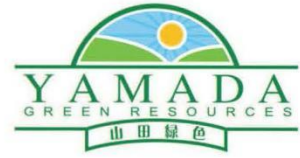




YAMADA GREEN RESOURCES LIMITED
Company Registration No. 201002962E

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Navigating the New Norm

SUSTAINABILITY REPORT 2023

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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**'), is a comprehensive enterprise located in Fujian Province, the People's Republic of China (PRC), engaged in food processing and property leasing.

Yamada places a paramount emphasis on maintaining exceptional product quality. Its food processing operations adhere to rigorous safety standards and regulatory requirements. These operations are primarily conducted at the company's main processing facility, ensuring that the highest quality standards are consistently met.

Yamada has strategically diversified its investments by acquiring office and logistics properties both in China and Singapore. Over the past few years, these investments have proved to be lucrative, adding a new dimension to the Group's income stream. The rental income generated from these properties has been a significant contributor to the overall financial stability of the Group.

Yamada Green Resources Limited is publicly listed on the Mainboard of the Singapore Exchange Securities Trading Limited (SGX-ST). The company's stock is traded under the symbol BJV.



1.2 Message to stakeholders

We are delighted to present Yamada's Sustainability Report for the financial year ended 30 June 2023 (**FY2023**), a reflection of our commitment to sustainability and responsible business practices

At Yamada, we believe in nourishing progress not only through our food product processing but also through our commitment to creating value for our community, environment, and investors, exemplified by our rental income generated from investment properties. This report outlines the progress we have made and the path we continue to forge in our quest for sustainable growth.

Corporate Social Responsibility (**CSR**) is a pivotal element in ensuring the sustained success of our organization. We recognize the significance of aligning our interests with the needs and aspirations of the communities in which we operate. This strategic alignment not only fosters goodwill but also cultivates vital support from local communities and government agencies.

Our commitment to CSR extends beyond conventional business practices, emphasizing our dedication to creating a positive impact on the social and environmental aspects of the regions we serve. By forging partnerships and engaging in responsible initiatives, we aim to be a responsible corporate citizen and an asset to the communities we are a part of.

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 and suppliers); and
- (e) to review and recommend policies and practices with regard to regulators.

In FY2023, we maintain our commitment to fostering constructive dialogue with our stakeholders. Our strategic focus remains centered on four key pillars: Regulatory Compliance, Food Safety, Environmental Sustainability, and Social Contribution. These pillars represent the foundation of our corporate responsibility and the framework within which we operate.

Acknowledging the pressing global imperative of mitigating climate change, we recognize that a significant portion of our carbon footprint is attributed to electricity consumption within our operations. Consequently, we are intensifying our efforts to enhance the energy efficiency of our processes and facilities in the upcoming year. By doing so, we are actively contributing to the collective global effort to combat climate change.

Our dedication to these initiatives exemplifies our resolve to maintain the highest standards of corporate responsibility while actively addressing the environmental challenges of our time. We firmly believe that this approach will not only strengthen our competitive advantage but also reflect our unwavering commitment to creating a sustainable and resilient future for all.

Amidst escalating geopolitical tensions, we anticipate an impact on business sentiment and broader macroeconomic conditions. In response to these challenges, the Group is strategically expanding its real estate leasing business within the People's Republic of China (**PRC**). This initiative is designed to serve as a counterbalance to potential declines in overseas sales, providing resilience in an uncertain global landscape.

In tandem with our expansion efforts, rigorous cost control measures are being implemented to optimize operational efficiency. Simultaneously, we are intensifying our revenue-enhancing strategies. These measures are essential in enabling the Group to not only weather the complexities of the current political and economic environment but also make significant progress towards stability and growth.

Furthermore, we wish to affirm that the Board has proactively integrated sustainability considerations into our strategic framework. The board has methodically identified the material environmental, social, and governance (**ESG**) factors pertinent to our business. We remain steadfast in our commitment to oversee the management and continuous monitoring of these material ESG factors. This commitment underscores our dedication to a responsible and sustainable approach to business, aligning with best practices and global expectations.

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 2022 to 30 June 2023 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 reference with the 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 Internal review

The Board has engaged Crowe Horwath First Trust Advisory Pte Ltd (**Crowe**), a reputable professional firm specialising in audit and risk solutions, to assist the Board in its review of the adequacy and effectiveness of the Company's internal control systems in relation to sustainability reporting.

The scope of the services is to review the operations related to the development of sustainability report. The findings are presented to the Audit Committee (**AC**) for its deliberation and recommendation to the Board. There are no significant weaknesses reported.

The Board is of the opinion, with the concurrence of the AC, that based on the review performed by Crowe, the Company maintains a sound system of internal controls in the areas of sustainability reporting. The Board however notes that no system of internal controls can provide absolute assurance against failure to meet business objectives, poor business judgement, human fallibility, material errors or losses, frauds, breaches of laws or regulations, or other unforeseeable occurrence.

1.5 Sustainability contact

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

2. Our approach to sustainability

2.1 Sustainability organisational structure

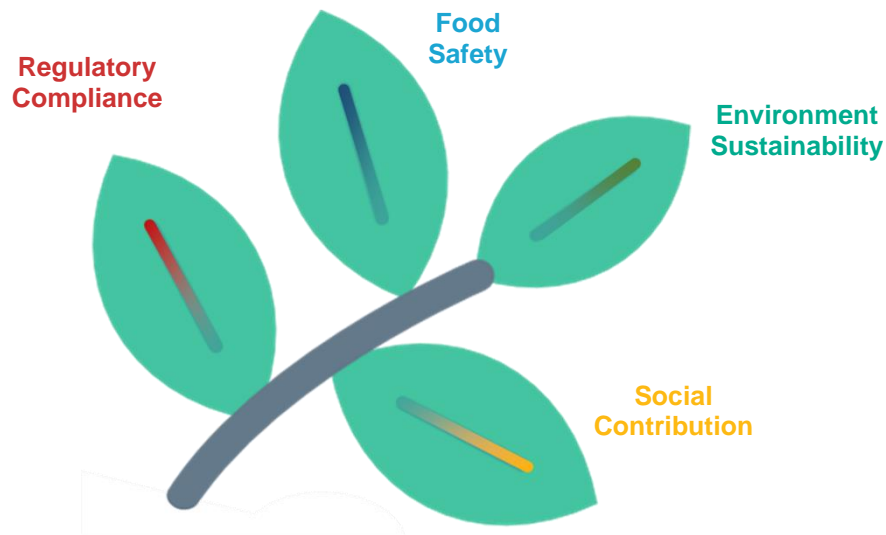
Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much determine our financial performance. We developed a sustainability organisational structure to move things forward:



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.

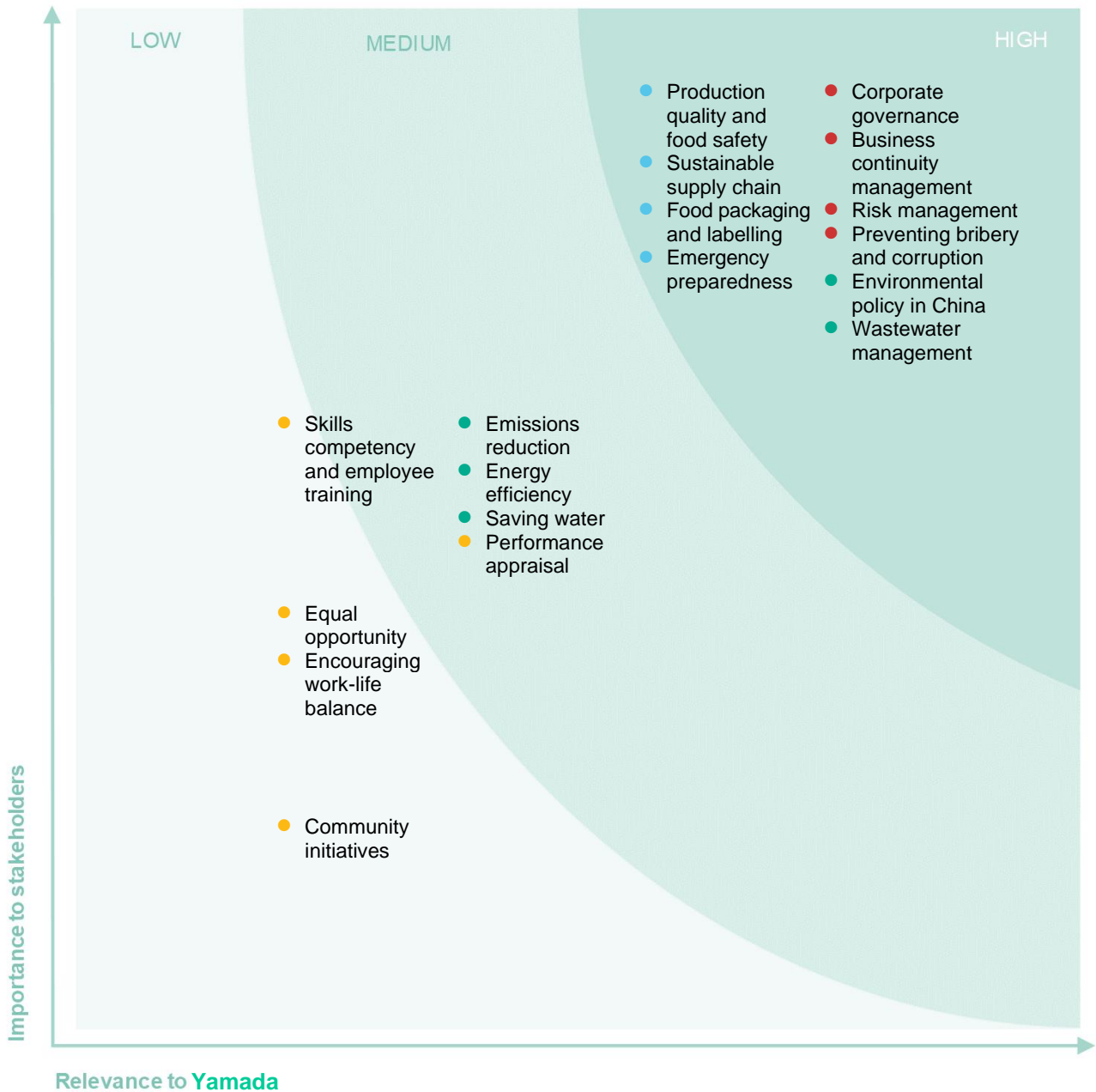
As such, we periodically consult with our stakeholders to determine the issues that are most relevant to them and the Group. An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

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 meet 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

Yamada maintains an unwavering commitment to fostering a business and working environment characterized by fairness, ethics, and operational efficiency. This steadfast commitment is underscored by our rigorous adherence to local laws and regulations pertaining to corporate governance, risk management, and a comprehensive code of conduct.

Yamada's Board of Directors (the '**Board**') acknowledges the pivotal role of sound corporate governance in safeguarding the interests of our shareholders and bolstering investor confidence in our management and financial reporting. We are unwavering in our dedication to establishing and upholding a high standard of corporate governance throughout our organization.

The Group, operating through its Company Secretary, is steadfast in its mission to keep the Board apprised of emerging laws and regulations that impact the Company. The CEO, in a dual role, has been instrumental in advising our Directors on the ever-evolving commercial and business risks faced by the Group, fostering an environment of informed and prudent decision-making.

Directors are regularly briefed on changes to the SGX-ST Listing Rules, risk management protocols, corporate governance best practices, insider trading regulations, and the latest alterations to regulatory requirements. Timely updates from SGX-ST and the Accounting and Corporate Regulatory Authority (**ACRA**) are swiftly disseminated by the Company.

Directors are strongly encouraged to engage in seminars and training programs aimed at enhancing their capacity in fulfilling their roles and responsibilities. The Company shoulders the financial responsibility for these educational initiatives. Management maintains a constant vigil on changes in regulations and accounting standards. In response, the Company actively provides ongoing educational opportunities and training sessions covering Board processes, best practices, as well as updates on legislative and financial reporting standards, regulations, and guidelines from the SGX-ST Listing Rules.

As an integral facet of our overarching strategy, we continue to embrace the comprehensive framework of corporate governance rules and regulations. This commitment extends to relevant laws and regulations governing our activities in countries where we operate. Key focus areas encompass bribery, extortion, fraud, and money laundering, recognizing the potential for these issues to significantly impact our operations.

Diversity of governance bodies

The Board places a strong emphasis on diversity, understanding the value it brings to our decision-making processes. With a gender-diverse Board composition of 4:2 (male-to-female) and a balance of 4:2 (independent-to-executive directors), we believe that diversity enhances our capacity to make informed decisions, ensuring the Group benefits from a wide range of perspectives. This commitment extends to key management personnel, where a 2:1 (male-to-female) gender ratio reinforces inclusivity and enriches our organizational culture.

FY2023 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 recognize that robust emergency preparedness, response capabilities, and business continuity plans are fundamental to good governance and long-term sustainability. These plans are essential in safeguarding our personnel, facilities, and neighboring communities during various contingencies, including natural disasters, security incidents, operational disruptions, and other unforeseen events.

In response to the economic downturn, the Group strategically diversified its revenue streams by introducing a new income segment focused on rental income derived from investment properties. Additionally, the Group has embarked on an in-house facility management initiative as a crucial component of our business continuity plan.

This diversification not only serves as a prudent risk mitigation strategy during uncertain economic times but also underscores our commitment to maintaining operational resilience. The introduction of rental income from investment properties demonstrates our adaptability and forward-thinking approach to business, while our in-house facility management capabilities reinforce our dedication to efficient and sustainable operations. These measures are integral to ensuring the continued success and sustainability of our business.

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

FY2023 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 FY2023, 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 of each of our branded products sold domestically is provided on the food label printed on the packaging.

By FY2023, we had successfully maintained three consecutive years of full compliance with laws and regulations pertaining to product and service information and labelling, as well as marketing communications. As part of our strategy, we will continually seek to continue this track record in the coming years.

FY2023 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.

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.

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.

FY2023 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

FY2023 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.

In November 2022, wholly-owned subsidiary, Fujian Wangsheng Industrial Co., Ltd. (**Wangsheng**) has received a notice from the local government department imposing certain restrictions on the use of boilers to reduce exhaust gas emission in view of the high concentration of nitrogen dioxide in the air at night in Minhou County, Fuzhou City.

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.

Performance indicators	Units	FY2022		FY2023	
		Food Processing	Rental	Food Processing	Rental
Environmental incidents	Number	0	NA	0	0
Fines on contravention of environmental regulations	¥'000	0	NA	0	0

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
- Installing Photovoltaic systems
- Regular maintenance of production equipment
- 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

In FY2023, the total energy consumption for the food processing segment amounted to 2,016 MWh and electricity consumption intensity was 149 kWh/m². There was a decrease of 11% in energy consumption as compared to FY2022 mainly caused by the decreased in FY2023 production activity as explained in the section above.

We will continue target to have a 5% drop in energy consumption for FY2024 due to partially use of energy generated from the photovoltaics system for production.

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.

Performance indicators	Units	FY2022		FY2023	
		Food Processing	Rental	Food Processing	Rental ¹
Energy consumption					
Total energy consumption	MWh	2,279	NA	2,016	0
Energy intensity	kWh/m ²	168	NA	149	0
Carbon					
Total carbon emission	tCO ₂ e	2,119	NA	1,171	0
Carbon emission intensity	kgCO ₂ e/m ²	156	NA	86	0

In FY2023, the Group generated a carbon footprint of 1,171 tonnes of carbon dioxide emission (tCO₂e) with a carbon emission intensity of 86 kgCO₂e/m² of factory floor area, representing a 45% 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 60% of the total carbon emission of the Group.

The reduction in carbon footprint intensity in FY2023 was primarily attributed to a 45% year-on-year decrease in production activity from FY2022 to FY2023, which was complemented by the installation of two PV systems in FY2022. This reduction was consistent with the decline in production..

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 FY2024.

¹ Electricity and water charges were fully borne by tenants. Therefore, the data is excluded from this report.

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 FY2023, the total wastewater discharged for the Group amounted to 153,601 litres and the Group had a wastewater discharge intensity of 11 litre/m² of factory floor area. There was a decrease of 18% in wastewater discharge as compared to FY2022 mainly due to decrease of production in FY2023 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.

Performance indicators	Units	FY2022		FY2023	
		Food Processing	Rental	Food Processing	Rental
Wastewater discharge					
Total wastewater discharge	litre	187	NA	153	0
Wastewater discharge intensity	litre/m ²	14	NA	11	0
Wastewater discharge that meets local emission standards	Percentage	100	NA	100	0

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 FY2023, the total water consumption for the Group amounted to 181 litres and the Group had a water consumption intensity of 13 litres/m² of factory floor area. There was a decrease of 18% in water consumption as compared to FY2022 mainly due to decrease of production in FY2023 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.

Performance indicators	Units	FY2022		FY2023	
		Food Processing	Rental	Food Processing	Rental
Water consumption					
Total water consumption	litre	220	NA	181	0
Water consumption intensity	litre/m ²	16	NA	13	0

Commitments: Environmental sustainability

Full compliance with environmental laws and regulations

Achievements

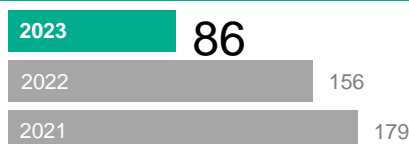
- Achieved zero environmental incidents and zero fines on contravention of environmental regulations.

FY2023 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 FY2023 baseline)

Carbon footprint intensity (kgCO₂e/m²)



FY2023 progress

- Carbon emission intensity and electricity consumption intensity decreased 45% and 11% from the previous year respectively. This was due to decreased production activity during the year.

Electricity consumption intensity (kWh/m²)



- 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 FY2023 baseline.

Full compliance with local emission standards for wastewater discharge

Track and monitor our performance on wastewater discharge and water consumption

Wastewater discharge intensity (litre/m²)



FY2023 progress

- 100% of our wastewater discharge met the local emission standards.
- Yamada had a wastewater discharge intensity of 11 litres/m² of factory floor area, representing a 21% 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 13 litres/m² of factory floor area, representing a 19% decrease from the previous year. The decrease in water consumption is in line with decreased sales during the year.

Water consumption intensity (litres/m²)



3.5 Social contribution

Overview

At the heart of our competitive edge and sustainability mission lies our dedicated workforce. We prioritize employee well-being by investing in training and fostering an enriching work environment. Our human resources team leads the charge in nurturing and developing our human 'capital' through training, performance assessment, competitive compensation, and active engagement. Beyond our organizational boundaries, we are equally committed to creating a positive impact in our community by supporting charitable initiatives and aiding the less fortunate.

Skills competency and employee training

We ensure that every employee has equal access to opportunities for skill enhancement, made possible through both formal training programs and on-the-job learning experiences. Our dedication to leadership development is equally profound, as we prioritize the cultivation of a network of next-generation leaders who will play a pivotal role in driving our future business endeavors.

In FY2023, the Group invested an average of 14 hours of training on each operational staff. Average training hours increased 3 hours from FY2022 which met the target set.

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 FY2023, 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.

FY2023 Progress

14

Training hours per operational staff

100%

Employees subject to regular performance appraisal

55%

Female representation in workforce

0

Reported cases on fatality in workforce

0

Reported cases on all types of injuries

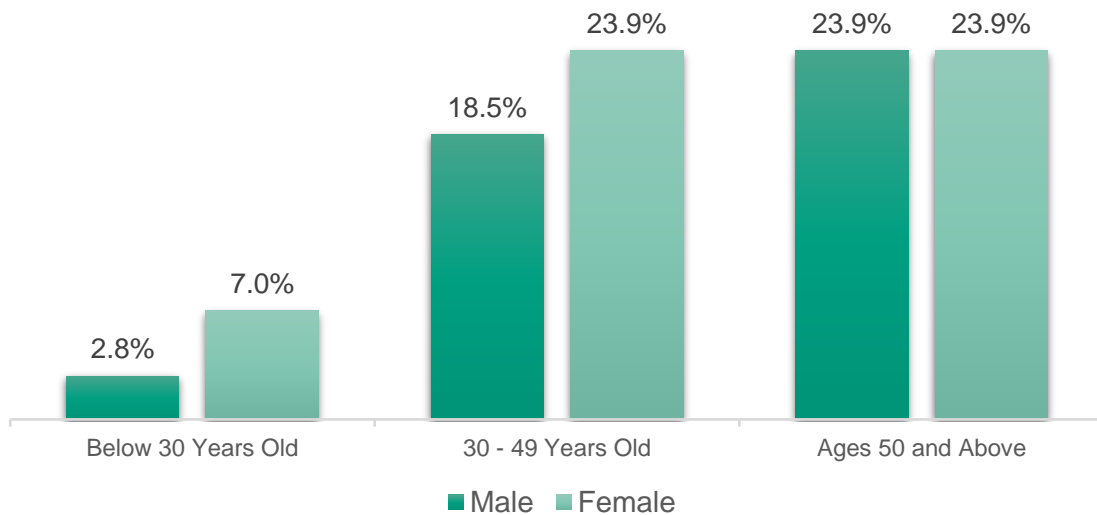
Equal opportunity

We are steadfast in our commitment to equal opportunity employment, where fairness, equality, and non-discrimination principles are the cornerstones of our workplace. Recruitment, compensation, promotions, and benefits are rigorously administered based on objective assessments, equal opportunities, and non-discrimination, irrespective of gender, race, marital status, pregnancy, disability, age, or family status.

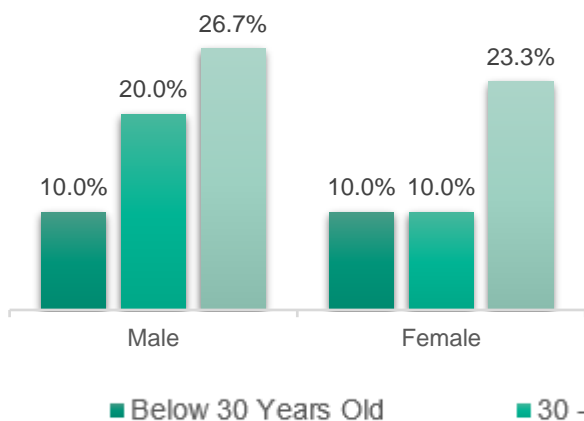
We adopt a fair and flexible recruitment strategy that encompasses recruitment applications, job descriptions, interviews, and selections, all based on merit. Promotions are earned through performance and suitability. We offer competitive remuneration packages, periodically reviewed to ensure alignment with market standards, while also providing essential social benefits. Our dismissal practices strictly adhere to employment laws and regulations, underlining our commitment to a discrimination-free workplace.

In FY2023, we have a total headcount of 71 employees (refer to the following tables for our employees by gender and age group) where female employees comprise 55% of our entire workforce. There are 30 employees have been hired (comprises 43% female representative) and 121 employees (comprises 69% female representative) have been turnover during the financial year due to the decline in food production. We will continue to track and monitor female representation in our workforce and report these statistics every year.

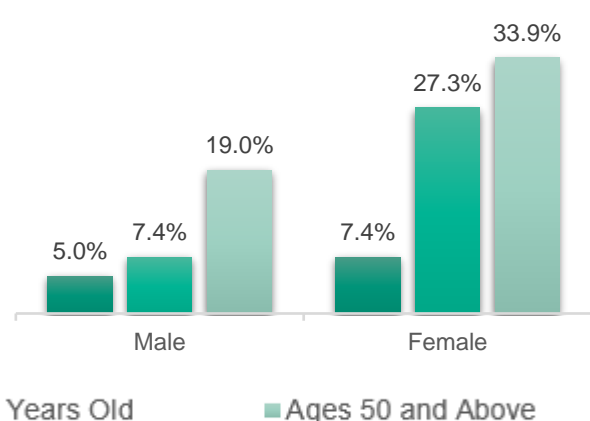
FY2023 Staff Headcount



New Hired FY2023



Staff Turnover FY2023



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 fire drills for staff to familiarize themselves with emergency evacuation
- Develop a communication channel for staff to provide feedback on the safety operation opinion and staff's psychological issues

During the reporting period, there was no injury or accident incurred.

Commitments: Social contribution

Achieve minimum of 12 hours of training per operational staff

Training per operational staff (Hours)



FY2023 progress

- Yamada invested an average of 14 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.

FY2023 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 (%)



FY2023 progress

- Female employees comprise 55% 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.

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.

Appendix A: Sustainability scorecard

Regulatory compliance

Performance indicators	Units	FY2021	FY2022	FY2023
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	FY2021	FY2022	FY2023
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	FY2021	FY2022	FY2023
Environmental incidents	Number	0	0	0
Fines on contravention of environmental regulations	¥'000	0	0	0
Total carbon emission	tCO ₂ e	2,211	2,119	1,171
Carbon emission intensity	kgCO ₂ e/m ²	179	156	86
Total energy consumption	MWh	2,392	2,279	2,061
Energy intensity	kWh/m ²	193	168	149
Total water consumption	litre	229	220	181
Water consumption intensity	litre/m ²	19	16	13
Total wastewater discharge	litre	195	187	153
Wastewater discharge intensity	litre/m ²	16	14	11
Wastewater discharge that meets local emission standards	Percentage	100	100	100

Social contribution

Performance indicators	Units	FY2021	FY2022	FY2023
Training hours per operational staff	Hours	12	11	14
Employees subject to regular performance appraisal	Percentage	100	100	100
Female representation in workforce	Percentage	62	64	55
Fatalities cases	Number	0	0	0
High-consequence injuries cases	Number	0	0	0
Recordable injuries cases	Number	0	2	0
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 2023 (SR), and the Annual Report 2023 (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 53) AR: Investments in Subsidiaries – Note 7 to the Financial Statements (Pages 84-85)
	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 84-85)
	2-3	Reporting period, frequency and contact point	<ul style="list-style-type: none"> SR: Scope of Sustainability Report (Page 4) Annual reporting SR: Sustainability Contact (Page 4)
	2-4	Restatement of information	<ul style="list-style-type: none"> Not applicable
	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 6-7) AR: Statement of Operations by Segments – Note 26 to the Financial Statements (Pages 100-103)
	2-7	Employees	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-21)
	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 14-40)
	2-11	Chair of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	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 14-40)
	2-13	Delegation of responsibility for managing impacts	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	2-14	Role of the highest governance body in sustainability reporting	<ul style="list-style-type: none"> SR: Sustainability Organisational Structure (Page 5)
	2-15	Conflicts of interest	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	2-16	Communication of critical concerns	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40) SR: Sustainability Materiality (Page 8)
	2-17	Collective knowledge of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	2-18	Evaluation of the performance of the highest governance body	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	2-19	Remuneration policies	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	2-20	Process to determine remuneration	<ul style="list-style-type: none"> AR: Statement of Corporate Governance (Pages 14-40)
	2-25	Processes to remediate negative impacts	<ul style="list-style-type: none"> Non reported AR: Statement of Corporate Governance (Pages 14-40)

	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 10-12) • 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 7)
	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 8)
	3-2	List of material topics	<ul style="list-style-type: none"> • SR: Sustainability Materiality (Page 8)
	3-3	Management of material topics	<ul style="list-style-type: none"> • SR: Consulting Our Stakeholders (Page 7) • SR: Sustainability Materiality (Page 8)
GRI 201			
Economic Performance	201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> • AR: Operations Review (Pages 6-7)
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 11)
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 13-14)
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 10-12)
	205-3	Confirmed incidents of corruption and actions taken	<ul style="list-style-type: none"> • SR: Regulatory compliance (Pages 10-12)
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 22)
GRI 306 (applicable sections only)			
Waste	306-3	Waste generated	<ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 15-18)
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 13-14)
	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 19-21)
	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 19-21)
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 19-21)
	403-9	Work-related injuries	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-21)
	403-10	Work-related ill health	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-21)
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 19-21) SR: Sustainability Scorecard (Page 22)
	404-2	Programs for upgrading employee skills and transition assistance programs	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-21)
	404-3	Percentage of employees receiving regular performance and career development reviews	<ul style="list-style-type: none"> SR: Social Contribution (Pages 19-21)
GRI 405			
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	<ul style="list-style-type: none"> SR: Regulatory Compliance (Pages 10-12) SR: Social Contribution (Pages 19-21)
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 19-21)
GRI 416			
Customer	416-1	Assessment of the health and	<ul style="list-style-type: none"> SR: Food Safety (Pages 13-14)

Health and Safety		safety impacts of product and service categories	
	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 13-14)
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 13-14)
	417-2	Incidents of non-compliance concerning product and service information and labeling	<ul style="list-style-type: none"> SR: Food Safety (Pages 13-14)
	417-3	Incidents of non-compliance concerning marketing communications	<ul style="list-style-type: none"> SR: Food Safety (Pages 13-14)
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