



Denis Asia Pacific Pte Ltd
E.S.G. report

issue 1
july 2016 - june 2017

The pictures featured in this ESG report are the artwork of the awarded photographer Stefen Chow.

ALL HAPPY FAMILIES

They depict real consumer families of Ayam Brand™ products around the world against an iconic landscape of their respective country.

Contents

Our commitment	04
U.N. Global Compact	07
About this report	11
Key Indicators Scorecard	14
About Denis Asia Pacific	15
Governance and Ethics	19
Our People	22
Environmental Responsibility	25
Our next Report	37



Our Commitment

From our shareholders

Today and everywhere, companies are under pressure to make meaningful contributions to transition towards a more sustainable society and have been challenged to examine their impact on environmental and social resources.

Shareholders are ultimately responsible for overseeing the implementation of their company’s long and short-term strategic plans; they play a crucial role in fostering an environment that will support the embedding of sustainability into the strategies of the companies they own. They must signal a willingness to their companies’ management toward elevating social justice, creating business value and meeting regulatory & environmental responsibilities. They encourage and push their companies to set sustainability objectives that are in line with what makes the most sense for their businesses.

The Denis family have embraced the journey toward sustainability as this was both a natural transition and adaptation of the Group’s historical values to the world of today.

For a 155 year family-owned business, sustainability could ultimately be defined for the shareholders as the utmost desire to leave the most fitting family legacy:

- a flourishing Group our employees are proud to work for,
- reputable brands our customers are proud to shop for, and
- a sustainable company that we are proud to own and to pass on to future generations.

The 5th generation of the descendants of Etienne Denis are indeed, very proud today to sign-off this inaugural ESG report.

Daniel Denis
ESG Committee Chairman
Director of Denis Group Holding SA,
Board of Directors

Olivier du Paty
Chairman of Denis Group Holding SA,
Board of Directors

From our CEOs

Denis Asia Pacific's journey towards sustainability started in 2011. We made a conscious decision to have a fundamental rethink of what manufacturing and marketing mean in today's context.

Sustainable manufacturing and marketing are strategic imperatives that reflect our company's desire to deliver long term value to our shareholders as well as acting in our own self-enlightened interest to conserve the use of resources while achieving our corporate goals.

Our role as CEOs is to initiate and supervise a comprehensive framework around sustainable manufacturing & marketing that would cover input and operations as well as the complete life cycle of the product. In this process, CEOs manage relationships between issues, objectives, policies and rules, and act to make them consistent with each other.

The role of CEOs is also to gain management and employee support for the sustainability program, to act visibly and transparently, as actions put in place by top management provide the most powerful example to engage the entire company. CEOs should also encourage and reward the personal involvement of staff in sustainability efforts to increase participation and to generate a strong feeling of ownership and commitment to the company's sustainability strategy.

As CEOs, we are willing to conduct the change at a ideal pace that allows our staff to adapt and to change their views and habits, and that delivers results consistently without over-promising. We are also, however, willing to lead the way in our markets and our business sectors. This is demonstrated in the report with many examples such as our involvement in SASPO, an initiative to promote the use of sustainable palm oil with WWF, our decision to have a significant part of our energy used in production sourced from renewables and the BCA Green Mark certification of all our buildings and facilities before 2030.

As we embark on this exciting journey of sustainable manufacturing & marketing, that we position as a key pillar of our corporate policy, the company will reap the many benefits it offers: the protection of the environment, the prosperity of the community as well as an increase in productivity, profitability and enhancement to our competitive advantage.

Fabien Reyjal
Denis Group Holding CEO

Ting Seng Hee
Denis Group Holding CEO



U. N. Global Compact

United Nations Global Compact

Denis Asia Pacific Pte Ltd has been a member of U.N. Global Compact, Network Singapore, since January 1st 2016.

A reliable company's value system and a principled approach to doing business.

Corporate sustainability starts with a company's value system and a principled approach to doing business. This means operating in ways that, as a minimum, meet fundamental responsibilities in the areas of human rights, labour, the environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence, and know that good : practices in one area do not offset harm in another. By incorporating the Ten Principles of the UN Global Compact into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term sustainable development and success.

Denis Asia Pacific Pte Ltd has therefore pledged to incorporate the 10 Principles of United Nation Global Compact in its company governance and to live by these. They are divided into four main topics:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Denis Asia Pacific has also pledged to publish a biennial ESG report to openly monitor the company's progress.

The scope of the U. N. Global Compact, Network Singapore membership.

The scope is inclusive of (1) Denis Asia Pacific Pte Ltd, (2) all companies in which Denis Asia Pacific Pte Ltd is in a position of control by having a majority of shares and (2) SFI Supply Management Pte Ltd (a sister holding company of Denis Asia Pacific Pte Ltd.) and its subsidiaries.

SFI works closely and uniquely for Denis Asia Pacific Pte Ltd, therefore the Denis Asia Pacific shareholders decided that SFI and the companies controlled by this holding should be integrated into the sustainability journey and form part of the ESG report.

In this ESG report, “**DAP**” or “**the company**” should stand for both Denis Asia Pacific Pte Ltd and SFI Supply Management Pte Ltd holding as defined on above scope.

The list of the companies is published in page 18.

Problem-solving strategy

The group had a 155 year history and strong, established values before joining United Nation Global Compact, Singapore Chapter. DAP is also a medium sized company albeit with international coverage, and limited resources in terms of management resources which could be devoted to sustainability.

It was therefore sensible and logical to adopt a problem-solving strategy, which consists of identifying the company's weaknesses with

reference to the 10 Principles and to work on ad hoc solutions in order to keep what is good, to correct what could be wrong and to amend what could be improved.

The company created an ESG committee (refer to page 12). The committee defined eight projects or pledges for 2017. The 8 pledges decided by the ESG committee come with key indicators that are monitored and presented in the ESG report.

The 8 pledges decided in 2016, for 2017 and into the future, can be divided in four main topics

Environment:

- (1) buildings and facilities belonging to DAP have to achieve Green Mark certification by 2030.
- (2) The production facilities belonging to DAP have to implement a plan to:
 - . significantly reduce their energy consumption, especially from fossil fuels
 - . significantly increase the share of renewable sources of energy in their energy consumption
 - . significantly reduce waste.

Supply Chain:

- (3) All DAP suppliers should, within a reasonable time-frame, sign and comply with our supplier code of ethics, in line with the Ten Principles of United Nation Global Compact.
- (4) The supply chain should propose and work towards solutions to the sustainability issues highlighted by the ESG committee. The two main challenges identified in 2016 for the supply chain are palm oil supply and tuna supply.
- (5) DAP wishes to be in advance of food safety regulations and inspire consumer confidence by being pro-active in implementing the latest recommendations, for example, guaranteeing the absence of mercury contamination in canned tuna, guaranteeing the absence of any risk of radioactivity in

fish from the Pacific and implementing BPA-FREE linings in cans.

Social:

- (6) DAP will start monitoring their human resources as a whole across the two holdings with a set of various key indicators, such as gender equality per category, training and development, monitoring of medical leave and and days lost due to injury.
- (7) DAP will increase the role of MyKenzen in supervising training within the company in employee well-being and safety at work. The two holding companies will encourage local initiatives relevant to this.

Governance:

- (8) DAP is implementing a zero tolerance policy for any case of corruption, fraud, harassment, malpractice and unlawful discrimination. This policy is complemented with a whistle-blower procedure.



About this report

About this report

This is our inaugural sustainability report. The report covers our governance, social and environmental performance for the yearly period July 2016-June 2017, in comparison (when possible) with the period July 2015-June 2016.

The report is planed to be biennial, except if exceptional contents justify an additional issue.

An ESG committee at the highest level of management

We have constituted an Environment, Social and Governance committee (ESG committee) at the highest level of management. The committee is chaired by a family shareholder and member of the Denis Group board of directors, demonstrating the high level of commitment in the durability and sustainability of the business model by the family owning the group of companies since 1862. The group CEOs are the vice-chairmen of the committee.

The Group Marketing Director acts as the coordinator and the leader of the ESG committee.

The ESG committee also includes the Supply Chain Director, the Production Director, the Quality Director, the R&D Director, the Finance Director and the Human Resources Manager.

The ESG committee, assisted when needed by external experts, reviews and determines the context, scope, boundary and prioritization of the ESG projects.

The ESG committee meets every two months. It decides on the ESG projects, it designates the senior director or manager in charge for each project, sets the key indicators and monitors progress.

Accuracy of data

We rely on our internal procedures to verify the accuracy of data and information provided in this report.

As we are not a public listed company, the ESG committee freely decides the context, scope and boundary of the company ESG report, but any information in the ESG report is shared with accurate, relevant data in full transparency and honesty.

If a project fails to reach its key indicator at the time of the ESG report, the provisional data will be provided with an explanation of the difficulties encountered in the completion of the task.

Availability of the report: the choice of digital format

The ESG report is to be published within 6 months after the closing of the data collection.

The ESG report is available to anybody without limitation.

For sustainability reason, the ESG report is available only on digital format. It can be downloaded in pdf from most of DAP's websites.

It is also available for consultation on <https://issuu.com/denisbrands>

Feedback & contact

The ESG committee considers it a duty to answer any question about our ESG report, which is relevant and not frivolous, but it will entertain only written questions addressed by email (ESG@denisgroup.net) or by post to:

ESG committee
Denis Asia Pacific Pte Ltd
Denis Group Building
21 Tagore Lane
Singapore 787479

DAP Sustainability Key Indicators scorecard

12 Months July-June	2015/2016	2016/2017
PEOPLE		
Employees	1,682	1,595
Females employees	67%	66%
Employee turnover rate		29%
Average training hours per staff		14.5
Equivalent medical leave days		10,274
Equivalent injury days		1,245
ENVIRONMENT		
GHG total emissions (tCO2e)	11,413	11,915
Packaging materials (mt)	6,282	5,527
Recycled materials in packaging (mt)	1,574	1,362
Percentage of recycled materials in packaging	25%	25%
Electricity consumption (Mwh)	8,902	9,459
Natural gas consumption (mmBtu)	90,887	67,905
Charcoal consumption (mt)		364
Water input (m3)	416,599	364,245
Water discharged (m3)	270,454	240,412
Normal waste generation (mt)	5,207	3,667
Hazardous Waste generation (kg)	794	1,055
Recycled & Reused Waste (mt)	4,969	3,340
Percentage of Recycled & Reused Waste	95%	91%



About Denis Asia Pacific

About Denis Asia Pacific

Our History

Denis Group has a fascinating 155 year history. The vision, mission, solid values and business principles provide the foundations for this exceptional longevity. The descendants of Etienne Denis are still at the helm of the group's businesses.

Denis Group gets its strength and stability from three different sectors, in which the group is able to achieve and maintain a high level of professionalism, paired with a historically innovative spirit: food & beverages, health sciences, and consumer goods distribution.

This ESG report covers the food & beverages activity which started in 1956 when Denis Group took over the A.Clouet company in Malaya with its main food business: Ayam Brand. Ayam Brand, founded in 1892 in Singapore by Mr Alfred Clouet, became an international brand distributed in more than 30 markets on three continents and is ranked today among the top 500 consumer brands in Asia-Pacific.

To cater for the expansion of its food business, Denis Group invested heavily in production and logistics. The main production & logistics site is in Taiping, Perak in West Malaysia. It employs more than 1000 staff. The Mafipro site consists of three factories and produces mainly canned fish and baked beans. The Guinea Foods factory cans fish and sauces. Guinea Foods consists of two factories to meet the growing demand for sauces. Taiping is also an important logistics base for the group with two large warehouse sites: SFI phase 1 and SFI phase 2.

Alce Nero and Denis Group formed a joint venture in 2004 to promote and distribute Alce Nero, a leading Italian organic food brand, all over Asia.

In 2017, Denis Group opened a new manufacturing site near to Ho Chi Minh in Vietnam, with the aim of distributing its food brands in the Greater Mekong region.

Our vision of the future

Denis Group is well positioned to benefit from the key trends that are expected to shape our future markets, namely:

- continued urbanisation combined with greater connectivity that requires convenient, safe, healthy and cross-cultural food.
 - pursuit of investment in the understanding of better health through good nutrition, clean food, and better hygiene.
 - the pleasure of food discoveries and of creating moments of reunion and surprise for family and friends centred around food; we see this as a key preoccupation across the world.
- We see many opportunities for the Group in the coming years:
- the opportunity to make our brands truly global by reaching more consumers worldwide.
 - the opportunity to develop new & innovative segments such as ready-to-eat meals, frozen foods, foods on-the-go and foodservice solutions that better address the

needs of new consumers.

- the opportunity to promote the cultivation, manufacturing and use of organic & natural foods in the region.
- the new opportunities that will be brought about by the next big wave of massive investment in infrastructure in ASEAN in the next 10 years.
- and the opportunity to grow a sustainable food supply model with a concern for waste, nutrition and stability and with substantial social impact in society as we envisage it tomorrow.

Our companies

Singapore Holding

Denis Asia Pacific Pte Ltd

21 Tagore Lane, Singapore 787479
T +65 6459 8133 F +65 6459 2867

Companies controlled by this holding:

Australia

A. Clouet (Australia) Pty. Ltd.

11 Melissa Place, Kings Park, NSW 2148,
T +61 2 8814 8086 F +61 2 9678 9508

Indonesia

PT. Faretina

Jl. Radin Inten II, No. 8, Duren Sawit
Jakarta 13440
T +62 21 8690 0868 F +62 21 8690 1336

Malaysia

A. Clouet & Co (KL) Sdn .Bhd.

19 Persiaran Sabak Bernam, Section 26, 40400
Shah Alam, Selangor Darul Ehsan
T +60 3 5191 1069 F +60 3 5191 1988

Mafipro Sdn. Bhd.

Jalan Perusahaan Tiga, Kamunting Industrial
Estate, 34600 Taiping, Perak
Tel: +605-8912704 Fax: +605-8913919

Guinea Foods Sdn Bhd

Jalan Lintasan Perusahaan, Kamunting 3,
Kamunting Raya, 34600 Taiping, Perak.
Tel: 05-8911899 Fax: 05-8912899

Singapore

Clouet Trading Pte. Ltd.

21 Tagore Lane, Singapore 787479
T +65 6459 8133 F +65 6459 2867

Thailand

The Commercial Company of Siam Ltd.

1168/3-4, 2nd Floor, Lumpini Tower,
Rama IV Road, Bangkok 10120
T + 66 2 285 6858 F + 66 2 285 6830

Vietnam

Denis G.M. Co Ltd

Lot 17-4, Singapore Tech Park, Ben Cat Town,
Binh Duong Province, Vietnam
T +84 274 357 9798 F +84 274 357 9799

Singapore Holding:

SFI Supply Management Pte Ltd

21 Tagore Lane, Singapore 787479
T +65 6459 8133 F +65 6459 2867

Companies controlled by this holding:

Malaysia

SFI Food Sdn Bhd.

PT 32730, Jalan Logam 5, Kawasan Perusahaan
Kamunting Raya, 34600 Taiping, Perak
T +60 5891 8704 F +60 5891 3919

Mexico

SFI Alimentos de Mexico, S.A. de C.V.

Tenochtitlan 570, 19 Puesta del Sol,
LA Paz, 23090 BCS



Governance and Ethics

Governance and Ethics

DAP has an excellent reputation for governance and ethics, built with consistency and determination over its long business history. The company intends to remain committed to the highest ethical and professional standards and also to integrate new governance and ethics requirements as the world moves towards more transparency, complexity and globalization.

Governance

DAP, including its subsidiaries and related companies, is committed to the highest corporate governance practices.

The Board of Directors of Denis Asia Pacific Pte Ltd consists of ten members, including the Chairman, with overall responsibility for the approval of strategic plans, budgets, investments and financial results and for the support of the Group CEOs responsible for bottom-line operations. As part of its commitment to best practice, the Company pays specific attention to the composition of the Board and guidance thereof, the role and responsibility of the Directors, access to information and conduct of shareholders meetings.

Internally, an Audit Committee is in place, reporting to the Board of Directors, with responsibility to review audit plans with internal & external auditors, to consolidate audited accounts, to perform internal audits and to investigate any matters related to the Company’s internal control system.

Three directors of Denis Asia Pacific Pte Ltd make up the board of directors of SFI Supply Management. This board adheres to the same principles of governance and audit protocols.

Ethics

Code of ethics

DAP has a company code of ethics, which is published in the employee handbook and/or on the intranet for the companies that have it.

Zero tolerance policy for severe wrongdoings

DAP has a zero tolerance policy for severe wrongdoings, therefore employees and outside parties, such as suppliers, customers, contractors and other stakeholders, are requested to report any issue to the management. They may use a website, “DG-report.net”, where their anonymity will be protected. This may be used to report any concern or complaint regarding:

- (1) Corruption and bribery
- (2) Failure to comply with laws and regulations
- (3) Harassment
- (4) Discrimination on the basis of gender, cultural background or origin, disabilities
- (5) Theft
- (6) Forgery
- (7) Misappropriation of funds and classified documents
- (8) Abuse and misrepresentation of power and authority

This procedure is meant to protect genuine whistleblowers from any unfair treatment as a result of their report. Denis Group encourages employees and outside parties to put their names to their allegations whenever possible.

The ethics committee

The ethics committee has three main roles:
 (1) to set ethics rules that apply to all companies under DAP, except if the local law regulates differently.
 (2) to approve local company ethics & rules of behaviour.
 (3) to deliberate on reports of severe wrongdoings and to suggest what steps should be taken by the CEOs, including disciplinary sanctions or dismissal, if needed. Should the CEOs choose not to follow the ethics committee recommendations, they must inform the company shareholders with their reasoning.

The ethics committee should be made up of representative(s) of the shareholders, of the CEOs, and representative(s) of the senior management. It should include at least one external member, chosen for his/her knowledge of the company and his/her moral standing.

As of today, the ethics committee’s external member is Mrs. Ai Ming Lee, Senior Partner at Dentons-Rodyk, Singapore Judge of Peace, Member of Singapore Copyright Tribunal, independent Director in the Boards of Agri-Veterinary Board of Singapore (AVA), Keppel Land Ltd, K- Reit Ltd and HTL Holdings Ltd.

The ethics committee’s internal members are M. Daniel Denis, Mr Nicolas Denis, Mr Ting Seng Hee, Mr Fabien Reyjal, Mr Hervé Simon. Mrs Chan Kum Lin is acting as the ethics committee’s secretary.



Our People

Our People

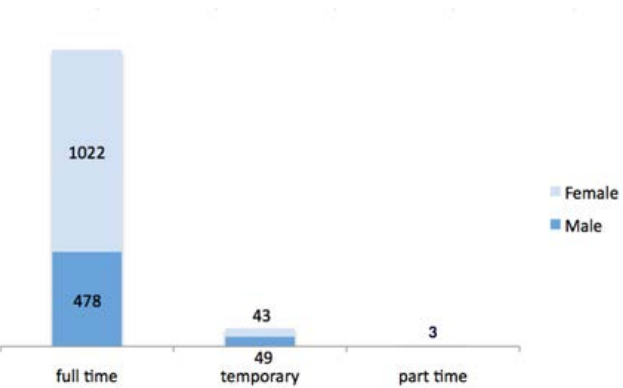
DAP’s HR strategy is to attract, motivate, train and retain quality employees in order to build with them a profitable, durable and sustainable business model.

Creating value for employees is an important part of our business vision. DAP believes that our employees play the prime role of driving the company and determining its success.

We are committed to building an organization with a respectful and honest environment for our employees, whilst creating value for customers and stakeholders.

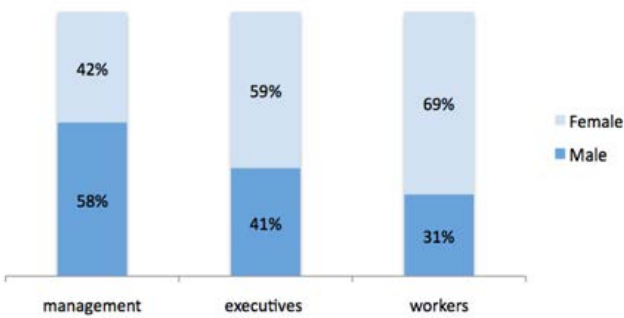
Diversity and gender equality have always been core values of the Group. Our employees come from varied cultural and ethnic backgrounds. We are committed to creating a fair and inclusive workplace, where all employees are given equal opportunities for learning and development. Hiring and rewards are strictly based on merit, loyalty and confidence.

At the end of June 2017, DAP employed 1,595 people, a stable figure versus end June 2016 (1,682 people). 94% of employment contracts are full time. Less than 6% are temporary contracts. There are only 3 part time contracts for the whole holding.

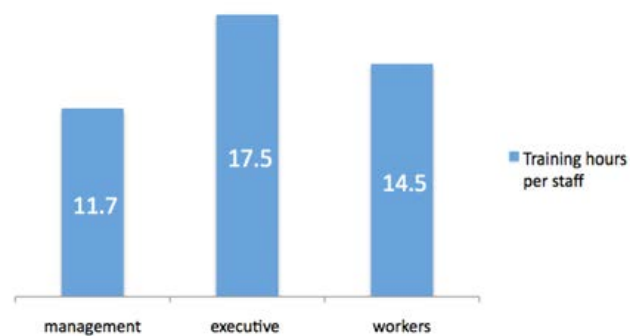


Workers, located mostly on the site of Taiping, Malaysia and Bet Cat Town, Vietnam account for 90% of our people, while executives and management represent 5% respectively.

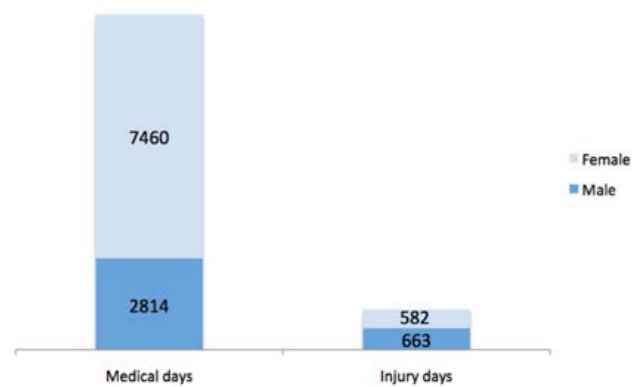
Women and various age groups have a fair representation in the organization. Women account for 66% of all our employees. DAP is confident that their share in management (42%) will improve in the coming years with the increasing percentage of females graduating from universities in Asia-Pacific.



Employee development is strategic for DAP. Our commitment is to create an environment where employees can develop their full potential. Continuous upgrading of employee skills and knowledge is necessary to innovate, to work safely and to serve customers better. Providing regular training opportunities is also important for employee motivation. At end June 2017, DAP had provided 23,092 hours of training for the year . This represents an average of 14.5 hours per member of staff. The following chart shows an equal distribution of training hours within all categories of employees.



At management level, DAP has a low employee turnover (12%). In production, our 29% turnover is in line with the food industry in labor tense markets with full employment. At end June 2017, the yearly number of MC leaves was 10,274 days: an average of 6.4 days per employee. The average number of days varies per category. Being food manufacturers, the production sites have strict rules to protect production from any contamination. In the same period, we had 1,245 injury days. There was no report of severe or fatal injury. 88% of injury days occur in production. The average days lost due to injury for men are 1.3 versus 0.5 for female.



The nutritional services, MyKenzen, part of DAP, has, as one of its objectives, to improve the well being of employees. The certified nutritionist of MyKenzen is organizing several

nutrition information campaigns for the holding's companies. MyKenzen is organizing comprehensive health screenings, corporate fitness classes & sports days, nutrition talks & nutrition campaigns throughout the year. MyKenzen also organized a three day comprehensive wellness retreat in Malacca for seven companies of the group involving 174 employees.

Local company initiatives are developed under MyKenzen supervision to encourage staff to take regular physical exercise and improve their daily diet. As examples of these initiatives, Australia is having a "Get Healthy at Work Program", Malaysian factories have a monthly aerobics session and a weekly Healthy Wednesday with the distribution of free fruit and discounts on a healthier lunch at the canteen.

HR efforts are being developed in the area of employees' well-being at work. New female staff rest rooms and nursing rooms for breast-feeding mothers, monthly birthday gifts and a renovated first aid room are a few examples of the many local initiatives to improve staff's sense of belonging.



Environmental Responsibility

Environmental Responsibility

We aim to produce high quality and healthy food products, whilst reducing our impact on the environment.

We are therefore continually implementing new projects and developing our environmental management system within our production & logistics facilities and in our offices, taking advantage of new technologies, implementing the highest international standards and obtaining industry certifications.

We believe that such exemplary focus and conduct is of proven economic benefit. It encourages the entire workforce to mirror our actions, take initiative and strive for professionalism and contributes to savings and increased productivity.

GHG total emissions

11,915 tCO₂e

Our first ESG report gave us the opportunity to sum up the quantity of Greenhouse Gas emitted (GHG) by electricity and gas usage in our activities.

Within the next two years, DAP aims to reduce its total GHG emissions (at constant activity) by 15%.

This result will be possible as a consequence of a series of coordinated initiatives.

The highest international standards and certification

ISO 14001:2015 certification

ISO 14000 is a family of environmental management standards. They help organizations minimize their operations' negative impact on the environment, complying with applicable environmental laws, regulations and requirements and continually improving their performance with respect to environmental safeguards.

ISO 14001 is an international recognized standard part of the European Union's Eco-Management and Audit Scheme (EMAS). EMAS requirements are considered to be the world's highest standards, with demanding performance improvement, legal compliance, and reporting duties. The latest version of ISO 14001 is ISO 14001:2015.

The factories on our Taiping site (Malaysia) have been certified under ISO 14001 since 2012. In beginning 2017, we recruited a specialist engineer to implement upgrades to meet the standards of the 2015 version. The factories successfully completed their ISO 14001:2015 certification in 2017.

We have also taken this environmental management approach with our Taiping logistics centre in adopting a life cycle perspective. It should complete its ISO 14001:2015 certification by 2018.

We will simultaneously deploy the same environmental management system in our factory in Vietnam, aiming to be ISO 14001:2015 certified in 2018.

BCA Green Mark certification

The BCA Green Mark Scheme was launched in January 2005 as an initiative to drive Singapore's construction industry towards more environment-friendly buildings. 80% of Singapore's buildings should be BCA Green Mark certified by 2030.

BCA Green Mark is a benchmarking scheme, which incorporates internationally recognized best practices in environmental design and performance in order to:

- Facilitate a reduction in energy, water and material resource usage
- Reduce potential environmental impact
- Improve indoor environmental quality for better health and well being
- Provide clearer direction for continual improvement

The BCA Green Mark scheme has also extended its reach beyond Singapore and is gaining popularity in other countries within the region.

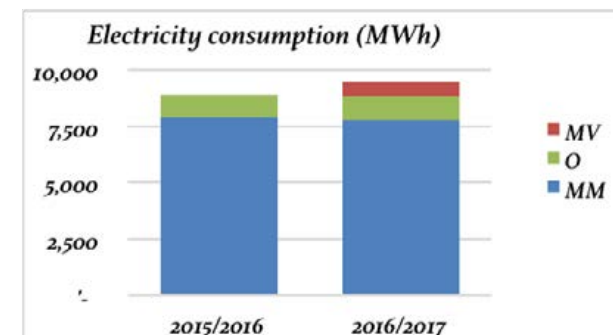
In 2016, DAP pledged to have all buildings and facilities under its ownership BCA Green Mark certified by 2030. The 12 year time span will allow us to spread the investment and also adapt the renovation cycles of these facilities.

In November 2017, the Denis Group Building, located at 21 Tagore Lane in Singapore, was the first DAP building to be BCA Green Mark certified following renovations undergone in 2016. The next buildings to be certified are our facilities in Selangor, Malaysia and in New South Wales, Australia.

Energy saving programs

Yearly DAP energy consumption comes from three sources: natural gas (67,905 mmBtu), electricity (9,469 MWh) and charcoal (364 mt).e

Electricity consumption is split 89% for production/logistics and 11% for offices.



In the environment charts, MM stands for "Malaysia Manufacturing Site", MV for "Vietnam Manufacturing Site" and O for "Offices"

Energy-as-a-service

A new business model has emerged which considers energy as-a-service, redefining how we should think about our relationship with energy. Until recently, energy was considered a cost beyond our control – a necessary expense required to run our facilities. In the new energy-as-a-service model, we are changing our relationship with energy in two important ways:

- we are implementing intelligence software linked to a network of sensors, using cloud-based technology and analytics capable of monitoring and analyzing our energy consumption in real time
- we aim to reduce energy usage and inefficiencies to improve business outcomes and reduce our carbon footprint.

The eSight software that we are implementing has been validated in many recognized companies around the world, such as Nestlé, Rolls Royce, and Airbus. Besides its economic benefits, we expect this energy control to contribute significantly to our carbon footprint reduction target.

The 2018 Solar Project

We are going to install a sizable solar plant on our main industrial & logistics site in Taiping, Malaysia. **We aim to produce around 20 to 30 % of the site's electricity needs from this renewable source of energy.**

We will use 7 of our rooftops to install around 3,800 solar panel units, which should produce around 1,300 kWp.

Our system will allow us to prioritize solar power when our production is running, but also to send the excess or non-used electricity to the electricity grid, when our production has slowed or stopped.

In launching this project we have had to take many things into consideration, for example the capability of our roofs and structures to hold this number of solar panels. Moreover, as our solar system is intended to last at

least 25 years, we took this opportunity to change some of our roofs. These new roofs include skylights to use fewer electrical lights, and to benefit furthermore from the sun's power.

The PPA was signed in August 2017 and the installation is planned to start in February 2018. The lease project allows us to have cheaper energy costs from the start without up-front investment. 20 years of fixed prices will allow us to improve our production cost control. At the end of the 20 year lease, we expect the installation to provide us with at least an additional 5 years of 20% (almost) free electricity for the Taiping site.

The solar plant on its own should represent a reduction of 1,300 tCO2e per year. A saving of more than 10% of our current carbon footprint and 2/3 of our carbon emissions reduction target!

The Taiping site could easily take twice as many solar panels. We aim to monitor the evolution of solar and battery technology and we will be in a position to increase our solar energy plant when new breakthroughs significantly improve the performance of both solar panels and energy storage.

Materials and water consumption

Materials, water and energy consumption occur mostly on production sites, so the report focuses on them in this chapter. We nevertheless added office consumption when the figures are significant, as is the case for paper.

It is difficult to compare the two yearly

periods, 2015/2016 and 2016/2017 (from July to June), as the new production site in Vietnam started to operate in the later period.

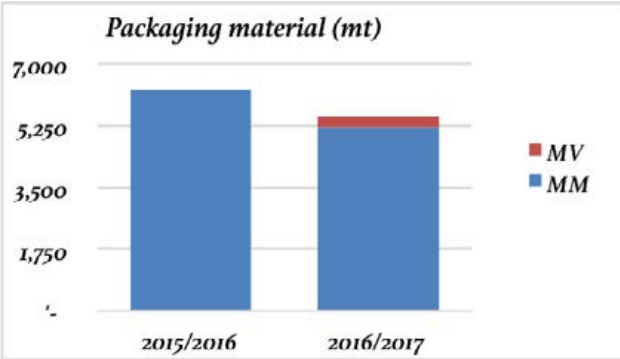
- Materials consumption

(1) Raw materials

Our factories produce a large variety of high quality food products for our customers. The 22,803 metric tons of raw materials mostly consists of fish, beans, peas, tomato, sugar, salt and other various food ingredients.

(2) Packaging materials

We produce mostly canned food; therefore our packaging materials are metal cans, glass jars, metal closures and cartons.



These packaging materials are highly recyclable.

Our commitment to reduce our impact on the environment leads us to make 25 % of our packaging from recycled materials, mostly carton.

We are putting several initiatives in place to further reduce our packaging and its impact on the environment:

- we are increasing the number of cans per carton for those products with a high-turn-over on supermarket shelves.
- we are commissioning a piece of scientific research to improve all our main packaging, like for instance the possibility of reducing the metal weight per can without affecting the quality and safety of the food.
- DAP will sign up to the Singapore Packaging Agreement in 2018.

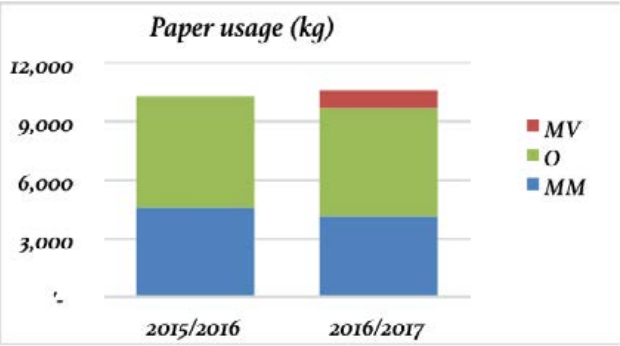
The Singapore Packaging Agreement (SPA) is a joint initiative by government, industry and NGOs to reduce packaging waste, which constitutes about one-third of Singapore's domestic waste in terms of weight.

(3) Paper consumption

Paper consumption is a good example of how good practices in manufacturing have not yet been adopted by staff working in offices.

For many years, our factories have prioritized the production of lithographed cans (82%) improving productivity and saving hundreds of kilos of paper. Surprisingly, our offices consumed 5,586 kg of paper in 2016/2017, i.e. 1,450 kg more than our two manufacturing sites combined.

Furthermore, a series of coordinated initiatives in production brought about a 10% saving in paper in 1 year: fax replaced by emails, automatization of double sided printing, photocopy machines with prioritization, development of paperless documents such as pdf.



Paper has a major impact on the environment. 500 litres of water are necessary to produce 1 kg of paper. All too often, some players of the paper industry in South East Asia could be contributing to deforestation, slash and burn practices leading to degraded animal habitats, air pollution and carbon emissions.

The Forest Stewardship Council certifies that forest products, like paper and wood, have been sourced in an environmentally friendly, socially responsible and economically viable manner. The FSC was founded in 1993 in response to concerns about deforestation.

Currently, 100 % of the paper used in our factories in Malaysia is FSC or PEFC certified. But only 24% of paper used in our offices is certified as sustainable.

For the next ESG report, DAP aims to reach two significant figures:

- 100% sustainable certified paper
- a double digit reduction in offices' paper consumption.

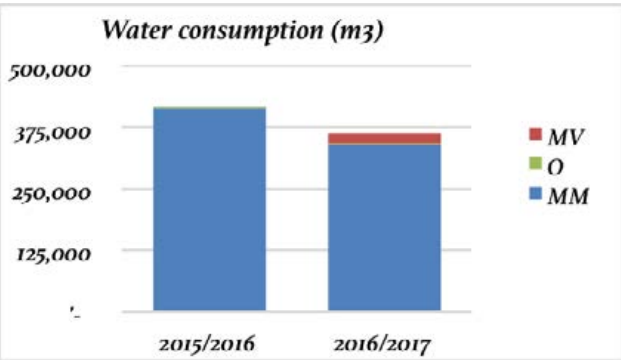
Water consumption

● Water input

In the yearly period 2016/2017, DAP consumed 364,245 cubic meters of water. 99.3% were used by our production facilities.

Saving water is one of our top priorities.

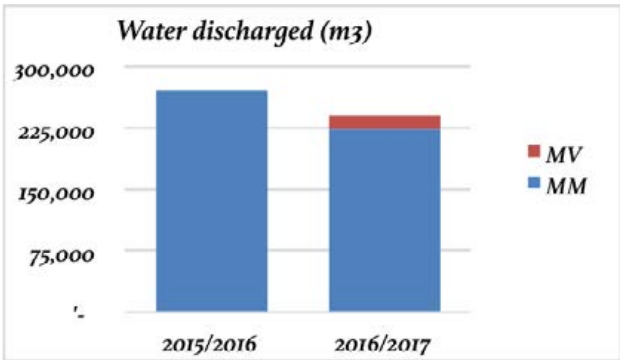
All year long, factories make constant efforts to save water and use it more efficiently. For example, one of our warehouses now uses rainwater to clean the outside compound. We also provide training for our staff on good practices in order to use less water. In the production process, we aim to use water in a closed loop in the very near future.



● Water discharged

66% of our water input is eventually discharged.

Our factories are equipped with Waste Water Treatment Plants to ensure that the discharged water is fully treated before release. Our competent and trained employees work every day to release clean water, which meets the stipulated standards.



● Water monitoring

Today, around 15% of our water usage is not yet traceable due to the way water is used or other reasons such as use in toilets, washrooms or evaporation. One target of our next ESG report will be to trace this unmonitored water and to put in place measures to make most efficient use of it.

- Waste monitoring and control

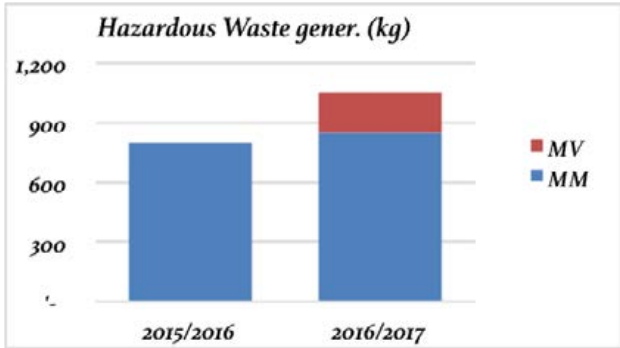
In the yearly period 2016/2017, DAP's manufacturing sites generated 3,368 tons of waste, the equivalent of 13% of the material input.

Our waste is split between 3,367 tons of normal generated waste (mostly containers and packaging, scrap and rejected products, sludge and metal) and 1.1 ton of hazardous waste.

Hazardous waste is the waste that can not be disposed of as it could potentially pollute the environment because of its ignitability, corrosivity, reactivity or toxicity. This includes oil, batteries, solvents, paint etc...

Hazardous waste is monitored, properly

stored and treated by authorized contractors, according to the regulations in force.



Waste is a critical element of factories' economic and environmental responsibility, therefore this waste is carefully controlled in order to be reduced, reused and/or recycled.

It contributes to the factories' productivity earnings whilst also contributing to the protection of the environment.

At the end of the waste processing chain, the final waste residue, which is in fact disposed of, is 326 tons, ie the equivalent to 1% of the material input.

In other words, we are able to give a second life to 91% of our waste.



Supply chain sustainability

We believe that, for a Fast-Moving Consumer Goods business like ours, the sustainability of the supply chain is key to the durability of the business model and to the company's ethics.

As an established centennial company, DAP benefits from a heritage of solid values. But, with an internationally renowned brand portfolio, DAP has also to check that its suppliers adhere in turn to its ethics and that they do not participate in unsuitable and/or illegal activities or ventures that could taint the reputation of the company and of its brands.

From 2017, all DAP suppliers should adhere to its "Code of Conduct" which can be downloaded from this link.

"code of Conduct"

As far as DAP's direct supply chain is concerned, our Ethic Committee identified three issues, sensitive to consumers, NGOs and public opinion: Sustainability of tuna supplies, mercury risk in tuna and palm oil sustainability. These three topics have been therefore been put top of the list of our priorities.

Sustainability of tuna supply

Even though DAP's tuna business represents less than 0.1% of the yearly world tuna catch, the company is committed to being a brand that stands for quality and acts with responsibility by taking a strong stand for sustainable fish sourcing, compliant fishing and manufacturing practices.

We do not have a direct relationship with tuna fishing vessels as we work with fish canning factories, which produce our recipes to our specifications, and under our quality control. Our area of influence is in the purchasing specifications we provide to the canned tuna manufacturers.

The use of stringent tuna purchasing specifications that require sustainable fish sourcing is our way of putting pressure on the tuna fishing industry to make progress not only on sustainable tuna fishing but also on fair and compliant labour practices. Manufacturers who have been selected to produce for DAP must accept our sustainability specifications.

Our sustainability specifications cover three main categories:

(1) The biomass

DAP only uses tuna species which are not endangered and from biomass that is healthy (not overfished).

Data on the biomass situation is assessed by Regional Fisheries Management Organizations (RFMO), international intergovernmental organizations dedicated to the sustainable management of fishery resources in international waters. We follow the Indian Ocean Tuna Commission (IOTC/iota.org) and the Western and Central Pacific Fisheries Commission (WCPFC/www.wcpfc.int) in particular. Most of their data is published by ISSF (International Seafood Sustainability Foundation [HTTP://ISS-FOUNDATION.ORG/](http://ISS-FOUNDATION.ORG/))

DAP therefore only sources two species of tuna:

- Skipjack tuna (KATSUWONUS PELAMIS)
Most of our canned tuna is produced using skipjack tuna. The skipjack tuna used by our brands is caught in the Pacific Ocean, in areas assessed by WCPFC as not overfished, but they could come from any other fishing area where skipjack tuna resources are healthy (not overfished) as assessed by RFMOs.

In the yearly period 2016/2017, 100% of the skipjack tuna was sourced in line with this sustainability specification.

- Yellowfin tuna (THUNNUS ALBACARES)
DAP uses yellowfin tuna for canned tuna in oil or in water. In some parts of the world, yellowfin tuna is overfished. Our requirement is that yellowfin tuna for our brands is fished from the Western Pacific, which is assessed as not overfished by the WCPFC.

In the yearly period 2016/2017, 62% of the skipjack tuna was sourced in line with this sustainability specification. 2017 has been a tough year in term of sourcing and we had a few months without any supply from the Western Pacific. We had to get 48% of Yellowfin from the Indian Ocean instead. We still have work to do to achieve our 100% target in the coming years.

DAP closely monitors information and reports from the RFMO and ISSF to keep updated on the status of skipjack and yellowfin tuna biomass.

(2) The code of conduct

As explained above, DAP works with suppliers, who share the same code of conduct for

their factories and who, in turn, make it mandatory for their own suppliers.

- Labour and social conditions comply fully with national laws and international treaties (preventing, amongst other issues, illegal labour and human rights abuses like slavery or child labour).
- No corruption.
- No tuna supply from illegal, unregulated, and unreported (IUU) fishing
- No tuna supply from fishing vessels not certified as Dolphin Friendly or those practising shark finning or fishing endangered species.

(3) The recommendations

We play our role in encouraging our suppliers to improve catching methods for skipjack and yellowfin tuna in order to limit bycatch (accidental catch of other species).

Most of our tuna is caught by purse seine fishing vessels and a small percentage from pole and line. We do not accept other methods of catching (like long lines) because of an excessive bycatch rate.

As of today, our suppliers are unable to distinguish between the percentage catch of purse seine on free school tuna versus purse seine on FADs as they are mixed in the fishing vessels. We are, however, in constant dialogue with our suppliers who are committed to collecting data and sharing technical information. This should allow us a better understanding of the situation within a short time frame in order to improve our purchasing specifications.

Tuna & mercury

Most tuna consumers worry about the possible presence of mercury in tuna. Big marine predators like shark, whale, swordfish and some big tuna species may contain traces of methyl mercury because mercury concentrations increase at the top of the food chain.

The most stringent regulations in the world accept a safe maximum level of detection of 0.40 ppm (parts per million) and the western market usually sets the limit at 1.00 ppm. While official websites are reassuring, many consumer websites often fail in providing the general public with clear advice.

As explained above, DAP sources only small sized fish from two species of tuna: skipjack and small Yellowfin. Because the selected tuna are relatively small, they are naturally unlikely to concentrate mercury like big sized predators.

Notwithstanding the tuna selection, DAP has, since 2016, adopted a radical measure to reassure consumers about its brands.

For the total peace of mind of its tuna consumers, DAP sends each and every batch of its tuna production for mercury analysis by an independent laboratory. So since July 2016, more than one thousand analyses are performed.

With 17 months' worth of analysis, we are able to divide them into three categories:

- 44.3% of analyses comes with a “not detected” result. The limit of detection is 0.04 ppm.

- 55.2% of analyses comes with a “not quantifiable” result, which means that the traces of mercury are so insignificant that the lab machine is unable to give a figure in part per millions. The limit of quantification is 0.13 ppm.

- 0.5% of analyses (5 production lots out of 1,066) comes with a detection ranging between 0.13 to 0.17 ppm, which remains extremely low and far from the most stringent regulations in the world.

With this constant production monitoring, DAP is one of the few companies able to guarantee for each production batch the absence of mercury risks in the tuna distributed under its branding.

The Pacific Ocean & radioactivity concerns

Since the Fukushima incident of March 11, 2011, we have occasionally received consumer enquiries in which concern is expressed about possible radioactivity contamination of fish caught in the Pacific Ocean. As a consequence, DAP management took the initiative to equip our canned fish factories with radioactivity detectors. Since then, we have continued to test batches of our canned fish production. Up to today, analyses have always been negative, confirming world-wide scientific experts' reassuring consensus on this matter.

Nevertheless, our investment in this equipment has not been wasted since we consider it, as per the question of mercury in tuna, to be our duty as manufacturer and marketer to produce the necessary evidence in order that our consumers can trust our brands and

safely consume our products with total peace of mind.

Sustainable palm oil

● DAP palm oil policy

DAP has, since 2011, implemented a policy of ‘responsible use’ of palm oil, by replacing it wherever technically possible, by an alternative vegetable oil with a healthier nutrient profile, like olive oil or soya bean oil.

Today, palm oil is present in a very limited number of DAP products and our volume of palm oil purchasing is as low as 100 MT per year for Ayam Brand™ and 700 tons for others brands.

Despite our extremely low use of palm oil, DAP has nevertheless established and adhered to two stringent standards:

(1) The palm oil used in any DAP products should be sustainable. Our factories are RSPO certified and they only source certified sustainable palm oil of West Malaysian origin.

(2) DAP product labels should be transparent and explicit.

When a DAP product contains palm oil, it has to be clearly stated on the ingredient list.

● South-East Asia Alliance for Sustainable Palm Oil

DAP is proud to be among the founding members of the South-East Asia Alliance for Sustainable Palm oil (SASPO), an initiative of WWF Singapore.

The vision of the Alliance is to make CSPO the norm to stop the haze as well as deforestation and animal habitat loss in the region. It aims to provide a platform for companies to come on a sustainable journey towards producing, trading and using certified sustainable palm oil.

DAP palm oil policy proves that it is possible for medium sized companies to develop and implement sustainable and responsible policies. Recent years' events have demonstrated that it is our duty to participate in all possible efforts to reduce and eventually eliminate haze from our lives.

Whatever their size, all companies should adopt this necessary environmental goal.

Thanks to its palm oil policy, implemented since 2011, DAP is 99.5% certified as sustainable for its palm oil ingredient and products, with the aim of achieving 100% by 2019.

In its 2017 **palm oil scorecard report** for Malaysia/Singapore local companies, WWF gave DAP the best score of 10 out of 12 with this comment:

“Leading the way
DENIS ASIA PACIFIC (AYAM BRAND)
SCORE: 10

WWF commends Denis Asia Pacific for showing strong leadership in regard to the procurement of sustainable palm oil within the Southeast Asia region. Denis Asia Pacific has demonstrated transparency and commitment to purchase 100 per cent CSPO, is an active member in RSPO, a founding member of SASPO and publicly discloses the total volume of palm oil volumes used for each of their brands.

While it has yet to achieve 100% physical CSPO, Denis Asia Pacific is leading the way for other Singapore-based companies to follow.”



Our Next Report

Our Next Report

We aim to publish our next ESG report in December 2019.

By then, we expect to have reduced our carbon footprint by 15%, installed 8,300 solar panels, certified two more buildings under BCA Green Mark, reached 100% use of sustainable palm oil, and certified our Malaysian logistics site and our Vietnamese manufacturing site under ISO 14001:2015.

In doing so, we will have increased our productivity, improved the image of the company and our brands and further ensured the durability of our business model.

The main transformation that we are ultimately seeking, however, is the mindset change of each and every member of our staff in order to generate a strong feeling of ownership, pride and commitment to the company's sustainability strategy.



ESG committee
Denis Asia Pacific Pte Ltd
Denis Group Building
21 Tagore Lane
Singapore 787479