



**CREATING NEW VALUE,
ENHANCING GROWTH
AND CAPABILITIES**

**SUSTAINABILITY
REPORT
2022**



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1. Highlights

1.1 Corporate profile

Yamada Green Resources Limited (山田绿色资源有限公司) ('**Yamada**' or the '**Company**'), together with its subsidiaries (the '**Group**'), is an agricultural food product processing group in Fujian Province, the People's Republic of China ('**PRC**' or '**China**').

Serving a long-established customer base from Japan, Yamada has earned a strong reputation of providing high quality products to food distributors and wholesalers in Japan. Currently, Yamada's food processing operations, which adheres to stringent safety standards and requirements, are carried out at its main factory where it employs close to 200 workers.

Yamada has also made considerable investments into office and logistics properties in China and Singapore. Rental from these properties will become a new source of income for the Group over the next few years.

Yamada is listed on the Mainboard of the Singapore Exchange Securities Trading Limited (**SGX-ST**) under the stock code BJV. Shares of Yamada Green Resources have been suspended from trading since September 2017.



1.2 Message to stakeholders

On behalf of our Board of Directors, it is my pleasure to present our Sustainability Report for the financial year ended 30 June 2022 (**FY2022**).

Corporate Social Responsibility (**CSR**) plays an essential role in the long-term success of our business. It is important that we align our interests with that of the communities in which we operate in order to gain the support of the local communities and government agencies.

We share our customers' commitment to the protection of our environment and we believe in the importance of caring for our planet and encouraging others to play their part. Being one of the leading companies involving in agricultural business, we recognise our obligation and commitment to create a better living environment for our current and next generation.

Our Directors recognise the importance of being a responsible steward of the land we manage. With this objective, the Company has established a CSR policy which includes the review of the following areas of the Group's activities:

- (a) to review and recommend the Group's policy with regards to CSR issues;
- (b) to review the Group's environmental policies and practices;
- (c) to review the social impact of the Group's business practices in the communities that the Group operates in;
- (d) to review and recommend policies and practices with regard to key stakeholders (employees, business partners, customers, suppliers.); and
- (e) to review and recommend policies and practices with regard to regulators.

In FY2022, we continue to engage in constructive dialogue with our stakeholders and focus on our four key pillars of Regulatory Compliance, Food Safety, Environmental Sustainability, and Social Contribution. We are aware that our carbon footprint arises primarily out of electricity consumption by our companies. As such, we will step up our efforts on improving the energy efficiency of our operations in the coming year, doing our part to contribute to the positive global action on climate change.

The COVID-19 pandemic together with evolving geopolitical tensions around the world continue to cast their shadow on the global economy over the past few years. The impact of the COVID-19 pandemic in China continues to pose operational challenges to the Group. Furthermore, the rising geopolitical tensions are expected to dampen business sentiments and macroeconomic conditions. In light of these challenges, the Group is actively expanding its real estate leasing business in People's Republic of China (PRC) in order to cushion the impact of an overall decline in oversea sales. Additionally, we will exercise cost control and improve revenue for the Group to survive in the complex political and economic environment while also making stability progress. Lastly, we wish to confirm that the Board has considered sustainability issues as part of its strategic formulation, determined the material environmental, social and governance (**ESG**) factors and overseen the management and monitoring of the material ESG factors.

On behalf of the Board of Directors

CHEN QIUHAI

Executive Director and Chief Executive Officer

1.3 Scope of sustainability report

The scope of the report covers information on material sustainability aspects of Yamada and its subsidiaries, from 1 July 2021 to 30 June 2022 unless otherwise specified. This should sufficiently address stakeholders' concerns in relation to sustainability issues arising from the major business operations of the Group.

This report is prepared in accordance with the early adoption of Global Reporting Initiative (**GRI**) Universal Standards (**GRI Standards**) 2021 as it provides a set of an extensive framework that is widely accepted as a global standard for sustainability reporting. It also considers the Sustainability Reporting Guide in Practice Note 7.6 of the SGX-ST Listing Manual. In preparing our report, we applied the GRI's principles for defining report content and report quality by considering the Group's activities, impacts and substantive expectations and interests of its stakeholders.

The data and information provided within the report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy.

We are currently in the progress of implementing mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures (**TCFD**) and will report on our progress in FY2024.

1.4 Restatements

Food production-related information such as total carbon emission, total energy consumption, carbon emission intensity, energy intensity, water intensity, and wastewater discharge intensity in the previous year have been updated due to the availability of more accurate data.

Other than the above matters, no restatements were made from the previous report.

1.5 Sustainability contact

We welcome your views and feedback on our sustainability practices and reporting at cy@ousei.com.

2. Our approach to sustainability

2.1 Sustainability organisational structure

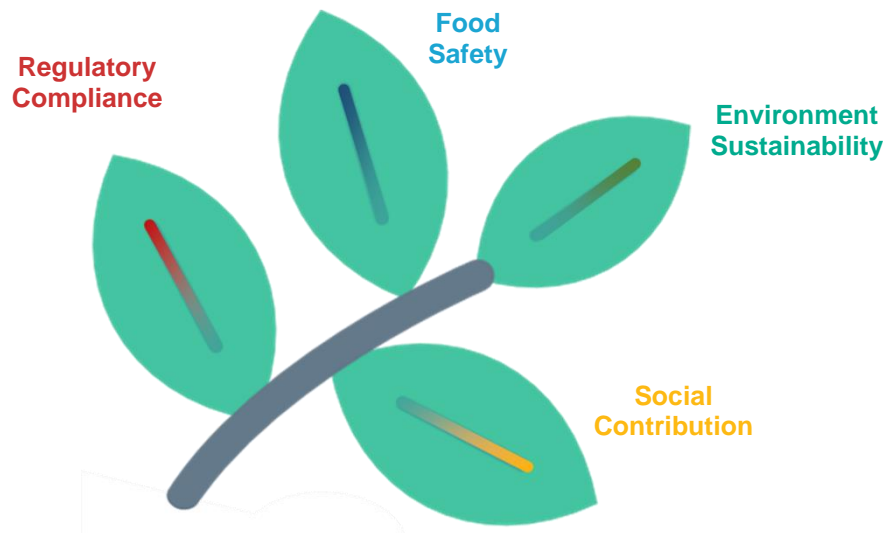
Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much determine our financial performance. We developed a sustainability organisational structure to move things forward:



2.2 Sustainability strategy

At the Group, our sustainability strategy aims to create integrated values.

Together with disciplined execution of our strategy and a commitment to doing business responsibly, we commit to deliver value to all our stakeholders through the following:



The sustainable strategy is underpinned by our comprehensive and extensive internal policies that covers the areas above such as regulatory compliance, performance monitoring, occupational safety and health, employee training, waste reduction and employee welfare.

The strategy is also guided by external sources, including ISO 9001:2008 Quality Management System, ISO 22000:2005 Food Safety Management System, and Sustainability Reporting Guide in Practice Note 7.6 of the Singapore Exchange Listing Rules.

2.3 Consulting our stakeholders

We recognise the need to continuously develop our responsible business approach in order to address growing stakeholder expectations around our impact on the economy, environment and society.

As such, we periodically consult with our stakeholders to determine the issues that are most relevant to them and the Group. An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

Stakeholders	How we listen	Why we do it	What you've told us
Customers	<ul style="list-style-type: none"> Focus groups with consumers Market survey on consumer tastes Feedback from distributors Inspection of company production lines 	<ul style="list-style-type: none"> Consistently improve product taste and innovation through market survey and R&D Include nutritional information on product packaging, where applicable Obtain the necessary food safety certificates from relevant authorities 	<ul style="list-style-type: none"> Quality food products that meets the expectations of the Japanese market Compliance with food safety and environmental laws and regulations Emergency preparedness
Employees	<ul style="list-style-type: none"> Informal feedback WeChat platform Employee bonding session 	<ul style="list-style-type: none"> Compliance with regulations Provide healthy work environment to ensure the well-being of all our staff 	<ul style="list-style-type: none"> Salary increment Improve employee welfare and benefits
Government and regulators	<ul style="list-style-type: none"> Understand relevant laws and regulations Interaction with government and industrial bodies Trainings and meetings 	<ul style="list-style-type: none"> Compliance with laws and regulations Uphold highest standards of corporate governance and ethical behavior Participation in government-related events 	<ul style="list-style-type: none"> Compliance with food safety and environmental laws and regulations Compliance with SGX regulations
Investors/ shareholders	<ul style="list-style-type: none"> Shareholders' meeting Board meeting Yamada website Regular updates and communication 	<ul style="list-style-type: none"> Consistently improve company's management Operate, manage and compliant against regulations Committed to delivering economic value to our capital providers through a strong financial performance and our methods of engagement with them 	<ul style="list-style-type: none"> Long-term profitability Achieve company targets Growing and development Compliance with laws and regulations Emergency preparedness
Suppliers/ business partners	<ul style="list-style-type: none"> Inspection of suppliers' production lines Interaction with supplier representatives Perform periodic supplier evaluation 	<ul style="list-style-type: none"> Build up strategic business relationship Compliance with food safety regulations 	<ul style="list-style-type: none"> Timely payment and adherence to agreement terms Compliance with food safety and environmental laws and regulations

2.4 Sustainability materiality

Using a materiality index, we align our responsible business priorities with the Group’s principal business and operational risks, as illustrated in the diagram below.

We have also developed metrics to help us measure our progress, as indicated in our sustainability scorecard in **Appendix A**. We will review and adjust the material issues and relevant metrics each year, as the external and business context changes.



3. Our performance

3.1 How we measure our performance

Our **sustainability strategy** is embedded into the appropriate parts of our business, with dedicated teams for each focus area, and coordination by our relevant departmental managers.

Progress will be tracked in two key ways: measuring performance against metrics, and evaluating how well the programs have advanced, through a metric of 'commitments'.

Metrics and targets






We have established key performance indicators for each of the four focus areas outlined in our **sustainability strategy**. Periodically, we plan to introduce new metrics and update targets to ensure alignment with our strategy.

Commitments

To ensure we have a robust sustainability programme in place, we have included the key commitments for each area of our sustainability strategy. The progress we have made against each key commitment is indicated using the symbols shown in the table below.

We track and review our sustainability programme with the Board of Directors at least once a year.

Symbols used to indicate progress against commitments

Symbol	Meaning
	New commitment this year
	Not started
	In progress
	Complete
	Ongoing commitment: no end date

3.2 Regulatory compliance

Overview

To maintain a fair, ethical and efficient business and working environment, Yamada strictly adheres to the local laws and regulations relating to corporate governance, risk management, and code of conduct (including anti-money laundering, anti-corruption, fraud, and confidentiality).

Corporate governance

Yamada's Board of Directors (the '**Board**') recognises the importance of sound corporate governance in protecting the interest of the shareholders as well as strengthening investors' confidence in the management and financial reporting of the Group. We are committed to ensuring and maintaining a high standard of corporate governance within the Group. Good corporate governance establishes and maintains a legal and ethical environment, which helps to safeguard the interests of the shareholders of the Group.

The Group, through its Company Secretary, will continue to update the Board on relevant new laws and regulations affecting the Company. From time to time, and through Board meetings and other meetings, both formal and informal, our CEO has been advising our Directors of the changing commercial and business risks faced by the Group.

The Directors are also updated regularly with changes to the SGX-ST Listing Rules, risk management, corporate governance, insider trading and the key changes in the relevant regulatory requirements and financial reporting standards and the relevant laws and regulations to facilitate effective discharge of their fiduciary duties as Board or Board Committees members. New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority (**ACRA**) which are relevant to the Directors are circulated to the Board by the Company Secretary.

The Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties and responsibilities. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with such regulatory changes, the Company provides opportunities for ongoing education and training on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the SGX-ST Listing Rules that affect the Company and/or the Directors in discharging their duties. Such training costs are borne by the Company.

As part of our strategy, we will continually seek to be fully compliant with corporate governance rules and regulations, including relevant laws and regulations in the countries that we operate in, in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

Diversity of governance bodies

The Board believes in diversity and values the benefits diversity can bring to the Board in its deliberations. With the female-to-male ratio and independent-to-executive director ratio of 2:4 and 4:1 on the Board respectively, we believe our Board's gender diversity will further enhance the Board's decision-making capability and ensure that the Group has the opportunity to benefit from all available talent and perspectives. This apply to key management personnel as well where the female-to-male ratio is 1:2.

FY2022 Progress

0

Incidents of non-compliance with corporate governance rules and regulations

0

Incidents of bribery and corruption

Business continuity management

As a responsible company, we believe that comprehensive emergency preparedness and response capabilities and business continuity plans demonstrate good governance, and are necessary for sustainability. Our plans help us protect personnel, facilities and neighboring communities in the event of natural disasters, security incidents, operational disruptions and other incidents.

COVID-19 Pandemic

The COVID-19 pandemic together with evolving geopolitical tensions around the world continue to cast their shadow on the global economy over the past few years. The virus still has a profound impact on all aspect of our business in spite of the vaccine rollouts and various safe distancing measures implemented by the government and companies alike.

We have instituted precautionary measures to protect the health and safety of our staff, and will continue to stringently observe and uphold safe distancing and personal hygiene measures dictated by the governments and do our part in curbing the spread of the virus. As the global situation on COVID-19 remains fluid, we will continue to monitor the local situation and will put in place the above practices and any additional controls as required by the local governments (e.g. quarantine measures, stop work orders) where applicable.

To mitigate the impact on the Group's business operations, we have also formulated plans to ensure product safety, stable production and smooth sales to ensure business continuity should the situation become more challenging in future.

As we look forward to the next financial year, the COVID-19 pandemic continues to stand out as the most pressing challenge. Therefore, the Group has adopted a stance to conserve cash resources for long-term sustainability of our business operations and cope with any sudden and unforeseen changes. To complement sales initiatives, the Group will continue to exercise stringent cost management, build rapport and improve business relationships with existing major customers. We will also continue to actively market and promote the leasing of our investment properties to grow our source of recurring income.

We shall keep a close eye on our operations, and announce any material changes to our business performance to shareholders on a timely basis, as and when appropriate.

Risk management

As a responsible business, we view risk management as one of our most important responsibilities to our customers, suppliers, employees, and regulators. We are committed to developing the appropriate systems, policies, procedures, arrangements and controls to ensure effective risk management is exercised and promoted within our Group culture. We believe in appropriate training of our staff and communication with our clients as requisite to fulfilling our risk management goals.

Our risk management practices cover strategic, financial, operational, compliance and information technology risks associated with the Group.

We view our risk management policies and procedures as dynamic in response to the evolution of our business strategies, the development of our business and the innovation within our industry. We will strive to improve our risk management capabilities and processes to stay abreast of market best practices. We believe effective risk management is crucial to the long-term success of our business.

Our four cornerstones of effective risk management and sound internal controls are –

- The role of the Board in its oversight of risk management policies and their implementation;
- The role of Senior Management in ensuring that sound policies, effective procedures and robust systems are in place;
- The presence of sound risk management processes and operating procedures that integrate prudent risk limits with appropriate risk measurement, monitoring and reporting; and
- The presence of competent personnel in the firm’s compliance, controls, risk management, and audit functions.

Preventing bribery and corruption

The Group prohibits all forms of bribery and corruption. The Group requires all employees to strictly abide by professional ethics and eliminate any corruption and bribery. On an annual basis, the Management will conduct preaching pertaining to the anti-corruption for all employees, and online training pertaining to the anti-corruption will be organised for the office employees twice per year. All employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from engaging in bribery activities or any activities that might exploit their positions against the Group’s interests.

Whistle-blowers can report verbally or in writing to the senior management of the Group for any suspected misconduct with full details and supporting evidence. The management will conduct investigations against any suspicious or illegal behaviour to protect the Group’s interests. The Group advocates a confidentiality mechanism to protect the whistleblowers against unfair dismissal or victimisation. Where criminality is suspected, a report is made to the relevant regulators or law enforcement authorities when the management considers necessary.

Commitments: Regulatory compliance

Full compliance with corporate governance rules and regulations, including relevant laws and regulations in the countries that we operate in, in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group

Achievements

- Zero incidents of non-compliance with corporate governance rules and regulations
- Zero incidents of bribery and corruption

FY2022 progress

- Focusing on having strong controls over corporate governance, business continuity management, risk management and prevention of bribery and corruption, we continue to achieve zero incidents of non-compliance with corporate governance rules and regulations and zero incidents of bribery and corruption since we started tracking this statistic in FY2018.

3.3 Food safety

Overview

Food safety and quality are core to our commercial reputation and consumers' expectations. We are committed to responsible sourcing as it helps assure safety and quality of our end products.

Production quality and food safety

We are deeply committed to production quality and food safety. This is evidenced by the ISO 9001:2008 Quality Management System and ISO 22000:2005 Food Safety Management System certifications over our production facilities.

We are also expected to comply with relevant regulatory requirements under the Food Safety Law (食品安全法), Measures for the Administration of Export Food Hygiene (出口食品卫生管理办法), and Provisions on the Administration of Hygiene Registration and Filing of Export Food Producing Enterprises (出口食品生产企业卫生注册登记管理规定).

Our quality control teams are committed to hygienic and safe production. The teams undergo regular food safety management training to maintain awareness and management of food safety risks, and are responsible for ensuring quality control of our products.

Our operations are audited regularly to monitor management and performance relating to hygiene, sanitation and 'good housekeeping'. We recorded no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products. High standards of manufacturing help minimise exposure to risks that may affect product quality.

When we manufacture our products, we adopt stringent process controls to ascertain product quality and prevent contaminants from entering the production process. All our products passed the tests required by the Chinese national food safety standards.

In FY2022, we have zero food safety incidents and non-compliance with laws and regulations on food safety. As part of our strategy, we will continually seek to continue this track record in the coming years.

Food packaging and labelling

Our food products are packaged using approved food-grade materials. Packaging materials comply with the Chinese policy on producer responsibility.

Our marketing practices comply with Chinese regulations. Information on our food production permit number and the ingredients and nutritional values of each of our branded products sold domestically is provided on the food label printed on the packaging.

In FY2022, we have zero non-compliance with laws and regulations on product and service information and labelling, and marketing communications. As part of our strategy, we will continually seek to continue this track record in the coming years.

FY2022 Progress

100%

Production facilities that are ISO-certified

0

Incidents of non-compliance with laws and regulations on food safety

0

Incidents of non-compliance with laws and regulations on product and service information and labelling

0

Incidents of non-compliance with laws and regulations on marketing communications

100%

Purchases from local suppliers

Sustainable supply chain

Close to 100% of our purchases are from reliable local suppliers in the PRC. We believe that a secure and stable supply chain is very important to ensure the smooth and uninterrupted operation of our production activities. To further ensure that our supply chain is primed for long-term food security, community resilience, and environmental sustainability, we actively work with our partners to achieve the following:



Zero fertiliser

As part of our environmental protection initiatives, we only purchase organic products from local suppliers whereby fertilisers are not used in the cultivation of shiitake mushrooms. We hope that this will help to maintain the natural taste of shiitake mushrooms sold to our customers.



Natural irrigation

We select locations such as mildly sloping small valleys or similar geological structures surrounded by mountains to establish our shiitake mushroom cultivation bases which allow for natural irrigation. The irrigation system in our cultivation bases is built with furrows located between the rows in the field where the synthetic logs are placed. Irrigation water flows along the furrows down the slope throughout the field.

The irrigation system in our cultivation bases is customised to receive natural spring water for irrigation while minimising the environmental impact.



Developing win-win partnership

In order to ensure the quality of our shiitake mushrooms, we have developed genetically improved mycelia by collaborating with Fujian Agricultural and Forestry University (Mycological Research Centre)(福建农林大学菌物研究中心). Mycelia will be inoculated into the synthetic logs, the substrate on which shiitake mushrooms grow. We will only procure synthetic logs that meets our quality requirements and specifications.

As part of our quality assurance policies, we will conduct pre-cultivation briefings to representatives of the individual farmers procured by the respective Villagers' Committees to familiarise them with, among others, key stages in the growing process of our shiitake mushrooms and necessary techniques involved throughout the whole process. Individual farmers are required to closely control and monitor conditions such as temperature, humidity, ventilation and lighting during the growing process of our shiitake mushrooms.

Meanwhile, our cultivation technicians will provide technical training and guidance to the individual farmers and conduct regular as well as random quality checks on our cultivation bases.

As the Group's main sources of raw materials are agricultural and forestry products, there is a possibility that our supply chains will be affected by inclement weather conditions in their countries of origin, causing an adverse impact on our food processing and export business.

Emergency preparedness

While we emphasise on preventing safety incidents, we also prepare the employees to handle and respond to emergencies, including potential accidents and fire. This is very important to reduce and limit the impact and casualty as a result of the any safety incidents that may happen in our line of work. Emergency response procedures is an important part of our Safety Management Policy.

Please also refer to “COVID-19 Pandemic” under “Business Continuity Management”.

Commitments: Food safety

Full compliance with ISO9001:2008 (Quality Management Systems) and ISO22000:2005 Food Safety Management System

Achievements

- All our factories are ISO9001:2008 and ISO22000:2005 certified.

FY2022 progress

- All our factories are ISO9001:2008 and ISO22000:2005 certified.
- All ISO audits are conducted by accredited ISO consultants. We shall continuously improve based on the recommendations provided by the ISO consultant.



Full compliance with food safety, packaging and labelling laws and regulations

Achievements

- Achieved full compliance with food safety laws and regulations.
- Achieved full compliance with product and service information and labelling laws and regulations.
- Achieved full compliance with marketing communications laws and regulations

FY2022 progress

- We are fully compliant with food safety, packaging and labelling laws and regulations.



3.4 Environmental sustainability

Overview

Environmental protection laws are strictly enforced in China. As one of the leading suppliers of fresh and processed agricultural products in China, we are committed to ensuring our full compliance with national environmental regulations.

Comprehensive policies are developed to ensure our commitment towards environmental protection, reducing carbon emissions, preventing pollution, and minimising waste can be achieved during our daily operations.

Environmental policy in China

Environmental policy in China is set by the National People's Congress and managed by the Ministry of Environmental Protection of the People's Republic of China. The central government issues strict regulations for which the actual monitoring and enforcement is largely undertaken by the local governments.

In January 2015, a new environmental law came into effect, covering land, water and air pollution. It contains strict penalties, including seizing of the property of illegal polluters, with company executives subject to prison sentences of 15 days. There is no upper limit on fines. More than 300 different groups will be able to sue on the behalf of people harmed by pollution.

Yamada is fully compliant with China's environmental policy. As part of our strategy, we seek to continue to be fully compliant with China's environmental policy with zero environmental incidents and zero fines on contravention of environmental regulations.

Emissions reduction

The corporate culture of protecting the environment is reflected in every operation undertaken by the Group.

We are committed to positive action on climate change and are dedicated to reducing the carbon emission in our daily operations. Employees are reminded to save electricity and fuel consumption through regular internal communications.

To determine the carbon footprint, we collect energy usage data from each our businesses and then calculate our total annual greenhouse gas emissions.

In FY2022, the Group generated a carbon footprint of 2,119 tonnes of carbon dioxide emission (**tCO₂e**) with a carbon emission intensity of 156 kgCO₂e per square metre of factory floor area, representing a 4% decrease carbon dioxide emission from the previous year. The emission mainly arises from purchased electricity used in the production process, which accounted for more than 83% of the total carbon emission of the Group.

FY2022 Progress

0

Environmental incidents

¥0

Fines on contravention of environmental regulations

156kgCO₂e

Carbon emission intensity per square metre of factory floor area

168kWh

Energy consumption intensity per square metre of factory floor area

16litres

Water consumption intensity per square metre of factory floor area

14litres

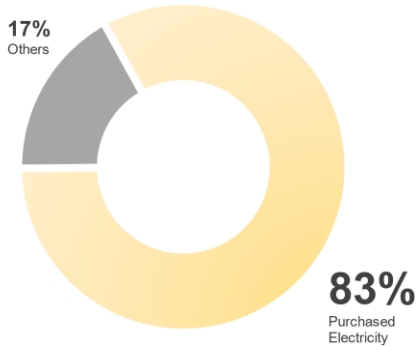
Wastewater discharge intensity per square metre of factory floor area

100%

Wastewater discharge that meets local emission standards

The decrease in carbon footprint intensity was mainly due to the decrease in FY2022 production activity, which decreased 3% year-on-year from FY2021 to FY2022.

We follow the Greenhouse Gas Protocol established by the World Resources Institute and the World Business Council for Sustainable Development, the standard manual for measuring corporate greenhouse gas emissions. Using the “control method”, we include 100% of the emissions associated with businesses which we directly control. Our carbon footprint includes:



- All fuels used directly by our companies (Scope 1 emissions)
- All purchased electricity used in our facilities (Scope 2 emissions)
- Impact of business air travel, and transportation of goods to our customers (optional Scope 3 emissions)

We recognise that reducing carbon emissions in our daily operations has a positive effect on climate change. As such, Yamada has stepped up on our efforts to reduce our carbon emissions, and committed to reducing our carbon footprint by 5% by FY2025, from a FY2022 baseline.

Energy efficiency

Due to our production activities, direct fuel and electricity constitutes a significant proportion of our operating expenses. By investing in energy efficiency, we not only help protect the environment but can also lower our financial costs.

To ensure the effective use of electricity, the Group conducted the following practices:

- Using energy-saving vehicles and equipment
- Regular maintenance of production equipment, especially boilers, to maintain high energy efficiency
- Turn off lights, computers and air conditioning system before clocking out
- Place energy saving reminder labels next to switches
- Clean office equipment (such as refrigerator, air-conditioner) regularly to maintain high efficiency

Photovoltaic System (PV System)

In May 2022, the Group installed 2 PV Systems in Fujian Wangsheng Industrial Co. Ltd's (“**Wangsheng**”) factory and officially commenced the use of these PV Systems in mid-June 2022. The PV Systems managed to generate 789 kWh of electricity per day and are expected to generate around 600 MWh to 800 MWh per year for the entity (depending on the weather conditions).



In FY2022, the total energy consumption for the Group amounted to 2,279 MWh and electricity consumption intensity was 168 kWh/m². There was a decrease of 5% in energy consumption as compared to FY2021 mainly caused by the decreased in FY2022 production activity as explained in the section above.

We target to have a 5% drop in energy consumption for FY2023 due to partially use of energy generated from the photovoltaics system for production.

Wastewater management

Wastewater is passed through an in-house wastewater treatment facility fitted with biological treatment tanks. In addition, the municipal environmental protection bureau obtains wastewater samples from the facility at least four times a year to ensure that discharge standards are met. As a result, the treated wastewater discharge will be able to meet the requirements of the water emission standard of the Fujian Province.

In FY2022, the total wastewater discharged for the Group amounted to 187 m³ and the Group had a wastewater discharge intensity of 14 litres per square metre of factory floor area. There was a decrease of 4% in wastewater discharge as compared to FY2021 mainly due to decrease of production in FY2022 which generating lesser wastewater from production. As part of our strategy, we seek to continue to monitor our wastewater discharge volume and ensure that 100% of our wastewater discharge meet the local emission standards.

Saving water

Water scarcity is a growing concern around the world and a serious global challenge that we must work together to address. This is even a greater concern to us, given that water is also an essential input in the food industry, from cleaning and sanitation to manufacturing.

Some of our water-saving initiatives implemented at the Group

Management to increase workers' awareness on water consumption and provide training on water usage

Reduce water waste in rinsing production tools and equipment

Switch off the main electrical and water to units which are not rented

In FY2022, the total water consumption for the Group amounted to 220 m³ and the Group had a water consumption intensity of 16 litres per square metre of factory floor area. There was a decrease of 4% in water consumption as compared to FY2021 mainly due to decrease of production in FY2022 which used lesser water consumption for production. Where possible, the Group already has procedures in place to reduce water usage in our production lines. Our employees are also reminded of the importance to save water in their daily activities.

We will continue to track and monitor the performance on the wastewater discharge and water consumption. Progress and performance improvement will be reported every year.

Commitments: Environmental sustainability

Full compliance with environmental laws and regulations

Achievements

- Achieved zero environmental incidents and zero fines on contravention of environmental regulations.

FY2022 progress

- We are fully compliant with China's environmental policy with zero environmental incidents and zero fines on contravention of environmental regulations.
- 100% of wastewater discharge meets local emission standards.

Reduce carbon footprint per square metre of factory floor area by 5% by FY2025 (from a FY2022 baseline)

Carbon footprint intensity (kgCO₂e)



Electricity consumption intensity (kWh)



FY2022 progress

- Carbon emission intensity and electricity consumption intensity decreased 13% and 13% from the previous year respectively. This was due to decreased production activity during the year.
- In FY2022, we have embarked on installing 2 PV Systems at our main factory to supplement our electricity usage with solar power.
- In recognition that reducing carbon emissions in our daily operations has a positive effect on climate change, we have stepped up on our efforts to reduce our carbon emissions, and committed to reducing our carbon footprint by 5% by FY2025, from a FY2022 baseline.

Full compliance with local emission standards for wastewater discharge

Track and monitor our performance on wastewater discharge and water consumption

Wastewater discharge intensity (litres)



Water consumption intensity (litres)



FY2022 progress

- 100% of our wastewater discharge met the local emission standards.
- Yamada had a wastewater discharge intensity of 14 litres per square metre of factory floor area, representing a 13% decrease from the previous year. Decrease in wastewater discharge is in line with the decrease in water consumption for production.
- Yamada had a water consumption intensity of 16 litres per square metre of factory floor area, representing a 13% decrease from the previous year. The decrease in water consumption is in line with decreased sales during the year.

3.5 Social contribution

Overview

Employees are the integral part of our competitive advantage and our sustainability agenda. We strive to invest in training and create an enjoyable working environment to our employees. Our human resources team develops, evolves and champions our human 'capital' through training, evaluation, remuneration, and engagement.

Through our people, we are also committed in making positive contributions to our community by giving back to the society and helping the less privileged.

Skills competency and employee training

To ensure that our employee excel, we emphasise on continuous learning in the workplace. Every employee has equal opportunities to upgrade and sharpen their skill sets through formal and on-the-job internal training programs.

The Company also emphasizes on internal leadership development, and places great importance on developing a network of new-generation leaders who would play an important role in driving the business in the future.

In FY2022, the Group invested an average of 11 hours of training on each operational staff (comprises an average of 11 hours of training and 9 hours of training for male staff and female staff respectively). Average training hours decreased 1 hour from FY2021 as shorter refresher training courses were given to existing employees. Only new employees will be given the full training course. We seek to continue this practice in the coming year.

Performance appraisal

To ensure the Company achieves its goals, we have various performance appraisal methods in place to determine the performance of the Company as well as each individual employee.

The employee performance appraisal comprises mainly quantifiable evaluation criteria. In addition, we actively collect performance information for each employee each month through inputs from direct supervisors and feedbacks, as well as periodical employee communication sessions.

These collected information allow us to understand the performance and skills development needs of each team and individual employee from multiple aspects. This is crucial for the Company to develop annual training programs for employees that are designed to enhance their skills and improve overall productivity.

In FY2022, all of our employees are at least subject to an annual performance appraisal by their superiors. We seek to continue this practice in the coming year.

FY2022 Progress

11

Training hours per operational staff

100%

Employees subject to regular performance appraisal

64%

Female representation in workforce

0

Reported cases on fatality in workforce

3

Reported cases on all types of injuries

Equal opportunity

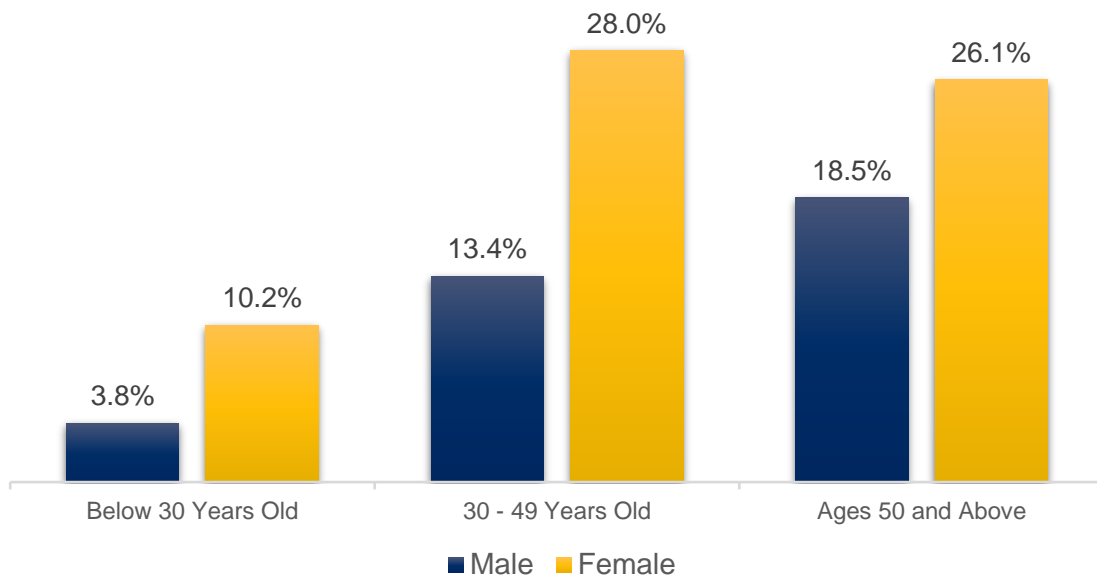
We have always been an equal opportunity employer to provide a fair workplace for employees, following the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, marital status, pregnancy, disability, age or family status.

We attract talent through fair, and flexible recruitment strategy that includes recruitment application, job description, job applications, interview, selection, approval, and job offer. Promotion is based on performance and suitability.

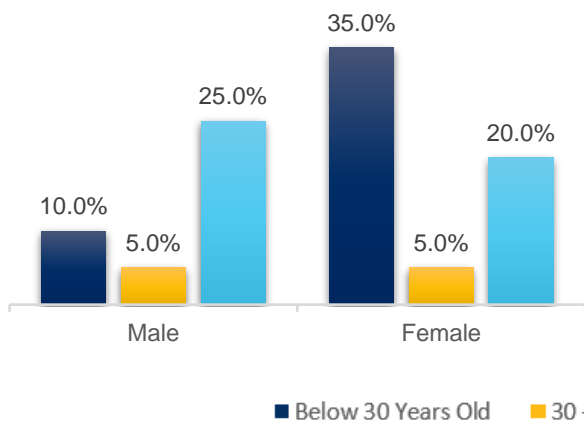
We offer competitive remuneration to attract and retain talented staff members. Remuneration packages (which includes the necessary social benefits) are reviewed periodically to ensure consistency with employment market. Dismissal also complies with employment laws and regulations relating to non-discrimination.

In FY2022, we have a total headcount of 157 employees (refer to the following tables for our employees by gender and age group) where female employees comprise 64% of our entire workforce. There are 20 employees has been hired (comprises 60% female representative) and 41 employees (comprises 59% female representative) have been turnover during the financial year. We will continue to track and monitor female representation in our workforce and report these statistics every year.

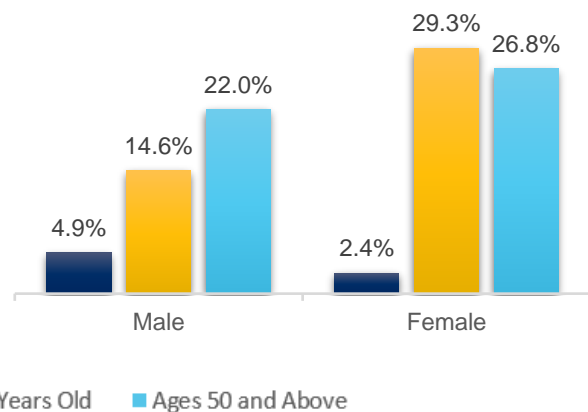
FY2022 Staff Headcount



New Hired FY2022



Staff Turnover FY2022



Vision towards an accident-free work culture

The safety and well-being of our staff are of paramount importance and should never be compromised. The Group has implemented a comprehensive workplace health and safety measures as follows to ensure workplace safety as well as measures that encourage personal ownership of each employee's workplace health and safety:

- Regular organise of health screening event for staff
- Workers required to wear designated suit and shoes when entering production area
- Develop business continuity plan to prepare the employees for handling and responding to emergencies, including potential accidents and fire
- Regular conduct of safety operation training for staff
- Regular organise of fire drill for staff to familiarise of emergency evacuation
- Develop a communication channel for staff to provide feedback on the safety operation opinion and staff's psychological issues

In FY2022, we recorded no fatality similar to FY2021. There was a minimum number of injuries that occurred as shown below during the financial year and none of them were reported as severe injuries. In general, incidents occurred due to unsafe practices are to be reported. Onsite follow-up trainings on the required safety practices have been provided to prevent the reoccurrence of similar incidents. The safety and well-being of our staff are of paramount importance and should never be compromised.

Injury and Incident Cases for FY2022

Type of Cases	Number of Cases	Amount Incurred
Fatalities	0	-
High-consequence Injuries	0	-
Recordable Injuries	3	S\$ 3,410
Recordable Work-related Ill Health Cases	0	-

Encouraging work-life balance

To enhance employee teamwork and cohesion, improve employee health and improve employee work-life balance, the Group has been organising periodic employee gatherings during major festivals and sports competitions. This helps the employees relax their mind and body, develop teamwork, explore their talent, so as to develop a positive attitude in both work and life.

Company Events

Annual Dinner FY2022

We have organised an Annual Dinner FY2022 event in January 2022 at one of the reputable hotel in Fuzhou, China to appreciate all the hard works that had been contributed by the workers and employees. Various activities have been organised for employees to participant, as well as prize giving for staff.



Festival

Lantern Festival FY2021

In September 2021, we have organised a team building activities during Lantern Festival at Fuzhou main office in order to enhance the employees bonding and teamwork.



Commitments: Social contribution

Achieve minimum of 12 hours of training per operational staff

Training per operational staff (Hours)

2022	11
2021	12
2020	12

FY2022 progress

- Yamada invested an average of 11 hours of training on each operational staff.

All employees are at least subject to an annual performance appraisal by their superiors

Achievements

- All employees are at least subject to an annual performance appraisal by their superiors.

FY2022 progress

- All employees are at least subject to an annual performance appraisal by their superiors.

Track and monitor female representation in workforce

Female representation in workforce (%)

2022	64
2021	62
2020	60

FY2022 progress

- Female employees comprise 64% of our entire workforce.
- Yamada has always been an equal opportunity employer to provide a fair workplace for employees, following the principles of equality and non-discrimination. We will continue this practice in future years.

Appendix A: Sustainability scorecard

Regulatory compliance

Performance indicators	Units	FY2020	FY2021	FY2022
Incidents of non-compliance with corporate governance rules and regulations	Number	0	0	0
Incidents of bribery and corruption	Number	0	0	0

Food safety

Performance indicators	Units	FY2020	FY2021	FY2022
ISO 9001:2008 Quality Management System certified facilities	Percentage	100	100	100
ISO 22000:2005 Food Safety Management System certified facilities	Percentage	100	100	100
Incidents of non-compliance with laws and regulations on food safety	Number	0	0	0
Incidents of non-compliance with laws and regulations on product and service information and labelling	Number	0	0	0
Purchases from local suppliers	Percentage	100	100	100

Environmental sustainability

Performance indicators	Units	FY2020	FY2021	FY2022
Environmental incidents	Number	0	0	0
Fines on contravention of environmental regulations	¥'000	0	0	0
Total carbon emission	tCO ₂ e	2,715	2,211	2,119
Carbon emission intensity	kgCO ₂ e/m ²	162	179	156
Total energy consumption	MWh	3,040	2,392	2,279
Energy intensity	kWh/m ²	182	193	168
Total water consumption	m ³	253	229	220
Water consumption intensity	litre/m ²	15	19	16
Total wastewater discharge	m ³	215	195	187
Wastewater discharge intensity	litre/m ²	13	16	14
Wastewater discharge that meets local emission standards	Percentage	100	100	100

Social contribution

Performance indicators	Units	FY2020	FY2021	FY2022
Training hours per operational staff	Hours	12	12	11
Employees subject to regular performance appraisal	Percentage	100	100	100
Female representation in workforce	Percentage	60	62	64
Fatalities cases	Number	0	0	0
High-consequence injuries cases	Number	0	0	0
Recordable injuries cases	Number	3	0	2
Recordable work-related ill health cases	Number	0	0	0

Appendix B: GRI content index

GRI Standards Content Index

The GRI Content Index references the Yamada Green Resources Limited Sustainability Report 2022 (SR), and the Annual Report 2022 (AR).

Disclosure number	Disclosure title	Page reference and remarks	
GRI 2 (applicable sections only)			
General Disclosures	2-1	Organisational details	<ul style="list-style-type: none"> AR: Corporate Profile (Page 1) AR: General Information – Note 1 to the Financial Statements (Page 54) AR: Investments in Subsidiaries – Note 7 to the Financial Statements (Pages 87-88)
	2-2	Entities included in the organisation's sustainability reporting	<ul style="list-style-type: none"> AR: Investments in Subsidiaries – Note 7 to the Financial Statements (Pages 87-88)
	2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> SR: Scope of Sustainability Report (Page 3) Annual reporting SR: Sustainability Contact (Page 3)
	2-4	Restatement of information	<ul style="list-style-type: none"> SR: Restatements (Page 3)
	2-5	External assurance	<ul style="list-style-type: none"> No external assurance
	2-6	Activities, brands, products, and services	<ul style="list-style-type: none"> AR: Corporate Profile (Page 1) AR: Operations Review (Pages 7-8) AR: Statement of Operations by Segments – Note 27 to the Financial Statements (Pages 105-109)
	2-7	Employees	<ul style="list-style-type: none"> SR: Social Contribution (Pages 18-22)
	2-9	Governance structure	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-10	Nomination and selection of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-11	Chair of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-12	Role of highest governance body in overseeing the management of impact	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-13	Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-14	Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> SR: Sustainability Organisational Structure (Page 4)
	2-15	Conflicts of interest	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-16	Communication of critical concerns	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41) SR: Sustainability Materiality (Page 7)
	2-17	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-18	Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
2-19	Remuneration policies	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41) 	
2-20	Process to determine remuneration	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41) 	
2-25	Processes to remediate negative	<ul style="list-style-type: none"> Non reported 	

		impacts	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-41)
	2-27	Compliance with laws and regulations	<ul style="list-style-type: none"> There is no non-compliance with socioeconomic laws and regulations. SR: Regulatory Compliance (Page 9-11) SR: Environmental Sustainability (Pages 15-18)
	2-28	Membership associations	<ul style="list-style-type: none"> Not applicable
	2-29	Approach to stakeholder engagement	<ul style="list-style-type: none"> SR: Consulting Our Stakeholders (Page 6)
	2-30	Collective bargaining agreements	<ul style="list-style-type: none"> Not applicable
GRI 3			
Material Topics	3-1	Process to determine material topics	<ul style="list-style-type: none"> SR: Sustainability Materiality (Page 7)
	3-2	List of material topics	<ul style="list-style-type: none"> SR: Sustainability Materiality (Page 7)
	3-3	Management of material topics	<ul style="list-style-type: none"> SR: Consulting Our Stakeholders (Page 6) SR: Sustainability Materiality (Page 7)
GRI 201			
Economic Performance	201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> AR: Operations Review (Pages 7-8)
GRI 202 (applicable sections only)			
Market Presence	202-2	Proportion of senior management hired from the local community	<ul style="list-style-type: none"> All senior managements are from local community AR: Key Management Personnel (Pages 12)
GRI 203			
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	<ul style="list-style-type: none"> Not applicable
	203-2	Significant indirect economic impacts	<ul style="list-style-type: none"> Not applicable
GRI 204			
Procurement	204-1	Proportion of spending on local suppliers	<ul style="list-style-type: none"> SR: Food Safety (Pages 12-14)
GRI 205 (applicable sections only)			
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	<ul style="list-style-type: none"> SR: Regulatory compliance (Pages 9-11)
	205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> SR: Regulatory compliance (Pages 9-11)
GRI 206 (applicable sections only)			
Anti-competitive Behaviour	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<ul style="list-style-type: none"> There is no legal action for anti-competition.
GRI 302 (applicable sections only)			
Energy	302-1	Energy consumption within the organisation	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
	302-3	Energy intensity	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
GRI 303 (applicable sections only)			
Water and Effluents	303-3	Water withdrawal	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
	303-5	Water consumption	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
GRI 305 (applicable sections only)			
Emissions	305-1	Direct (Scope 1) GHG emissions	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-

			18)
	305-2	Energy indirect (Scope 2) GHG emissions	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
	305-3	Other indirect (Scope 3) GHG emissions	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
	305-4	GHG emissions intensity	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18) SR: Sustainability Scorecard (Page 24)
GRI 306 (applicable sections only)			
Effluents and waste	306-1	Water discharge by quality and destination	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
	306-2	Waste by type and disposal method	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
	306-3	Significant spills	<ul style="list-style-type: none"> There is no reported significant spills event.
GRI 308			
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	<ul style="list-style-type: none"> SR: Food Safety (Pages 12-14)
	308-2	Negative environmental impacts in the supply chain and action taken	<ul style="list-style-type: none"> None noted
GRI 401 (applicable sections only)			
Employment	401-1	New employee hires and employee turnover	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
GRI 403 (applicable sections only)			
Occupational Health and Safety	403-1	Occupational health and safety management system	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
	403-9	Work-related injuries	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
	403-10	Work-related ill health	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
GRI 404			
Training and Education	404-1	Average hours of training per year per employee	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23) SR: Sustainability Scorecard (Page 24)
	404-2	Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
	404-3	Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-23)
GRI 405			
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> SR: Regulatory Compliance (Pages 9-11) SR: Social Contribution (Pages 19-23)
GRI 406			
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	<ul style="list-style-type: none"> There is no incident of discrimination.
GRI 408			
Child Labour	408-1	Operations and suppliers at significant risk for incidents of child labour	<ul style="list-style-type: none"> Child labour is strictly prohibited.
GRI 409			
Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	<ul style="list-style-type: none"> Forced and compulsory labour is strictly prohibited.
GRI 413 (applicable sections only)			

Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	<ul style="list-style-type: none"> • SR: Social Contribution (Pages 19-23)
GRI 416			
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	<ul style="list-style-type: none"> • SR: Food Safety (Pages 12-14)
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<ul style="list-style-type: none"> • SR: Food Safety (Pages 12-14)
GRI 417			
Marketing and labelling	417-1	Requirements for product and service information and labeling	<ul style="list-style-type: none"> • SR: Food Safety (Pages 12-14)
	417-2	Incidents of non-compliance concerning product and service information and labeling	<ul style="list-style-type: none"> • SR: Food Safety (Pages 12-14)
	417-3	Incidents of non-compliance concerning marketing communications	<ul style="list-style-type: none"> • SR: Food Safety (Pages 12-14)
GRI 418			
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<ul style="list-style-type: none"> • None complaints noted on breaches of customer privacy and losses of customer data