within the supply chain.

Remediation actions take place for identified violations on the topics of human rights issues, such as child labour, forced labour, workplace violence, and harassment and discrimination. Within 48 hours, the company would take an immediate safeguarding response, removing any affected individual from the harmful situation. An investigation will be undertaken and a remediation plan will be developed in close cooperation with affected parties and specialists, where needed.





SOCIOECONOMIC IMPACT

Behn Meyer's presence is modest in its areas of operation and would seldom have any impact at the state, provincial, or national level. When it comes to public policy, Behn Meyer's position is not to make political contributions or influence local policy. There is no support for lobbying activities on laws or regulations which impact its industry.

As a business entity, Behn Meyer recognises its economic impact towards its neighbouring towns and cities. Behn Meyer also respects that communities are the bedrock of society and the pool from which our talent is drawn. This is evident, given that 93% of Behn Meyer's senior management was recruited from the local community.

Often, when Behn Meyer invests in local communities, the company is also indirectly securing the future of its own workforce. When operating near local communities, the company is responsible for managing environmental risks and also adopts a mutually beneficial approach by actively providing jobs and training opportunities to residents. The ratio of the standard entry-level wage for a permanent, full-time employee at Behn Meyer to the legal minimum wage is 1.43, whereby the ratio of the standard entry-level wage for a permanent, full-time female employee to the legal minimum wage for women is 1.09.

In terms of procurement practices, the percentage spent on local suppliers against foreign suppliers varies greatly depending on the product line, ranging from 21% to 95%. This may be owed to the fact that most agricultural products are sourced locally, while chemical products are sourced internationally.

At Behn Meyer, we also take any concerns raised by the community leaders on the local impacts of our operations seriously. Behn Meyer's engagement with the community ensures it can address any grievances and mitigate any consequences that arise. Residents of communities have been invited to tour our plants, observe the equipment, look at the safety measures, and comment on pollution control devices that are used.

Having an open-door policy has also enabled plant managers to handle any concerns relating to operations and their impacts effectively. To the best of company knowledge, none of our locations has an actual or potential detrimental influence on the local communities.

In regard to significant indirect impact on the local economy, Behn Meyer aims to contribute positively towards water and food accessibility, capacity building, and education. This approach helps meet a critical strategic objective, not just a philanthropic one. Behn Meyer's teams take the lead in identifying and executing social initiatives to fulfil local community needs. Through regular, active dialogues with key community stakeholders, the company management does its best to understand the fundamental needs of its neighbours.

For instance, AgriCare Malaysia provided scholarships to local university students taking agriculture-related subjects and made a donation to Monfort School Sandakan (Sabah) to train underprivileged students on the subject of agriculture. Behn Meyer Philippines provided in-kind assistance to selected victims of the Taal Volcano eruption and gave financial support for the renovation and improvement of Camp Pantaleon Garcia (PNP Cavite Headquarters). Behn Meyer Vietnam also helped to repair the damaged schools in their neighbouring community after they were hit by the Kompasu storm.

At least **USD 49,000** in monetary contributions were made to local society in 2021 from various Behn Meyer locations. Besides direct monetary contributions, a lot of in-kind or pro bono contributions were also made throughout the year. In Batu Pahat, Malaysia, Behn Meyer provided fertiliser for the community's Model Farms projects. They also trained new farmers who were interested in switching from traditional farming to fertigation and supplied free fertiliser for agriculture students of vocational high schools in Pontian. In Thailand, IT equipment was donated to the community in need.

Ongoing collaborations with local authorities, non-governmental organisations, and research institutions further help Behn Meyer to provide support in the areas of education, training, water conservation, green energy, and others.



Flood Donation, SK Taman Sri Muda, Malaysia

COMMUNITY IMPACT

Being a company with a strong sense of social mission, Behn Meyer understands the importance of collaborating closely with the communities around us. Hence, in 1952, the Behn Meyer Foundation was established.

Every year, Behn Meyer sets aside a portion of the company's annual net income to provide various benefits and scholarships for eligible employees and their children, thereby supporting and incentivising excellence and achievement among our employees. To benefit our communities, we also actively arrange CSR and disaster relief initiatives.

As a business, Behn Meyer not only needs the communities' social license to operate but it also has to acquire a source of talent and expertise for its workforce. Because of this, Behn Meyer aims to create a synergy with our local communities by providing jobs and training to residents, and also investing in the local area with the goal of helping to secure its own talent pool.

This strategy departs from typical philanthropy and is a vital area of focus. The success of these efforts is not measured in terms of monetary value from company donations but rather by the quality of social impacts in the local community. All teams across the business are empowered and responsible for initiating social programmes that help meet the needs of the local community. Active dialogues between the stakeholders and company management take place to establish the needs and to help focus CSR programmes accordingly. Through ongoing conversations with key community stakeholders, company management is enabled to understand the fundamental needs of its neighbours and implement initiatives to meet their needs. These efforts provide focus and purpose for corporate philanthropic activities as well as overall business strategy and vision.

Behn Meyer maintains open communication channels with local community leaders and takes any concerns with a high priority. Behn Meyer's engagement with the community allows it to address any grievances and mitigate any impacts should they arise. Plant managers use this transparent approach to handle any concerns relating to impacts from operations. Thus far, no site has been identified as making a significant negative impact on the local community.

Behn Meyer has a commitment to engage all sections of society as part of its social responsibility work. We aim to cultivate a significant positive indirect impact on the local economy and to contribute positively towards water and food accessibility, capacity building, and education. Collaborations with local authorities, non-governmental organisations, and research institutions further fuel Behn Meyer's ambition to improve education, economic development, and the protection of planetary resources for local communities. To build relations with its local community and spread positivity in this regard, some of Behn Meyer's corporate social responsibility activities are as follows:

CORPORATE SOCIAL RESPONSIBILITY | COVID-19 SUPPORT





Through the Thailand vaccination programme, which took place in July 2021 at Seriruk Hospital, a total of 184 staff consisting of employees and their family members, as well as outsourced contractors, received their vaccination.

As a part of Behn Meyer's CSR initiative and in tandem with the recommendation of Chulabhorn Royal Academy, a prominent research institute in Thailand, we will also be donating 10% of the vaccines acquired to underprivileged groups. In this uncertain time, we find it imperative to give back to community members in need.

CORPORATE SOCIAL RESPONSIBILITY | EDUCATION SUPPORT

At Behn Meyer, we believe that education is a crucial element for upward mobility in life. However, financial constraints and lack of support can hinder students' progress, ultimately reducing their chances to advance their studies and do better in life. To allow our youth to have a more promising future, Behn Meyer does its best to also contribute to underprivileged students.







BMA EDUCATION FUND SCHOLARSHIP 2021

The Behn Meyer AgriCare (BMA) Education Fund Scholarship Awards 2021 aims to provide recognition to some of the most talented and deserving candidates in the stream of agriculture. With the intent to aid deserving candidates to soar higher, we invite young Malaysian students with offers from local public higher educational institutions pursuing agri-related courses to apply for this scholarship. The recipients of this award receive complete tuition fee coverage, living expenses, and essential educational aids. Through this programme, students will also be provided with a unique insight into the agriculture industry, as they will be exposed to the cutting-edge technologies and most up-to-date solutions applied in the sector via their association with BMA.

BM MALAYSIA EDUCATION AID AND SCHOLAR-SHIP AWARDS 2021

Each year, the Behn Meyer Foundation awards scholarships and financial aid to children of employees to honour their academic achievements and compensate for their education expenses. The programme, sponsored by the Registered Trustees of the Behn Meyer Foundation, rewards children of Behn Meyer employees who have completed at least five years of service and complied with the specified eligibility requirements. This year, awards were given in two categories: Education Aid and Scholarship Awards. As many as 16 students from 10 families were granted the Education Aid, while another two students, both currently in their tertiary education, received the Scholarship Awards.

BM VIETNAM CONDUCTS SHARING SESSIONS AND SPONSORS UNDERPRIVILEGED STUDENTS

Apart from the aforementioned initiatives, we also concentrated on social interaction during the recent pandemic, particularly with young students. Behn Meyer Vietnam Co., Ltd has partnered with prominent universities such as Nong Lam University, Hutech University, and others on a regular basis to host online sharing sessions with students. In the sharing sessions, our Behn Meyer colleagues shared about their working experience, strategies on worklife balance, and their motivation for study and work. Apart from the sharing sessions, we offer also scholarships to students with excellent academic achievement, with a focus on underprivileged students.

CORPORATE SOCIAL RESPONSIBILITY | HUMANITARIAN ASSISTANCE



BEHN MEYER MALAYSIA EXTENDING AID TO FLOOD VICTIMS

An unabated series of rain turned to a massive storm and flash flood that swamped cities, displaced people in Malaysia, and took lives. Unfortunately, 24 of our BM employees were also severely affected by this tragic incident. Some had their homes destroyed, vehicles submerged, and belongings ravaged by the unforeseen flood. All of these will take years to rebuild. As an immediate response to this emergency, the Management of BM Malaysia donated RM50,000 in total to the affected employees. Noting that many BM staff would also like to contribute to their fellow colleagues, the company launched a donation drive to ease the victims' plight. Through this collective initiative, we hope to alleviate the predicament of BM employees, who have been the cornerstone of this company.



BEHN MEYER INDONESIA LENDS A HELPING HAND TO MOUNT SEMERU'S ERUPTION VICTIMS

On 4 December 2021, an eruption occurred at Mount Semeru, East Java, Indonesia, leaving the villages smothered in molten ash and forcing dozens of locals to take shelter. Apart from property damage, injuries and casualties were also recorded from the volcanic activity. Some areas are coated with volcanic ash as high as the rooftop and remain dangerous to this day due to the risk of volcanic gases after the eruption. Following the incident, many residents around the Mount Semeru vicinity were in need of food and various sanitary products. Acknowledging the severity of the situation, on 10 December 2021, Behn Meyer Indonesia provided some supplies and aid for displaced residents at several points in the affected Lumajang regency. The supplies included mineral water, sandals, raincoats, tarpaulin, blankets, and towels.



BEHN MEYER INDONESIA SHARES HAPPINESS FOR CHILDREN IN ORPHANAGES

As a part of Behn Meyer Indonesia's CSR initiative, on 27 December 2021, PT Behn Meyer Chemicals Indonesia visited three orphanages, namely Panti Tunas Mahardika, Suaka Kasih Bunda, and Al-Ikhawaniah. Led by Mr Teddy Candinegara as the Executive Director of Sales, Behn Meyer distributed daily basic needs and cash donations to ease the plight of these children.

Before the visit by Behn Meyer Chemicals Tangerang Selatan, Behn Meyer Chemicals in Sidoarjo also joined the programme by visiting Panti Asuhan Bukit Zion and Panti Asuhan Sabilillah An-Nahdliyah. In Sidoarjo, the donation was given by Tan Jenny Kurniawati as Sidoarjo Branch Manager on 25 October and 26 October 2021, respectively.



The Behn Meyer Group believes in and upholds the principles of honesty, courage, hard work, reliability, endurance, and gratitude. We know well that these are the qualities of sustainable businesses. Therefore, we place the highest value on the principles of value creation, transparency, integrity, honesty, fairness, and compliance with all laws, regulations, and governing authorities in the pursuit of our goals. We take pride in our work and our unique standing within the industry.

A global increase in attention to environmental effects and the increasing economic and community interest has resulted in corporations needing to become corporate citizens. While no company is immune to bribery, fraud, and corruption, Behn Meyer has taken steps to bolster existing safeguards. Beyond the Code of Conduct, the company also has an Anti-Bribery and Corruption Policy ("ABC Policy") to provide guidance on how to deal with improper solicitation, bribery, and other corrupt activities and issues that may arise in the course of business. We also have a Code of Ethics for Business Associates for business partners and external service providers, as well as the Behn Meyer Supplier Code of Conduct for supply chain partners. Collectively, Behn Meyer's principles and policies are the first line of defence in stamping out corruption, and they depend on the everyday vigilance of managers and employees.

CODE OF CONDUCT

Behn Meyer is committed to conducting all our business activities in accordance with the highest ethical and legal standards, operating under the company's Code of Conduct, which was implemented to create a shared understanding of the company's expectations. The Code of Conduct sets out the legal and ethical principles guiding our work and is binding for all employees in the Group's entities. All employees and others working for Behn Meyer are expected to avoid personal activities and financial interests that could conflict with their company responsibilities. Behn Meyer's reputation as an employer of choice and as a reliable business partner is built on adherence to these commitments.











A Diverse Workforce and Culture Compliance with Laws, Rules, and Regulations An Inclusive and Responsible Workplace

Equal Opportunity Safe and Healthy Working Conditions

Behn Meyer's Code of Conduct commitments correspond to an internationally accepted ethical standard in business, promoting transparency in operations and safer workplace practices. The Code is the moral compass of the business, protecting the interests of internal and external stakeholders alike.

Behn Meyer believes ethical companies have a competitive advantage and are able to attract and retain the best people. External stakeholders across the value chain also benefit from the rules laid out in the company's Code of Conduct through compliance of all parties by all applicable laws and regulations. This safeguards the long-term interests of the company, its customers, suppliers, brands, and retailers, and the local communities it operates in. For FY2021, there were no reported issues of non-compliance with laws or regulations in social or economic areas.

BUSINESS ETHICS

Behn Meyer's Code of Ethics for Business Associates communicates its fundamental principles and expectations to business partners. This includes, but is not limited to, all customers and suppliers of material, intermediate goods, and finished goods; IT and engineering suppliers or service providers; and freight forwarders and logistics providers. Regardless of the geography of operation, companies wishing to cultivate long-term relations with Behn Meyer must comply with the principles outlined in the Code of Ethics.

As part of the policy, Behn Meyer has zero tolerance for giving or receiving bribes. Corruption has no justification, as it exposes Behn Meyer and its employees to possible criminal prosecution, civil fines, and penalties. The company's Code of Ethics forbids inappropriate payments, whether to the government or private-sector organisations, and it applies to all business functions and dealings in its countries of operation. Specific approval procedures for sensitive transactions (e.g., gifts, travel) are in place for employees to report or obtain approval for sensitive transactions which normally involve external stakeholders and could be perceived or implied as favours. To combat real or perceived conflicts of interest, company employees and their relatives are forbidden to accept payments, gifts, or entertainment services from any individual or company desiring to do business with Behn Meyer. Due diligence procedures are in place and are of high regard. Staff found in deliberate breach of either code face discipline or dismissal, and business relations will be suspended with partners contravening company policies or repeatedly failing to implement corrective actions in their operations.

Risks facing downstream stakeholders can also be encountered by upstream businesses. Behn Meyer's suppliers are also expected to adhere to fair competition and antitrust laws, keep accurate accounts and business records, and comply with all applicable local, national, and international laws and regulations in the provision of products and services to the company.

Trusted suppliers have systems and controls in order to comply with laws and principles set forth in Behn Meyer's Supplier Code of Conduct. These include policies, training, monitoring, and auditing mechanisms. Company suppliers should also use these same principles in turn towards their own suppliers and contractors. Compliance and due diligence measures have been implemented when dealing with external stakeholders acting on the company's behalf.

For FY2021, there were no breaches of the Code of Ethics or incidents reported through the whistle-blower procedure. In FY2021, an internal audit/risk assessment concerning business ethical issues was conducted at 44% of operational sites. Of the total workforce, 79% has been trained (e.g., through e-learning) on business ethics issues.



COMPLIANCE MANAGEMENT

Behn Meyer's Compliance Committee ensures all applicable laws and regulations, as well as the company's internal policies and management directives, are adhered to. Risk assessments are performed across the company operations to prioritise risk management efforts. Potential risks to the business and stakeholders across the value chain are evaluated and mitigated. By raising awareness among managers and employees, the Compliance Committee plays a critical role to inculcate an ethical and honest culture in the company.

The contact details of the Compliance Committee members are supplied to each new employee as part of their Behn Meyer orientation. Around the world, in each area of operation, there is further support by one or more Compliance Management Representatives to ensure that all entities operate in line with company policies and relevant legislation. Legal counsel is also accessible for anyone with questions on the legality of potential decisions and actions.

ABC POLICY

When local laws are broken and individuals seek personal gain, communities can experience severe environmental impacts. Thus, a top-down and bottom-up communication approach is required to properly combat any corruption issues. The Behn Meyer Anti-Bribery and Corruption Policy (ABC Policy) was created to reinforce the company anti-corruption efforts. This policy fosters an environment where employees can report any known or suspected instances of corruption, conflict of interest, fraud, or money laundering anonymously. This also aids in identifying instances of wrongdoing by assuring potential whistle-blowers that they can act without fear of unjust retribution. Internal compliance management teams are in place to ensure the efficacy of this policy and to provide reasonable confidence that internal processes are being followed.

All Behn Meyer employees have been made aware of the company's anticorruption policies. This includes all members of the governance body, directors, managers, and personnel who interact with external business partners. Employees are provided with virtual and in-person training programmes to improve their knowledge of corruption and bribery prevention. 79% of the total workforce in Behn Meyer has received training on business ethics issues

70% of Behn Meyer employees have been communicated the anti-corruption policies and procedures

locations implement the anti-corruption management system

Regular monitoring of the effectiveness of ethics and compliance control systems performed through internal auditing. Anti-corruption due diligence programme on third parties is in place. For instance, Behn Meyer Malaysia Group of Companies are ISO 37001 certified to ensure there is no case of bribery or corruption. There were zero confirmed corruption incidents in FY2021. Meanwhile, we are rolling out the ABC policy to all our entities.



On August 24, 2021, the Behn Meyer Malaysia Group of Companies received the internationally recognised ISO 37001:2016 accreditation for implementing and enforcing a robust **Anti-bribery Management System (ABMS)**. The Compliance Committee maintains and enforces the ABMS to ensure that our transactions are free of bribery and corruption.

WHISTLE-BLOWING POLICY

Behn Meyer's Whistle-blowing Policy applies to all of Behn Meyer's employees, directors, business associates, and customers. Members of the public have an obligation to report any actual, suspected, or attempted improper conduct involving Behn Meyer, and can do so via the whistle-blowing channels. Whistle-blower procedure for stakeholders to report corruption, bribery, anti-competitive issues, and information security concerns will be guaranteed confidentiality and non-retaliation via dedicated channels. There were zero reports related to the whistle-blower procedure last year.

ANTI-COMPETITION PRACTICES

Behn Meyer is subject to laws and regulations governing anti-competition behaviour and makes clear to staff that behaviour in this regard will not be tolerated. Abiding by all laws and regulations is part of the company policy, and legal counsel is available for any employee that may have questions regarding what may or may not constitute anti-competitive behaviour. In strengthening employees' knowledge and preventing anti-competitive practices, the company also conducts awareness-training programmes for all employees. Relevant employees are guided by the management for appropriate interaction with competitors to avoid perceived collusion.

In FY2021, there were **zero legal actions pending or completed** regarding violations of anti-competitive behaviours or anti-trust and monopoly legislation in which the organisation was identified as a participant.

DUE DILIGENCE

As part of Behn Meyer's controls, due diligence is conducted by by **Head of Departments (HODs)** to ensure that the most suitable Business Associate is selected. For major or ongoing projects, due diligence procedures include:

- Checks on whether the Business Associate has appropriate anti-bribery and corruption controls.
- Ensuring that there are no convictions or allegations of bribery or corruption against the candidate.
- Verification and periodic monitoring conducted by persons in charge of procurement in Behn Meyer.
- Making sure the procurement process is conducted in an efficient, transparent, non-biased manner.
- Removing any persons with a conflict of interest from the selection process.

All dealings with external parties, such as regulatory authorities, business associates, or customers, must be conducted in a transparent, arms-length manner free from external influence. However, even after a candidate is selected, the business associates, transaction, or project should be periodically monitored by the respective business functions in Behn Meyer for bribery and corruption. Business associates may be subject to inspections, audits, risk assessments, and due diligence by Behn Meyer at its discretion. This shall include assessments on transactions and projects before a formal agreement is signed or after a formal arrangement is established. Business associates are required to cooperate with any such inspections, audits, or assessments by Behn Meyer or a party appointed by Behn Meyer.

QUALITY MANAGEMENT

The Behn Meyer Quality Management articulates the company's commitment to producing reliable products of a high ecological standard which are environmentally friendly and safe for human use. The main objective of this policy is to ensure product quality compliance and risk-free product usage by customers and end-users.

As the world grapples with the COVID-19 virus pandemic, it is apparent that there is a great need for well-organised quality management systems to manage external risks. Behn Meyer has adopted the **ISO 9001:2015 standard (Quality Management System)** across all Behn Meyer's major manufacturing sites and offices, and established countermeasures to manage such risks to product quality.

Behn Meyer's customer service quality performance for FY2021 yielded a customer satisfaction rating close to 85%, further endorsing Behn Meyer's service quality class. The Quality Management System has also included risk management control in Behn Meyer business operations to lower risk susceptibility. In summary, the Quality Management System that Behn Meyer has put in place is a framework to achieve best-in-class quality excellence in the industry.

REACH

Protecting environmental and public health from unsafe chemicals is essential to Behn Meyer's business. Similarly, chemicals regulation like the **Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH)** aims to improve the protection of human health and the environment through better and earlier identification of the intrinsic properties of chemical substances. Hence, Behn Meyer will continue to fulfil its compliance-related business activities with REACH obligations.

Properties of registered substances have to be carefully counter-checked and implemented in the respective registration dossiers and risk assessments. Additionally, the **European Chemicals Agency (ECHA)** evaluates the submitted registration dossiers, and in case of any uncertainties, they will request the registrants for revision of the dossiers and even for further testing. Assessment of suppliers' progress with regards to REACH requirements is implemented to comply with the legal requirements.

ENVIRONMENTAL COMPLIANCE

Environmental compliance audits are undertaken to investigate the adherence of a facility to environmental legislation and any resulting liability from non-compliance. This typically includes a scope of examining operations, waste streams, permit requirements, regulatory reporting and record-keeping, chemical and hazardous material usage and handling, and any discharges to air, land, or water. Audits like these are conducted at facilities to confirm that Environmental Management Systems have been effective, and to determine any related issues. They can help maintain compliance, pinpoint any deficiencies on-site, and take the required corrective actions to improve these areas.

To demonstrate our commitment to go green, Behn Meyer operations in Thailand, Malaysia, and Italy have implemented the **Environmental Management System** (ISO 14001:2015) in their activities. The Environmental Management System auditor further commended the commitment and understanding that all staff exhibited during the audit in these countries.

Furthermore, Behn Meyer Thailand has carried out and implemented a **Hazard** Analysis and Critical Control Point System (HACCP), and received Green Industry Certification from the UN Industrial Development Organisation (UNIDO) in order to maintain resource-efficient low-carbon growth while creating new business opportunities and protecting the environment.

INFORMATION SECURITY

Information security materials are made available to better educate stakeholders on prevailing risks, especially in the handling of sensitive corporate data. Behn Meyer respects the privacy of individuals and is committed to safeguarding personal data in accordance with the European Union (EU) General Data Protection Regulation (GDPR) and other applicable data protection laws, including the Personal Data Protection Act (PDPA), where applicable.

As part of our commitment to information security, Behn Meyer adopted and implemented the privacy policy, which sets out its practices regarding the collection, processing, use, and disclosure of personal data, and describes privacy rights. With this legislation, data controllers, including companies and their employees, must comply with certain obligations pertaining to personal data. Failure to do so will result in legal consequences. Behn Meyer's headquarters in Germany has taken steps to ensure business compliance with the regulations. In fact, the GDPR compliance training for company staff was completed in the year 2021. Employees are required to consult and inform customers on the particulars of the collection and storage of their personal data — for example, the type of data collected, data sharing with third parties, etc. There were zero substantiated complaints concerning breaches of customer privacy and losses of customer data in FY2021.

Additionally, Behn Meyer's IT security policy advocates employees' responsibility on the use of company data and confidential information, and take precautions for the protection of information privacy. Awareness training to prevent information security breaches is conducted regularly so employees can strengthen their knowledge on information security-related issues. Audits of control procedures take place to prevent information security breaches and monitoring of the effectiveness of information security control systems is performed. Non-compliance with the IT security policy must be reported to the respective Head of Department for appropriate action. Any non-compliance must be taken seriously when reported or detected. This may result in disciplinary actions, including termination of employment.

Further internal controls have been put in place to restrict physical or digital access to third-party data by unauthorised employees and/or third parties. In FY2021, there were zero confirmed information security incidents.



RESPONSIBLE PRODUCTS AND SERVICES

To help stakeholders across the value chain achieve higher standards for quality, safety, and the environment, Behn Meyer has continuously invested resources in innovation to deliver responsible products and solutions to the customer. Our respective business teams focus on product quality and performance matters, and they also scrutinise the entirety of a product's life cycle. Applying the precautionary steps early on, at the design and sourcing level, could have positive and resounding impacts further down the value chain.

The direction behind Behn Meyer's successfully delivered products is that they should not only minimise their own impacts, but those of their customers and end-users as well. However, customers require more than a good product; they are also looking for a comprehensive support system to help them achieve their goals and targets. To meet this demand, Behn Meyer AgriCare created a platform to aid farmers to find solutions to address their concerns. This user-friendly mobile crop doctor, called the bm AgriCare app, allows users to self-assess the challenges they face and troubleshoot the field crop dilemmas based on images of sick crops. The app also connects users with our agronomist experts, giving users access to professional insights on how to fertilise, weed, spray, and harvest their crops to achieve results in the most sustainable way possible. While product stewardship continues to be an essential component of Behn Meyer's sustainability framework, the scope of responsibility has expanded. Now, it encompasses many solutions, enabling downstream stakeholders to make informed and responsible choices in areas ranging from product selection to process optimisation.



SUSTAINABLE VALUE CHAIN

Behn Meyer's integrated business process depends on the dedication and expertise of multiple divisions towards a common goal: to identify and minimise environmental, health, and safety risks throughout a product's life cycle. This is due to the recognition that the indirect impact of a product can be comparable to or even greater than that resulting from the company's internal activities. Behn Meyer's strategy focuses on how the early stages of design and sourcing can imbed sustainability. By doing so, customers are likely to attain the desired products and services.

PRODUCT AND MARKETING COMPLIANCE

Throughout the reporting period, Behn Meyer received zero fines, penalties, or warnings for health and safety impact violations of its products and services. There were also no violations of local laws and regulations regarding the use of Behn Meyer's products and services. The company also had no fines or penalties regarding product and service information and labelling for FY2021. Behn Meyer has not identified any noncompliance with regulations and/or voluntary codes concerning product and service information and labelling. The company adheres to all applicable regulatory and voluntary codes for marketing communication practices, and FY2021 had zero fines, penalties, or warnings related to the company's advertising, promotion, or sponsorship activities. Furthermore, Behn Meyer's IT team ensures that customers' information is protected and remains confidential. As customer privacy is a priority, there were no breaches in this respect for FY2021.

Behn Meyer is committed to the industry's responsible management of chemicals. Behn Meyer's chemical groups, such as Behn Meyer Chemicals Thailand and Performance Additives, actively participate in the Responsible Care® programme. As part of our commitment, we pledge to:

- Create a corporate leadership culture that proactively supports safe chemicals management through the global Responsible Care initiative.
- Safeguard people and the environment by continuously improving our environmental, health, and safety performance; the security of our facilities, processes, and technologies; and driving continuous improvements in chemical product safety and stewardship throughout the supply chain.
- Strengthen chemicals management systems by participating in the development and implementation of life-cycle-oriented, sound-science, and risk-based chemical safety legislation and best practices.
- Influence business partners to promote the safe management of chemicals within their own operations.
- Engage with stakeholders, understand and respond to their concerns and expectations for safer operations and products, and communicate openly on our performance and products.
- Contribute to sustainability through improved performance, expanded economic opportunities, and the development of innovative technologies and other solutions to societal challenges.

CUSTOMER HEALTH & SAFETY

The most effective way to mitigate a product's life-cycle impact is to get it right from the onset. We strive to provide safer and more environmentally benign products for customers and, ultimately, the final users. All products and services are assessed for health- and safety-related impacts and improvements. As such, a product safety data sheet is provided to customers following the set regulations. There have been no substantiated cases of non-compliance in this respect. One Vietnam plant experienced a 0.4% product recall in the year 2021, but no product recall related to end-of-life procedure. Moreover, 75% of Behn Meyer's customers are aware of the available channels where they can express grievances related to Behn Meyer's products or services. We have appointed CHEMTREC for chemical emergency (spill, leak, fire, exposure, or accident) response, including a 24-hour call hotline, and have included the number on all our own branded SDS. In the Vietnam Animal Nutrition division, our engineering team was on call 24 hours a day, 7 days a week to make certain that all the maintenance and servicing of the system ran smoothly. Inspections and quantification were also conducted so that the spray system operated stably without error. The team was also always on standby to be able to respond promptly to customer requests or enquiries.

We value our customers' views; hence, Behn Meyer collects external feedback on health and safety issues for all of its processes and facilities via its annual customer/stakeholder sustainability engagement survey. Behn Meyer's customer satisfaction survey on our products and services yielded a result of close to 89% in FY2021, confirming Behn Meyer's top-tier service quality class. A total of 60% of Behn Meyer's customers are aware of the company's sustainability approach, and 62% know about the company's long-term sustainability goals and commitments.

RELIABLE SERVICES & MARKET ENGAGEMENT

THE STORY OF BEHN MEYER VIETNAM ANIMAL NUTRITION & HEALTH'S SERVICE COMMITMENT DURING THE PANDEMIC PERIOD — A MARK OF SUSTAINABLE GROWTH



24/7 Maintenance and Servicing for the Enzyme Spraying Systems

Despite the difficult circumstances, Behn Meyer has always ensured that its service activities, such as its enzyme analysis and webinars with customers, as well as its other social activities like online sharing, are continued. We understand the importance of connecting with our customers and communities in these trying times; therefore, we endeavour to do our best to uphold the relationships. Throughout the pandemic, our engineering team was on call 24 hours a day, 7 days a week to ascertain that all the system servicing and maintenance ran smoothly. Inspections and quantification were also conducted so that the spray system operated stably without error. The team was also always on standby to be able to respond promptly to customer requests or enquiries. The Behn Meyer Vietnam enzyme analysis lab was also in operation continuously, checking and evaluating product quality and reporting analysis results to customers on schedule.



Spray, Test Water Samples to Develop the Set of Biosafety Products

The impact of the COVID-19 pandemic had a substantial effect on the livestock industry in 2021, as it resulted in very high material and energy prices. This forced companies to reduce the number of additives in their formulas and seek solutions that could help them minimise costs. In our effort to still provide the best to our customers, Behn Meyer Vietnam Co., Ltd and our nutritionist specialists regularly discussed optimal solutions to reduce the burden of feed costs for customers by implementing the smart and appropriate use of additives. Staying connected to our customers was also a challenge on its own, as the movement restriction impeded our sales team from physically meeting with their customers. Nonetheless, to make sure that the relationship with our customers was preserved, we regularly organised webinars and telco meetings to keep in contact with them. In fact, we conducted webinars with more than 50 different feed factories, discussing new solutions that can be incorporated to boost Vietnam's livestock industry.

BEHN MEYER RANKS IN THE TOP 10 IN ASIA-PACIFIC CHEMICAL **DISTRIBUTION SALES**



Despite much uncertainty surrounding the distribution business environment amidst the global pandemic, Behn Meyer is proud to have come out ahead as one of the world's leaders in chemical distribution sales in 2020, as ranked in a special report by ICIS Chemical Business Magazine in its May 2021 issue. Globally, the report placed the Behn Meyer Group at #24 with a total sales figure of 701 million euros. In Europe and North America, Behn Meyer was ranked #84 and #125, respectively, while in Asia-Pacific, Behn Meyer was ranked #8 in terms of sales figures, having achieved total sales worth USD 775.3 million.

BEHN MEYER EUROPE GMBH MAKES A COMEBACK AT FAKUMA



For more than 30 years, the Fakuma International Trade Fair for Plastic Processing has served as a meeting hub for the major players in the plastics industry. Held in Friedrichshafen, Germany, from October 12-16 last year, Behn Meyer GmbH also attended the fair to present our technical offerings and cutting-edge products in the industrial polymers sector to our potential clients. During the event, the Germany team was continuously engaged in various commercial and technical discussions with the customers, attending to enquiries and consulting them on our services, making the five-day event pass by in a flash. The booth received very welcoming support from clients searching for new and innovative solutions to cater to their needs.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

In the supplier and procurement management process, Behn Meyer has always adhered to the principle of sustainable procurement and established a series of detailed systems to evaluate each supplier qualitatively and quantitatively. Through whole processes, we follow the principles of openness, justice, fairness, and efficiency, and are subject to supervision from both suppliers and customers to protect the interests of all stakeholders.

We are dedicated to building a sustainable supply chain to ensure that our partnerships are free from any environmental, social, and governance risks. We also aim to achieve consistent and long-term growth. As we advance, our goal is to be a company that responds to the expectations of all stakeholders by actively working towards the higher goal of contributing to the creation of a sustainable society and resolving social issues through our business activities. Consequently, it is vital that our business partners follow the same sustainability requirements to mitigate relevant risks and expand the Group's influence as a sustainable organisation.

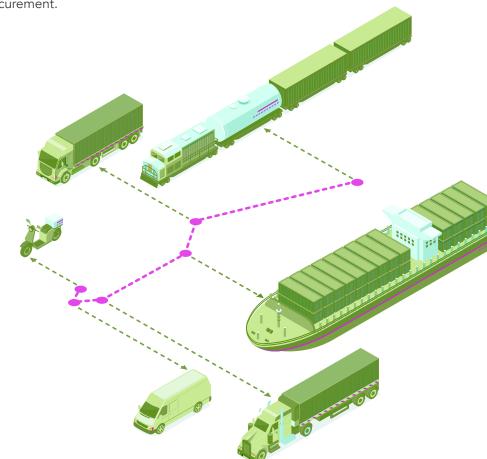
At present, Behn Meyer has comprehensive rules for its supply chain management. It has incorporated ESG standards into relevant sustainable procurement processes, consisting of Supplier Sustainability Performance Assessment, Supplier CSR Risk Assessment, Audit, and Corrective Action. We will lead our partners/suppliers on a path to operate with zero harmful emissions to the environment whilst consciously improving their social impact on the world.

TRAINING OF PROCUREMENT PROFESSIONALS

Within the Group, we have conducted educational supply chain programmes on sustainable purchasing for our procurement professionals (i.e., buyers on behalf of Behn Meyer). These procurement professionals are chosen from different business units; therefore, each business unit will be responsible for integrating sustainability into their respective business operations. This programme is

introduced to ensure that these professionals are aware of the existing social and environmental issues and more cognizant of the means to make the procurement process more viable. Procurement professionals are also trained to identify and respond to supply chain risks such as slavery and human trafficking.

Sustainable procurement objectives such as the supplier's CSR performance will also be taken into consideration by the procurement professionals during the process of supplier selection and performance reviews. Our preferred suppliers are those who perform well in terms of environmental and social issues. As of 2021, 64% of our buyers across all locations have received training on sustainable procurement.



SUPPLIER SUSTAINABILITY GUIDELINES

The Behn Meyer Supplier Sustainability Guidelines provide an overview of the minimum environmental, social, and governance standards we expect our suppliers to meet. They also outline how we will check suppliers' compliance to these standards and explain why compliance is crucial for both our and our suppliers' businesses. We have established the guidelines to further promote collaboration with our suppliers. The guidelines include responsible business operations, labour and human rights, environment, and sustainable procurement of natural materials.



- Behn Meyer's Supplier Code of Conduct
- Behn Meyer's Code of Ethics for Business Associates
- Sustainable Procurement Group Policy

Below is the summarised key requirements of the guidelines, which outline Behn Meyer's business principles and ethical values:

- Compliance with environmental, health and safety, labour, and social laws and Behn Meyer's regulations and policies.
- Ethical business conduct and fair dealing.
- Anti-bribery and corruption.
- Protecting employee and contractor human rights; ensuring equal opportunities, no discrimination, and a safe and healthy working environment.
- Avoiding conflicts of interest.
- Protecting the environment.
- Setting clear environmental and social requirements for suppliers.

Behn Meyer's policies and the requirement to comply will be included in all business contracts. Termination of contract shall be issued should expectations concerning CSR issues not be met. The minimum sustainability standards of Behn Meyer's supply chain management help our business to:

- Minimise the risk of non-compliance with local legal requirements.
- Access key global customers who have high sustainability standards.
- Minimise the risk of supply chain interruption (for example, from Environment, Health & Safety (EHS) incidents or labour disputes).
- Improve worker productivity and retention as a result of better working conditions and fair terms of employment.
- Reduce risk of damage to the company's reputation from sustainability-related issues (such as poor working conditions).



We encourage our suppliers to:

- Read and acknowledge Behn Meyer's Supplier Code of Conduct, Sustainable Procurement Group Policy, and the Supplier Sustainability Guideline.
- Carry out an assessment of business practices to ensure that the requirements set out are met.
- Complete the Supplier Sustainability Performance Assessment, if requested.
- Undertake an external audit, if requested.
- Provide information on natural raw materials supplied, if applicable and if requested.
- Promote the Behn Meyer Sustainability guidelines throughout the supply chain. We encourage and work with suppliers and subcontractors to ensure that they also strive to meet the principles of the guidelines or equivalent set of principles.

Our sustainable procurement actions cover the entire company's suppliers and operations. In 2021, we have:

79%

targeted suppliers that have signed the sustainable supplier code of conduct.

81%

acknowledged our Supplier Sustainability Guidelines that include clauses on environmental, labour, and human rights requirements.

We also have introduced a new process to help ensure all suppliers meet these expectations. This builds on our existing compliance process.

SUPPLIER SUSTAINABILITY PERFORMANCE ASSESSMENT

Each year, we will ask selected suppliers to complete a Supplier Sustainability Performance Assessment of their compliance with legal and industry labour, health and safety, and environmental standards. This will involve the completion of an assessment questionnaire that is provided by Behn Meyer. The questionnaire-based assessment covers the three sustainability elements: environment, social, and governance. The questions shall include, but not be limited to, labour standards, health and safety, and environment on business practices. We use the evaluation rating system to review suppliers' sustainability performance, and it is also part of our supplier selection process. In 2021, 65% of targeted suppliers undertook the sustainability performance assessment.

SUPPLIER CSR RISK ASSESSMENT

We will review the Sustainability Performance Assessment Questionnaire responses to classify the selected suppliers as high, medium, or low risk. Classification will also take account of the results from any previous audits shared with Behn Meyer and the inherent risks associated with the supplier's specific location and business activities.

AUDIT & CORRECTIVE ACTION

Selected high-risk suppliers will be required to undertake an independent external audit. Behn Meyer will recognise audits carried out by internationally recognised auditing firms, which have been completed within the past one to two years (depending on risk and nature of past non-compliances). External auditors will arrange a visit to the selected suppliers' facilities to evaluate their compliance with minimum labour, health and safety, and environmental standards.

Where the audit finds non-compliances, we will require the supplier to identify corrective actions and timelines for completing these actions. The auditor will need confirmation that the corrective actions have been completed to achieve compliance. Depending on the nature of the issue, the auditor may need to make a follow-up site visit.

We expect our suppliers to comply with the Behn Meyer requirements even if these exceed local regulations. The suppliers should review the root cause of the non-compliance and identify appropriate corrective actions. As we launched our supplier sustainability guideline in August 2021 and introduced supplier sustainability performance assessment a few months ago, only a few targeted suppliers have gone through a CSR on-site audit so far, but we are working towards screening 100% of first-tier suppliers' ESG performance by 2025.



METHODOLOGY

This is the Behn Meyer Group's Annual Sustainability Performance Report. This report outlines the details of our commitments and sustainability performance that matter most to our stakeholders and business success. This report also communicates Behn Meyer's vision and plans to drive sustainability throughout the business operations. We are at the beginning of a new chapter in our pathway to a positive journey. The report focuses on our 2025 goals, with our 2040 ambitions as a lighthouse guiding us to a new horizon.

Through this report, Behn Meyer wishes to reach out to as many of its stakeholders as possible and provide a transparent account of its progress towards catalysing sustainable practices across the value chain. Behn Meyer believes that its sustainability strategy will be a critical enabler of its long-term success.

Behn Meyer considers the opinions of both its internal and external stakeholders as a valuable resource for continual improvement. We welcome your questions, feedback, and suggestions. You may contact us at: sustainability@behnmeyer.com.sq

SCOPE OF THE REPORT

This report covers Behn Meyer's global operations for the financial year January 2021 to December 2021. It contains performance data for all production sites, warehouses, offices, and laboratories owned or operated by Behn Meyer. Behn Meyer reports on an annual basis.

DATA AND EXTERNAL ASSURANCE

Behn Meyer collects and analyses data across all its operations in a standardised manner. A centralised data management system is utilised to collect and assess sustainability performance data from all its business entities. Information supplied to this system undergoes a two-step verification process to ensure the integrity of the final report's data. The procedure also lends accuracy to the year-on-year performance results. Wherever relevant, applied methods and assumptions are detailed within the body of the report.

This report has been reviewed by the Board of Directors of Behn Meyer Group. The data disclosed in this report is not externally assured; however, Behn Meyer is currently exploring options to externally assure highly material sections in subsequent sustainability reports.

REPORTING FRAMEWORK

This report has been prepared in accordance with the **Global Reporting Initiative** (**GRI**). The GRI Standards provide the principles and disclosures required by organisations to report their economic, environmental, and social performance and impacts. Behn Meyer applies the GRI's principles in defining report content and quality, as set out by the GRI Standards. Readers may refer to the full GRI Standards Index at the end of this report for an overview of the company's approach in this regard.

This document also serves as Behn Meyer's UN Global Compact Communication of Progress for 2021. Additionally, the report's contents provide an update on our progress with the implementation of the ten principles of the **UN Global Compact and the Sustainable Development Goals (SDGs)**.

GRI CONTENT INDEX

Behn Meyer has reported in accordance with the GRI Standards for the period 1 January 2021 to 31 December 2021. This Content Index serves as a navigation tool for the GRI Standard disclosures. The Management of Behn Meyer is responsible for the completeness, accuracy, and validity of the ESG disclosures referenced or included in the GRI Content Index as of 31 December 2021. The Management is also responsible for collecting, quantifying, and presenting the information included in the 2021 Environmental, Social, and Governance Report. The criteria selection is essential in providing an objective basis for measuring and reporting on the ESG disclosures.

Statement of Use

Behn Meyer has reported in accordance with the GRI Standards for the period 1 January 2021 to 31 December 2021

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GRI 1: Foundation 2021

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	2-3 Reporting Period, Frequency and Contact Point	80
	2-4 Restatements of Information	This report is Behn Meyer Group's first public sustainability report.
	2-5 External Assurance	80
	2-6 Activities, Value Chain and Other Business Relationships	6–7, 10, 31–35
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GRI 413: Local Communities 2016	413-1 Operations with Local Community Engagement, Impact Assessments, and Development Programs	59–60
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UNGC INDEX

The **United Nations Global Compact (UNGC)** is a voluntary initiative through which companies that are committed to exercising responsible leadership act to help in the creation of global frameworks for realising sustainable growth. The UNGC details 10 universally accepted principles for corporate social responsibility in the areas of human rights, labour, environment, and anti-corruption. As a signatory member, Behn Meyer is committed to incorporating the 10 principles in the way we conduct our business and disclose how we do so through this report, which serves as our formal **Communication on Progress (COP)**.

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Principle 10	Businesses Should Work Against Corruption in All Its Forms, Including Extortion and Bribery	67

SDG INDEX

HOW BEHN MEYER SUPPORTS THE SUSTAINABLE DEVELOPMENT GOALS

At Behn Meyer, we believe businesses play an important role in helping to achieve SDGs. Using Behn Meyer's Sustainability Four Pillars (Ethics, Environment, Labour and Human Rights, Sustainable Procurement) as a base, we have reviewed how our sustainability activities can support the 17 Goals. As a global corporation, we acknowledge our ability to have a direct and indirect impact on all the goals and make contributions in meaningful ways.

SUSTAINABLE GALS DEVELOPMENT GALS

- Providing stable jobs that pay fair wages.
- Enhancing livelihoods through capacity building.
- Training new farmers who are interested in switching from traditional

*51, 60, 69

End Poverty in All Its Forms Everywhere

- farming to fertigation (reduce greenhouse gases and pesticide usage).

End Hunger, Achieve Food Security and Improved Nutrition and Promote Sustainable Agriculture

- Providing fertilisers and crop protection products that improve plant health and crop yield.
- Providing sustainable agricultural products which optimise agriculture productivity and maintain ecosystems.

*31-32

FULICATION



*48-49, 53, 60-63

Ensure Inclusive and Quality Education for All and Promote Lifelong

- Supporting employees through knowledge, skills, or technical trainings.
- Conducting trainings to ensure safe working conditions.
- Extending AgriCare scholarships to agriculture and science students in local universities and donations to underprivileged students.
- AgriCare Malaysia gave free fertilisers for vocational high schools (Pontian) to train middle high school students in the agriculture industry.

5 GENDER EQUALITY



*47, 55-56

Achieve Gender Equality and Empower All Women and Girls

- Ensuring a fair and equitable workplace, free from discrimination.
- Ensuring women's full and effective participation at work; giving equal opportunities for leadership at all levels of decision-making, inclusive of political, economic, and public life.
- Greater representation of women in non-production sites.

CLEAN WATER AND SANITATION



Ensure Access to Water and Sanitation for All

- Responsible withdrawal and consumption of water for manufacturing.
- Ensuring effective treatment and proper discharge of wastewater.
- Site check for wastewater contractors during screening process.

2 ZERU HUNGER

NO POVERTY



CLEAN ENERGY



*18, 37, 39, 42

Ensure Access to Affordable, Reliable, Sustainable and **Modern Energy for All**

- Adopting more energy-efficient technologies at production plants.
- Purchasing energy derived from renewable sources.



*32, 48-50, 61

Ensure Healthy Lives and Promote Well-Being for All at All Ages

- Providing safe working conditions for both employees and workers on the site.
- Monitoring occupational health and safety programmes on-site in accordance to occupational safety and health guidelines.
- Granting health and medical benefits provided to employees.
- Behn Meyer Thailand donated COVID-19 vaccines to underprivileged groups.
- Providing soil health products.

ECONOMIC GROWTH



Promote Inclusive and Sustainable Economic Growth, Employment and Decent Work for All

- Protecting labour rights and ensuring safe working environments.
- Decent work for employees, with fair opportunities for career progression.
- Hiring and training employees drawn from nearby communities.
- No grievances or complaints reported were related to discrimination, gender equality, freedom of association, collective bargaining, child labour, forced labour, or compulsory labour.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



*21-22, 60-61

Build Resilient Infrastructure, Promote Sustainable Industrialization and Foster Innovation

- Establishing industry and fostering innovation in the places we operate.
- Collaborating with research institutions to support the industry in which we operate.
- Advancing innovation and collaboration in sustainability via the Behn Meyer Sustainability Campaign.

14 LIFE BELOW WATER



*22, 43

Conserve and Sustainably Use the Oceans, Seas and Marine Resources

- Ensuring effective treatment and proper discharge of wastewater.
- Developing sustainable aquaculture products, such as Innovazyme Pro AK, which handles dead bodies from shrimp culturing, reducing shrimp farming waste to achieve sustainable aquaculture.

10 REDUCED INEQUALITIES



*50-51, 55-57, 62-63

Reduce Inequality Within and Among Countries

- Following the principle of equality by only rewarding employees based on merit.
- Creating a comfortable workplace by sponsoring activities which promote inclusive work culture.
- Zero tolerance for discrimination enforced through the Code of Conduct.
- Supporting communities through education and capacity building.

15 LIFE ON LAN



*31-32, 44

Sustainably Manage Forests, Combat Desertification, Halt and Reverse Land Degradation, Halt Biodiversity Loss

- Opting not to operate near highly biodiverse or protected ecosystems.
- Generating frass fortified with organic minerals and trace elements that is able to rejuvenate and revitalise soil.
- Applying Soil Health Initiative, which includes soil remineralisation, soil remediation, and soil revitalisation.

11 SUSTAINABLE CITIES AND COMMUNITIES



*60-63

Make Cities Inclusive, Safe, Resilient and Sustainable

- Behn Meyer Vietnam helped repair damaged schools in the community after a storm.
- Behn Meyer Indonesia distributed daily basic needs and cash donations to children in three orphanages, and food aid to Mount Semeruís eruption victims.
- Behn Meyer Malaysia extended aid to flood victims.
- Behn Meyer Philippines provided in-kind assistance to victims of Taal Volcano eruption, and financial support for the renovation of Camp Pantaleon Garcia.

PEACE, JUSTICE AND STRONG INSTITUTIONS



*12-14, 65-67

Promote Just, Peaceful and Inclusive Societies

- Maintaining a robust governance structure.
- Conducting business in keeping with highest ethical and legal standards.
- Effectively implementing Behn Meyer's Code of Conduct.
- Executing Behn Meyer's Anti-Bribery and Corruption Policy ("ABC Policy") in all countries in which we operate.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



*22, 33-35, 44-45, 72, 76-77

Ensure Sustainable Consumption and Production Patterns

- Actively reducing the intensity of resource consumption in manufacturing.
- Providing sustainable animal feed additives.
- Substantially reducing waste generation through prevention, reduction, recycling, and reuse.
- Integrating sustainability practice into the supply chain.
- Adopting supplier sustainability guidelines.

17 PARTNERSHIPS FOR THE GOALS



Revitalize the Global Partnership for Sustainable Development

- Encouraging and facilitating sustainable practices among suppliers.
- Supporting non-profit initiatives that help further the Goals.
- Active engagement with authorities, residents, and community.

13 CLIMATI



*28, 39-41, 53-54

Take Urgent Action to Combat Climate Change and Its Impacts

- Integrating climate change measures into sustainability strategies and planning
- Adopting newer technologies in manufacturing to mitigate GHG emissions.
- Optimising transport and logistics to reduce Scope 3 GHG emissions.
- Organising awareness training for corporate sustainability impacts.

* Page Number (s)

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