

BESHOM

THE BEST STARTS FROM HOME

BESHOM HOLDINGS BERHAD

Registration No. 202101001114 (1401412-A)



Sustainability Statement 2024

What's Inside

02 ABOUT THIS REPORT

- 03 Reporting Basis and Scope
 - 03 Assurance
 - 03 Contact Us
-

04 GROUP MANAGING DIRECTOR'S MESSAGE

09 GOVERNANCE FOR SUSTAINABILITY

10 STAKEHOLDER ENGAGEMENT

15 MATERIAL SUSTAINABILITY MATTERS

KEY SUSTAINABILITY FOCUS AREAS

20 OUR ECONOMY

- 22 Economic Performance
 - 24 Supply Chain Management
-

26 OUR GOVERNANCE

- 28 Corporate Governance and Risk Management
 - 29 Ethics and Integrity
 - 34 Intellectual Property ("IP") and Data Integrity
-

37 OUR PEOPLE

- 39 MLM Entrepreneurship
 - 40 Employee Well-being and Inclusiveness
 - 45 Talent Management and Succession Planning
 - 49 Occupational Health and Safety
 - 52 Community Engagement
-

55 OUR PRODUCT

- 56 Reputable Brands, Products, and Services
 - 65 Customer Responsibility
-

67 OUR PLANET

- 69 Energy and GHG Emissions Management
 - 72 Green Product and Packaging
 - 73 Resource and Waste Management
-

75 ESG PERFORMANCE DATA TABLE

80 GRI CONTENT INDEX



Scan this QR code for the soft copy version of our sustainability report.

ABOUT THIS REPORT

Beshom Holdings Berhad (“BESHOM”) presents this Sustainability Statement (this “Report”) for the financial year ended 30 April 2024 (“FY2024”). This Report, published alongside BESHOM’s Annual Report FY2024, reports the sustainability performance and progress of BESHOM and its subsidiaries (the “Group”).

This Report has been prepared in accordance with the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and includes the common sustainability matters and indicators required in the latest updates to the MMLR.

We have also considered the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits and relevant international sustainability reporting framework and requirements in the preparation of this Report.

This Report has been prepared in accordance with the GRI Standards.

This Report has been approved by the Board of Directors (the “Board”) of BESHOM.








ABOUT THIS REPORT

(CONTINUED)

REPORTING BASIS AND SCOPE

This Report covers BESHOM Group’s primary revenue-generating business segments in Malaysia, including Multi-Level Marketing (“MLM”), Wholesale, Retail, and Manufacturing, property management, and the Group’s operations at its corporate office in Klang, Selangor. Nearly all of the Group’s revenue is generated from these activities, while contributions from business ventures in Brunei and Indonesia are minimal. Additionally, unless stated otherwise, this Report excludes other business activities such as credit & leasing and insurance, due to their insignificant financial, environmental, and social impacts.

 Corporate Office	BESHOM’s headquarters is in Wisma Hai-O, Klang, Selangor Darul Ehsan.
 MLM Segment	The MLM segment is operated by Sahajidah Hai-O Marketing Sdn. Bhd. (“SHOM”) with a presence in Malaysia, Indonesia, and Brunei. Customers of the MLM segment are largely based in Malaysia, while markets in Indonesia and Brunei represent a minor portion of MLM’s customer base. SHOM works with MLM distributors who represent our products and we have 29 MLM branches, stockists, and sales points across East and West Malaysia.
 Wholesale Segment	The Wholesale segment is operated by Hai-O Enterprise Bhd., Hai-O Medicine Sdn. Bhd., Kinds Resource Sdn. Bhd., Grand Brands (M) Sdn. Bhd. and Chop Aik Seng Sdn. Bhd. Customers of the Wholesale segment is mostly based in Malaysia.
 Retail Segment	The Retail segment is operated by Hai-O Raya Bhd., with 54 outlets including franchises across East and West Malaysia and an online retail store. With a local and online presence, the Retail segment is able to serve both Malaysian and overseas customers.
 Manufacturing Segment	The Manufacturing segment is operated by SG Global Biotech Sdn. Bhd., QIS Research Laboratory Sdn. Bhd., Yan Ou Holdings (M) Sdn. Bhd. and Yan Ou Marketing (Intl) Sdn. Bhd. Customers of the Manufacturing segment are mostly based in Malaysia.

The data and information disclosed in this Report cover the financial period up to 30 April 2024, unless otherwise stated.

ASSURANCE

The FY2024 energy and emissions data disclosed in this Report has been audited by the Group’s internal auditor. The internal auditor did not note any material inaccuracies in the FY2024 energy and emissions data disclosed in this Report.

In addition, key data disclosed in this Report has also been validated internally by the Management.

This Report has not been subjected to external assurance.

CONTACT US

For more information on BESHOM’s policies and management processes, please visit our corporate website at www.beshom.com. If you have any questions about this Report, please contact us at ir@beshom.com.



GROUP MANAGING DIRECTOR'S MESSAGE



“

As BESHOM continues to foster business continuity and growth in a challenging global and domestic climate, the Group remains steadfast in its efforts to integrate sustainability into its operations and strategies. At BESHOM, we aim to manage our business sustainably, emphasising the various capitals that contribute to our success.

”

4











At BESHOM, alongside generating shareholder value through company growth and financial returns, we prioritise upholding our values in protecting the environment and supporting people. During the financial year under review, we continued to make progress in our sustainability efforts, achieving most of our previously set sustainability key performance indicators (“KPIs”). In addition, we have also continued to review and improve our internal procedures, strategies, and targets, as guided by our Sustainability Policy.

The Board is pleased to report that the Group has achieved 12 out of 16 KPIs for FY2024, that were established to measure the Group’s performance across the aspects of Socioeconomic, Governance, and Environmental.

GROUP MANAGING DIRECTOR’S MESSAGE








(CONTINUED)

The Group’s performance against the FY2024 sustainability KPIs, along with the updated sustainability KPIs set for FY2025 are summarised as follows:

Sustainability category	FY2024 Target	Relevant SDGs	FY2024 Performance	FY2025 Target
Socioeconomic	at least 15% of sales amount made via e-commerce platform (MLM & Retail segments)	n/a	13%	at least 15% of the sales from MLM and Retail Segment made via e-commerce platform
	facilitate at least 2 cross-over projects with business alliances to cater for market needs and synergy reach	n/a	7 cross-over projects/ events	facilitate at least 5 cross-over projects with business alliances to cater for market needs and synergy reach
	zero incidents of product recall		Zero incidents of product recall recorded	zero incidents of product recall
	at least 75% of employees meet the minimum training hours required		97% of employees met the minimum training hours required	at least 75% of employees meet the minimum training hours required
	maintaining a Gender Wage Parity Index of 1:0.91 among employees		1:0.94 achieved	maintaining a Gender Wage Parity Index of 1:0.91 among employees
	achieving zero cases of work-related injuries		2 cases of work-related injuries during teambuilding activity	achieving zero cases of work-related injuries
	sponsorship, fund-raising, or similar programmes that benefit more than 4,000 students and teachers for the 6 identified schools that require funding to upgrade facilities	 	Achieved 4,032 which consists of 3,798 students and 234 teachers for sponsorship and fund-raising programmes	sponsorship, fund-raising, or similar programmes that benefit more than 6,000 students and teachers
	resolving 100% of product complaints received	n/a	100% resolved	resolving 100% of product complaints received
Governance	achieving 100% training completion rate for management-level employees on mandatory topics		100% completion	achieving 100% training completion rate for management-level employees on mandatory topics
	all employees taking the anti-bribery post-training assessment to pass at least 70% of the assessment		91% of employees who were required to take the anti-bribery assessment during the year have passed the assessment	-
	zero substantiated complaints on breaches of customer privacy		Zero substantiated complaints recorded	zero complaints on breaches of customer privacy
	zero food safety incidents		Zero food incidents recorded	zero food safety incidents

GROUP MANAGING DIRECTOR'S MESSAGE

(CONTINUED)

Sustainability category	FY2024 Target	Relevant SDGs	FY2024 Performance	FY2025 Target
Environment	savings of 20,000 reams of A4 paper (1 ream = 500 pieces of 80gsm paper)	 	19,845 reams saved	-
	at least half of rebranded products or new products during the year incorporate elements of environmentally friendly packaging		4 out of 7 rebranded or new products use grey pack packing and fully convert the inner trays for 2 products into pulp or paper-based trays	at least half of rebranded products or new products during the year incorporate elements of environmentally friendly packaging
	Solar energy project to provide up to 800,000 kWh of renewable energy	 	852,500 kWh of renewable energy generated	at least 15% of total energy usage (kWh) of the Group is from the renewable energy generated from the 3 properties with solar panel systems
	to use LED lighting systems for all new outlets	 	LED installed on a newly refurbished outlet	to use LED lighting systems for all new outlets or newly refurbished outlet

Similar to last year, through our sustainability initiatives, we contribute to 8 out of the 17 Sustainable Development Goals ("SDGs") towards the 2030 Agenda for Sustainable Development adopted at the United Nations Sustainable Development Summit.

6

Recognising the recent changes to the MMLR, we are taking necessary steps to enhance our internal processes, including data collection processes, to support the MMLR's disclosure requirements. Aware of the urgency to address climate-related impacts on our businesses, we are making additional efforts to measure and understand our exposure to climate-related risks and opportunities. During the financial year under review, the Group organised meetings/ training sessions for internal management personnel to discuss the Taskforce on Climate-related Financial Disclosures ("TCFD") and to identify potential climate-related risks and opportunities for the Group. These initiatives enable internal management personnel to better understand climate-related risks and opportunities and implement appropriate actions to address them. We will continue to integrate sustainability into the Group's operations to generate sustainable value for stakeholders.

GROUP MANAGING DIRECTOR’S MESSAGE

(CONTINUED)

SUSTAINABILITY AS THE HEART OF OUR HOME



MISSION

We are committed to promoting healthcare culture and improving human’s well-being.



VISION

We aim to become the premier healthcare company in Malaysia, thereby bringing the greatest value and pride to our customers, business partners, employees and shareholders.

By embracing business opportunities and managing risks, cherishing our people and executing our social and environmental responsibilities to deliver sustainable stakeholder value, we strive to build a strong and resilient business.



We are committed to delivering our CORPORATE VALUES



Social Responsibility



Excellent Services



Attitude



Growing



Unity



Loyalty



Learning

These values are also encompassed in our Sustainability Policy which sets out the Group’s focus in managing our businesses sustainably and responsibly. Our operations and processes are developed incorporating practices from compliance standards to better international practices relating to environmental, social, and governance aspects.

For Our People
以人为本

Making wellness and healthcare products more accessible has and will always be our goal. 我们为每个人提供便捷可信的健康保健产品, 这个承诺永不改变。

For Our Livelihood
安居乐业

A platform to enhance the quality of life by giving support and opportunities. 我们精心设计一应俱全的平台, 为您提供支援, 替您创造机会, 让每一个人享受安居乐业的成果。

For Our Future
高瞻远瞩

Improve the well-being of humankind through innovative healthcare and technology. 通过崭新的医疗保健科技, 改善人类健康, 勇于创新, 未来可期。

For Our Legacy
继往开来

Building a world based on trust, values, integrity and sustainability for the future generations. 建立一个融合信任, 价值、诚信和永续发展概念的企业, 继往开来, 承先启后、延续美好。

BESHOM aims to become the premier healthcare company in Malaysia, bringing value and pride to our stakeholders by promoting healthcare culture and human well-being through our various business segments.




















We provide Malaysia’s multicultural communities access to a variety of healthcare-related consumer products while creating career and economic opportunities and supporting talent development within the healthcare industry.

Our products and services primarily focus on healthcare-related, including supplements, nutritional foods and beverages, personal care, household, skincare, beauty and cosmetics, herbs and tea, and traditional complementary medicines (“TCM”). Apart from that, we also produce health foods and food supplements through our manufacturing and processing plants which have the relevant certifications.

GROUP MANAGING DIRECTOR'S MESSAGE

(CONTINUED)

BESHOM's Board has set out a Sustainability Policy that serves as a guidance for the Group in managing and addressing sustainability issues.

BESHOM's Sustainability Policy				
				
Economy	Governance	People	Product	Planet
<p>We shall create business and employment opportunities, recruit local talent, embed sustainability in our procurement practices and throughout our value chain, provide a skill development and business collaboration platform for distributors, and instil the "Hai-O My Choice for Life" team spirit.</p>	<p>We shall prioritise compliance throughout our value chain, adhere to laws, regulations and internal conduct and policies, manage material sustainability matters, and embed integrity and transparency into our corporate culture.</p>	<p>For our employees, we shall ensure a safe and conducive workplace, provide fair remuneration, foster talent development and performance management system, provide regular training and development programmes, encourage employees' involvement in Kelab Muhibbah Hai-O and provide recognition for high-performing and loyal employees, teams, and franchisees.</p> <p>For the community, we shall strive to bring a positive impact, encourage quality education, support vulnerable communities, and continuously spread health awareness and community harmony.</p>	<p>We shall promote products that improve community well-being, provide high-quality and safe products and services, apply, and maintain standards and certifications, improve customers'/distributors' satisfaction, and establish sustainable and transparent lines of communication between BESHOM and our customers</p>	<p>We shall educate the practice of 4R (Reduce, Reuse, Recycle, Replace), reduce and replace less environmentally friendly materials in product packaging, promote green initiatives, and introduce products that contain eco-friendly ingredients that are less harmful to the environment as well as human health.</p> <p>We also acknowledge our roles in the global, joint efforts towards combating climate change and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels. We shall take necessary efforts to account for and report our greenhouse gas ("GHG") emissions and to formulate appropriate strategies to mitigate our GHG impacts.</p>
SDGs reference				
 		    	  	  

GOVERNANCE FOR SUSTAINABILITY

The management of the Group’s sustainability and sustainability matters is integrated into the corporate governance structure through formalised roles and responsibilities at each key governance level.

Board of Directors (“Board”)	<ul style="list-style-type: none"> Endorses the Group’s sustainability strategy and commitment statement Approves the Sustainability Report and its contents 	<p>The Board provides stewardship to the Group and ensures overall business strategy considers long-term sustainability for the stakeholders as well as for the business. The Board approves and oversees the implementation of the Group’s Sustainability Strategy, Sustainability Policy, and achievement of targets while ensuring their ongoing relevance in the ever-changing business environment.</p> <p>The Board also provides oversight in relation to the Group’s overall stakeholder management and management of material sustainability matters (“MSMs”) and key sustainability risks.</p>
Sustainability Steering Committee (“SSC”)	<ul style="list-style-type: none"> Proposes the sustainability strategy to the Board Reviews the MSMs identified and prioritised by the SMC Engages the departments involved in the SMC and oversees the progress of sustainability initiatives and projects that are in place across different departments 	<p>The SSC is chaired by the Group Managing Director. Its members include the Group Executive Director cum Group Chief Financial Officer and the Chairman of the Company to bring objective views to the SSC.</p> <p>The SSC develops group-wide Sustainability Strategies, goals, targets, and performance indicators and recommends them for the Board’s approval. The SSC also reviews the Group’s overall stakeholder management process and management of MSMs.</p>
Sustainability Management Committee (“SMC”)	<ul style="list-style-type: none"> Undertakes sustainability initiatives aligned with the Group’s sustainability strategy Records and manages data that reflect the Group’s year-on-year performance against economic, environmental, and social parameters Identifies and prioritises the MSMs that are relevant to the Group and the stakeholders 	<p>The SMC is a Management-level committee comprising senior management members and key management personnel. It plays a significant role in the successful execution of the Sustainability Strategy towards meeting the sustainability goals and priorities approved by the Board. In this regard, individual members of the SMC are responsible for undertaking relevant initiatives at the respective departments or functions to drive sustainability performance towards the goals and priorities, according to the Group’s operational and accountability structure.</p> <p>The SMC is also responsible for overseeing stakeholder management and conducting materiality assessments, which are subsequently reported to the SSC and the Board. The SMC identifies if there are any significant changes to the Group’s MSMs, including emerging risks, as well as any significant stakeholder issues.</p>
Sustainability Task Force (“STF”) and Employees	<ul style="list-style-type: none"> Executes sustainability initiatives and collects sustainability data Executes internal controls to manage sustainability matters 	<p>The STF comprises Management personnel that leads employees to execute sustainability initiatives based on approved sustainability strategies, collect relevant data to measure sustainability performance and undertake internal controls to manage MSMs and relevant risks and opportunities.</p>

During the financial year under review, the Board carried out the following in relation to the Group’s management of sustainability matters include the following:

- reviewed and approved the Group’s materiality assessment review performed by the SMC;
- reviewed matters highlighted by the SSC in relation to the Group’s stakeholder engagement activities;
- reviewed the Group’s corporate governance processes to enhance alignment with sustainability-related accountability and performance evaluation;
- reviewed the sustainability strategy, targets, and Sustainability Policy¹ with reference to the Group’s Mission and Vision and relevant business strategies;
- reviewed the performance of the Group’s MSMs and their inclusion in BESHOM’s Sustainability Statement FY2024;
- reviewed the performance evaluation and remuneration of Senior Management in addressing the Group’s sustainability performance;
- reviewed and approved the sustainability KPIs for FY2025 proposed by SSC; and
- oversaw the Group’s initiatives to address climate change.

The Board and SSC have also begun to consider enhancements required in the Group’s governance and processes to address the Group’s climate-related impacts in the short- and long-term. Appropriate risk assessment, strategies, and targets will also be considered.

¹ There were no changes to the sustainability strategy and Sustainability Policy arising from the review.

STAKEHOLDER ENGAGEMENT

BESHOM's value is closely connected to the long-term sustainable value creation and preservation of its stakeholders and we aim to balance the Group's interests, obligations, and corporate responsibilities with the overall interests of our stakeholders.

The Group assesses its various stakeholders to understand their diverse interests and needs as well as their relationship with the Group. Accordingly, we also have channels to maintain effective engagement and communication with our stakeholders. We embrace open and honest communication and aim to achieve adequate mutual understanding and optimum interest alignment with our stakeholders.



The heads of respective business units and departments are responsible for ensuring effective stakeholder engagement by overseeing the stakeholder communication process, considering the Group's sustainability strategies and addressing relevant issues or concerns raised by stakeholders. Key outcomes of stakeholder engagement, including important stakeholder feedback, are reported to the Board through the SMC and SSC.

STAKEHOLDER ENGAGEMENT

(CONTINUED)

The Group's stakeholder engagements during the financial year under review, including engagement approaches, are summarised as follows.

FOCUS AREAS	KEY ENGAGEMENT APPROACHES AND/OR CHANNELS	FREQUENCY OF ENGAGEMENT	KEY HIGHLIGHT OF ENGAGEMENT ACTIVITIES CONDUCTED DURING FY2024
Employees			
The individuals that enable us to serve our customers.			
<ul style="list-style-type: none"> • Career development and advancement • Work-life balance • Employee health and safety • Employee benefits 	Performance appraisal	Annually	<ul style="list-style-type: none"> • Annual performance appraisal • Anniversary and festival gathering events • Code of Ethics & Business Conduct and Whistle-Blowing Policy updates • Kelab Muhibbah Hai-O activities • Articles/info graphic sharing, to raise awareness and promote a culture of sustainability. • Earth Day Extravaganza: Unite for Nature & Cleanliness at Taman Rakyat, Klang • 2D1N Teambuilding @ Beacon Resort for retail outlets staff • Training needs survey for MLM employees
	Employee Handbook, Code of Ethics & Business Conduct	Available at all-times	
	Internship and training and development programmes	Regularly	
	Festive events or celebrations	At least once annually	
	Health screening and check-ups	Regularly	
	BESHOM Human Resource Online	Available at all times	
	Employee Engagement survey	Once every three years	
	Kelab Muhibbah Hai-O	Regularly	
	Staff purchase/ product giveaway	Regularly	
Customers			
The people that use our products and services.			
<ul style="list-style-type: none"> • Food safety • Product quality and branding • Customer-company relationship • Customer service and complaints • Pricing and promotion 	Customer satisfaction survey	Annually	<ul style="list-style-type: none"> • Customer satisfaction survey, Member Privilege Sales survey, Survey on newly refurbished outlet at One Utama • Hai-O Chain Store Friendship Member Programme • Social media: Facebook, WeChat, Instagram, YouTube, Telegram, "Xiao Hong Shu" • Website and E-commerce • Bulletin Futuristik, Hai-O Info, SHOM e-Catalogue • Product Roadshows • Zoominar SHOM • Product branding (Suria FM on Min Kaffe On-the-Go Tasting Tour) • Products Branding – Regional Appreciation Dinner • Health talk - (Breast cancer and eye care) and free clinical examination / free eye examination • Free membership program and new member PWP deals • Carnivals and exhibitions • Digital Contests • FB live (Gaya On Raya On)
	Conventional advertising media	Regularly	
	Social media platforms	Available at all times	
	Corporate website	Available at all times	
	Customer Relations Management	Ongoing	
	Hai-O Chain Store Friendship Member Programme	Ongoing	
	Product labelling and information	Ongoing	
	Product standards and certifications	Ongoing	
	Feedback and enquiry forms – online and in-store	Available at all times	
	WhatsApp line and email	Available at all times during business hours	

STAKEHOLDER ENGAGEMENT

(CONTINUED)

FOCUS AREAS	KEY ENGAGEMENT APPROACHES AND/OR CHANNELS	FREQUENCY OF ENGAGEMENT	KEY HIGHLIGHT OF ENGAGEMENT ACTIVITIES CONDUCTED DURING FY2024
Distributors			
The individuals that bring our products to product users.			
<ul style="list-style-type: none"> Enhancement of distribution platform Market demand for Hai-O products Product quality and pricing Product development and innovation MLM entrepreneurship 	Marketing strategy and plans	At least once annually	<ul style="list-style-type: none"> Distributors Survey Anniversary and recognition events CDM Conference 2024 Campaigns: Overseas incentive trip, Duit Raya, Million Dollar Achiever Board Award etc Product workshops Product Zoominars Promotions and e-vouchers PWP mall Factory tour Meetings and briefings (Physical and online)
	E-bulletin	Quarterly	
	E-sales kit and e-registration	Monthly	
	Distributor survey	Annually	
	Events and conferences	Regularly	
	Member's portal	Regularly	
	Training and workshops	Regularly	
Vendors and Suppliers			
The business partners that enable us to source, make and distribute our products.			
<ul style="list-style-type: none"> Food safety Product quality and branding Customer-company relationship Customer service and complaints resolution Pricing and promotion 	Meetings	Regularly	<ul style="list-style-type: none"> Code of Business Ethics for Suppliers and Business Associates Supplier declaration on <ul style="list-style-type: none"> Beshom Group Anti-Bribery Policy Integrity Background Declaration Group Privacy Notice and PDPA Declaration Supplier Engagement Survey on Sustainability Supplier site audit Promotion support E-Invoicing
	Factory visits	Regularly	
	Audits	Regularly	
	Vendor evaluation	Periodically	
Certification and Regulatory Bodies			
The regulators who monitor our business practices.			
<ul style="list-style-type: none"> Regulatory compliance Approval and permits Standards and certification 	Meetings and consultations	Regularly	<ul style="list-style-type: none"> ISO, HACCP, SAMM, GMP and US FDA certifications BKKM, NOT, MAL HALAL certificate Licenses: Wholesale, Retail, PDA, Direct Sales, Business, Manufacturing, Import and other related business activity licenses
	Training programmes and dialogues	Regularly	
	Factory visits and monitoring	Regularly	
	Legal and regulatory updates	Regularly/ as applicable	
	Audits	Regularly	

STAKEHOLDER ENGAGEMENT

(CONTINUED)

FOCUS AREAS	KEY ENGAGEMENT APPROACHES AND/OR CHANNELS	FREQUENCY OF ENGAGEMENT	KEY HIGHLIGHT OF ENGAGEMENT ACTIVITIES CONDUCTED DURING FY2024
Local Communities			
The individuals in the nearby community who are in need or are impacted by our operations.			
<ul style="list-style-type: none"> Quality of health and education Indirect economic impact Environmental impact of operations Community well-being 	Community engagement and outreach	Regularly	<ul style="list-style-type: none"> Hai-O Higher Educational Aid Hai-O Excellent Academic Awards Hai-O Arts and Culture Grants Health talks Supporting or visiting orphanage homes Ai Hua Jiao Fund Raising Campaign Kelab Muhibbah Hai-O Blood Donation Drive @ Klang Parade Donation to Tabung Kemanusiaan Palestin through Media Prima to support humanitarian efforts Earth Day Extravaganza: Unite For Nature & Cleanliness Recycle and Be Rewarded Program via outlets (Plastic bottle - supplement) Health Check activities in collaboration with UOB Puchong & UOB HQ Video sharing: <ul style="list-style-type: none"> TCM Knowledge sharing via FB on Cordyceps, by TCM Practitioner Ten Hand Exercises demo
	Donation and sponsorshipsSocial and cultural activities	Regularly	
	Social and cultural activities	Regularly	
	Hai-O Foundation	Regularly	
	Kelab Muhibbah Hai-O	Regularly	
Shareholders and Investors			
The investors and lenders who invest in our business.			
<ul style="list-style-type: none"> Financial performance Regulatory compliance Corporate governance Ethical business conduct Investment and divestment Internal control and risk management Board composition 	General meetings	At least once annually	<ul style="list-style-type: none"> 2023 AGM 2023 Annual Report and quarterly announcement 2023 Sustainability Statement 2023 Corporate Governance Report Other Bursa announcements Research coverage by licensed research houses Investor/analyst briefings
	Analyst briefings and reports	Regularly	
	Annual report, which includes financial report, corporate governance report, etc.	Annually	
	Financial announcements and reporting	At least once every quarter	
	Corporate website	Available at all times	

STAKEHOLDER ENGAGEMENT

(CONTINUED)

FOCUS AREAS	KEY ENGAGEMENT APPROACHES AND/OR CHANNELS	FREQUENCY OF ENGAGEMENT	KEY HIGHLIGHT OF ENGAGEMENT ACTIVITIES CONDUCTED DURING FY2024
Media			
The media and other opinion formers.			
<ul style="list-style-type: none"> • Reputation and image • Financial performance • Business updates and corporate news • Public relations 	Press releases	Regularly	<ul style="list-style-type: none"> • Collaboration with media on CSR activities • Media invitation to BESHOM's Group Anniversary function • Media interview on corporate and business updates • Media invitation to the Group business events / functions including re-opening of the newly refurbished outlet at One Utama and CNY 2024 campaign launching
	Social media platform	Regularly	
	Conference and interviews	Regularly	
	Advertisements	Regularly	
	Events and functions	Regularly	

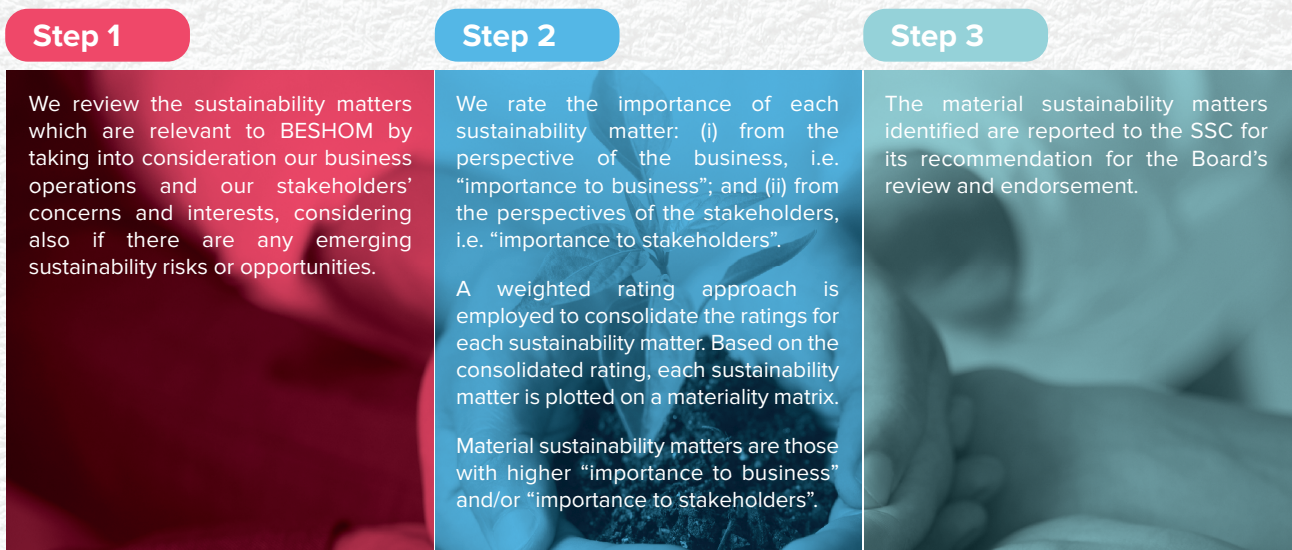
MATERIAL SUSTAINABILITY MATTERS

The sustainability matters of BESHOM Group include both financial and non-financial aspects including environmental, social, and governance (“ESG”) matters. We identify the Material Sustainability Matters (“MSMs”) of the Group by considering if they reflect our significant economic, environmental, and social impacts or if they substantively affect the assessment or decisions of stakeholders. We also considered the common sustainability topics prescribed in the MMLR.

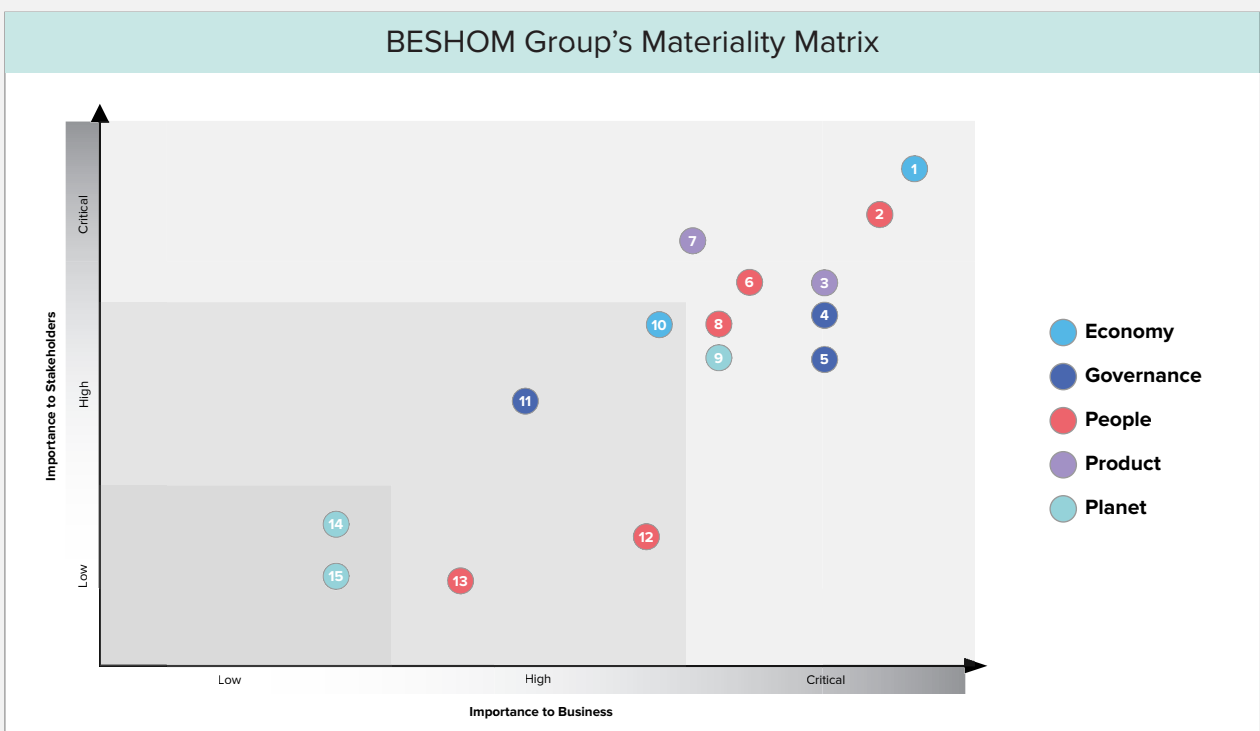
BESHOM’s Materiality Assessment

To assess and prioritise the Group’s MSMs, a materiality assessment is conducted annually by the SMC by taking into account the concerns and feedback of stakeholders arising from the Group’s continuous engagements with stakeholders, in addition to the perspectives of the Group’s personnel from a business point of view.

Our approach to review the Group’s material sustainability matters involves three steps:




We conducted a review of the Group’s MSMs during FY2024 and concluded that the MSMs and their materiality remained unchanged. The Group’s latest materiality matrix is presented as follows.



MATERIAL SUSTAINABILITY MATTERS






(CONTINUED)

The next section of this Report discusses our 15 MSMs, with reference to BESHOM's key sustainability focus areas, relevant stakeholders, GRI disclosures, and relevant SDGs.

Key Sustainability Focus Areas	Material Sustainability Matters	Materiality Ranking	Description
 Economy	Economic Performance	1	Good economic growth will enable BESHOM to have adequate capital to maintain its licence to operate, comply with new regulations and standards as well as prepare for potential risks and changes in the future.
	Supply Chain Management	10	We aim to build long-term, mutually beneficial relationships with all third parties along our value chain. A good supply chain management supports operational efficiency, cost optimisation, risk management, and also strengthens our commercial positioning.
 Governance	Corporate Governance and Risk Management	5	BESHOM focuses on establishing a sound governance structure to maintain a fair and orderly market, a high level of investor confidence and to manage risks.
	Ethics and Integrity	4	Ethics, bribery, and corruption risk has been identified as one of the principal risks that could threaten our strategy, performance, and reputation. Building trust can only be achieved through an ethical approach and we place significant emphasis on adopting the right behaviours.
	Intellectual Property (IP) and Data Integrity	11	Data integrity and intellectual property, including data privacy and cybersecurity, are increasingly important to maintain the relevance of the Group's businesses and safeguard the interests of stakeholders.
 People	MLM Entrepreneurship	2	We continuously invest in our Multi-Level Marketing business, which is one of our main economic contributors, to create job opportunities and a platform for entrepreneurship excellence.
	Employee Well-being and Inclusiveness	6	We nurture employees by providing fair remuneration and comprehensive benefits packages to assure job security for employees who are vital to BESHOM. We also embrace diversity and inclusiveness and do not discriminate in our employment practices.
	Talent Management and Succession Planning	8	<p>BESHOM's employment focuses on attracting and retaining the right talents to support the Group's long-term human capital sustainability. We make persistent efforts to equip employees with the right skills to keep them abreast of the latest knowledge and techniques, and training programmes are aimed at enhancing the skills, capabilities, and knowledge required for decision-making and creative thinking.</p> <p>It is paramount that we develop successors and identify next-in-lines to ensure a smooth transition in our operational structure. We oversee and follow up on the competency development of employees from their first day at work to help them in their career development.</p>




MATERIAL SUSTAINABILITY MATTERS

(CONTINUED)

Relevant Stakeholder Groups	Relevant GRI Disclosures	Relevant SDGs
<ul style="list-style-type: none"> Shareholders and Investors Employees Local Communities 	<ul style="list-style-type: none"> Economic Performance Market Presence Indirect Economic Impacts Procurement Practices 	
<ul style="list-style-type: none"> Vendors and Suppliers 	<ul style="list-style-type: none"> Child Labour Forced or Compulsory Labour 	 
<ul style="list-style-type: none"> Certification, Standards, and Regulatory Bodies Employees 	Non-GRI Disclosure	
<ul style="list-style-type: none"> Certification, Standards, and Regulatory Bodies Shareholders and Investors Employees Vendors and Suppliers Distributors 	<ul style="list-style-type: none"> Anti-corruption Non-discrimination Freedom of Association and Collective Bargaining Child Labour Forced or Compulsory Labour Public Policy 	
<ul style="list-style-type: none"> Customers Distributors Vendors & Suppliers Certification, Standards, and Regulatory Bodies 	<ul style="list-style-type: none"> Customer Privacy 	
<ul style="list-style-type: none"> Distributors 	Non-GRI Disclosure	 
<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Market Presence Employment Occupational Health and Safety Diversity and Equal Opportunity 	 
<ul style="list-style-type: none"> Employees Shareholders and Investors 	<ul style="list-style-type: none"> Training and Education 	  

MATERIAL SUSTAINABILITY MATTERS

(CONTINUED)

Key Sustainability Focus Areas	Material Sustainability Matters	Materiality Ranking	Description
 People	Occupational Health and Safety	12	We operate in accordance with the principles of occupational health and workplace safety to ensure a suitable and sustainable workplace environment.
	Community Engagement	13	BESHOM focuses on supporting and promoting the development of communities as a way to demonstrate social responsibility and create engagement with the community and wider society to achieve sustainable advancement.
 Product	Reputable Brands, Products, and Services	3	<p>BESHOM takes pride in its good branding and marketing strategies. We strengthen our corporate brand image by focusing on creative ideas that will build brand awareness while meeting customers' needs. We strive to contribute to a healthier community with innovative and safe products which our customers can trust and rely on. We listen to the individuals who use our products to better understand how they interact with our products and to identify how we can improve our products and services.</p> <p>Our commitment to "promoting healthcare culture and improving human's well-being" entails the provision of safe and quality products. Our healthcare products that improve consumers' well-being are safe and of the highest quality and comply with the statutory requirements and relevant standards. Our products are certified and are regularly audited by external experts, regulatory authorities, and external consultants. Furthermore, we consistently stay proactive to ensure that our manufacturing processes are undertaken in a safe and efficient manner.</p>
	Customer Responsibility	7	BESHOM aims to produce our products with sustainable raw ingredients and environmental packaging to reduce the negative impact towards our customers and the planet. We also ensure our products are advertising and marketing responsibility as the health and safety of our consumers is our main focus.
 Planet	Green Product and Packaging	14	BESHOM works towards offering green products by avoiding harmful materials, sourcing raw materials with lower environmental impact and utilising sustainable packaging materials.
	Energy and GHG Emissions Management	9	BESHOM strives to use resources and energy in an efficient and environmentally friendly manner to help alleviate global climate change. We strive to manage GHG emissions through emission reduction initiatives and pursuing emission-efficient operations.
	Resource and Waste Management	15	We aim to reduce waste across the Group while also stepping up efforts to reuse and recycle.

MATERIAL SUSTAINABILITY MATTERS

(CONTINUED)

Relevant Stakeholder Groups	Relevant GRI Disclosures	Relevant SDGs
<ul style="list-style-type: none"> Employees Certification, Standards, and Regulatory Bodies 	<ul style="list-style-type: none"> Occupational Health and Safety 	
<ul style="list-style-type: none"> Local Communities 	<ul style="list-style-type: none"> Indirect Economic Impacts 	 
<ul style="list-style-type: none"> Shareholders and Investors Media Customers Distributors Certification, Standards, and Regulatory Bodies 	<ul style="list-style-type: none"> Customer Health and Safety 	  
<ul style="list-style-type: none"> Customers Certification, Standards, and Regulatory Bodies Distributors 	<ul style="list-style-type: none"> Marketing and Labelling 	
<ul style="list-style-type: none"> Certification, Standards, and Regulatory Bodies Customers 	<p>Non-GRI Disclosure</p>	
<ul style="list-style-type: none"> Certification, Standards, and Regulatory Bodies Employees 	<ul style="list-style-type: none"> Energy Emissions 	  
<ul style="list-style-type: none"> Certification, Standards, and Regulatory Bodies Employees Vendors and Suppliers 	<ul style="list-style-type: none"> Water and Effluents Waste 	



KEY SUSTAINABILITY FOCUS AREA

Our Economy



OUR ECONOMY
(CONTINUED)



Our Economy

To contribute to the sustainable growth of the local economy and to create business opportunities for entrepreneurs

Relevant Material Sustainability Matters	Key Highlights in FY2024	Relevant GRI Topics
<p>Economic Performance</p> <p>Supply Chain Management</p>	<p>Profit Before Tax RM14.5 million</p>	GRI 201: Economic Performance 2016
	<p>Total Revenue RM151.1 million</p>	GRI 202: Market Presence 2016
	<p>Total Assets RM349.7 million</p>	GRI 203: Indirect Economic Impacts 2016
	<p>51% local trade procurement</p>	GRI 204: Procurement Practices 2016
	<p>Ratio of average entry-level non-executive wage to legal minimum wage 1.3 : 1 (East Malaysia) 1.4 : 1 (West Malaysia)</p>	GRI 408: Child Labor 2016
	<p>Internship Programme for 8 students</p>	GRI 409: Forced or Compulsory Labor 2016
	<p>Gender Wage Parity Index of 1 : 0.94 (male-to-female)</p>	
	<p>Supplier/Business Associates environmental and social impact assessment</p>	

Contributions to SDGs



OUR ECONOMY

(CONTINUED)

Economic Performance

The following table summarises the Group's economic value generated and distributed, as well as some other key financial indicators, for FY2024.

	FY2022 (RM'000)	FY2023 (RM'000)	FY2024 (RM'000)
Economic value generated and distributed			
Economic value generated			
Total Revenue	209,555	174,229	151,132
Economic value distributed			
Total Tax paid to the Government	14,360	10,166	4,887
Total shareholders' return in dividends	24,008	15,005	9,001
Interest paid to banks	-	-	-
Employee wages and benefits	28,461	30,658	29,940
Contribution to community	632	815	711
Commissions and other incentives for distributors and customers	38,620	23,769	17,795
Other key financial indicators			
Profit Before Tax	40,300	24,264	14,483
Total assets	370,139	353,182	349,660
Market Capitalisation	483,166	354,122	273,094

22

For details on the Group's financial performance and position, please refer to the **Management Discussion and Analysis** by Group Managing Director and the Group's **Audited Financial Statements** and their relevant notes in our Annual Report FY2024.

² Consisting of the Group Managing Director, the Group Executive Director cum Chief Financial Officer, and General Managers of the respective subsidiaries.

OUR ECONOMY
(CONTINUED)

Supporting the Local Economy and Creating Work Opportunities

The Group generates a variety of direct and indirect employment and income opportunities via its business operations and value chain.

As at 30 April 2024, BESHOM employs 472 individuals and has a network of 42,700 distributors in its MLM business. Over 99% of our workforce and our entire Senior Management team² are Malaysians. In addition, we have 36 workers who are not our employees but are employed by our service provider who work on our premises.

We regularly conduct internship programmes in various functions in the Group. These programmes promote talent development and provide first-hand work experience to young people including tertiary education students and graduates.

In FY2024, we offered 8 internship positions across various functions, including accounts, marketing and branding, human resource as well as merchandising.



The Group's economic value through our supply chain activities such as the procurement of raw materials, finished goods, packaging materials, and outsourced manufacturing services. The Group works with over 200 suppliers of goods and services to support its diverse product range.

In our procurement activities, we consider the benefits of sourcing locally, such as supporting the local economy, quicker turnover time, reduced indirect emissions from shorter transportation distances, and risk management. On the

other hand, we also endeavour to strike a balance considering factors like availability, cost efficiency, product quality, and risk diversification.

During the financial year under review, around 51% of the Group's trade-related procurement³, including procurement of packaged products and raw materials, are sourced from Malaysian businesses.



	FY2023	FY2024
Proportion of spending on local suppliers (%)	50	51

³ Percentage in relation to total trade-related procurement cost.

OUR ECONOMY

(CONTINUED)

Supply Chain Management

The Group's established supply chain supports the provision of our diverse range of products across various business segments. This supply chain is governed by rigorous processes such as due diligence, onboarding, and periodic performance assessment which incorporate multi-faceted considerations including product and service quality, supplier capability and reliability, business ethics, and ESG management, where appropriate.

By utilising various stakeholder engagement tools, including surveys, self-declaration forms, and physical inspections and site visits, BESHOM aims to enhance understanding and align beliefs and values across the value chain, particularly regarding significant matters such as Group's product and service quality, food safety, and environmental and social compliance such as raw material sourcing and the management of significant waste or by-products, amongst others.

Any non-conformity or unmet expectations that arise from daily business dealings or during periodic performance assessments will be followed-up and addressed promptly. We will work with suppliers and monitor the implementation of the necessary remedial actions.

Code of Business Ethics for Suppliers and Business Associates

The Group has a Code of Business Ethics for Suppliers and Business Associates ("COBE") to set out the Group's expectations for its suppliers and business associates, including in the areas of **compliance, business ethics, and environmental and social responsibilities**, aiming to foster a sustainable and responsible supply chain. The COBE addresses the following areas, among others:



The COBE was introduced and communicated to our business partners throughout our supply chain and is incorporated into our business contracts with key suppliers. The COBE can be accessed at <https://www.beshom.com/investor-relations/corporate-governance>.

OUR ECONOMY

(CONTINUED)

Sustainability Survey and other engagements

In FY2022, BESHOM launched its Sustainability Survey for suppliers to identify and understand the potential sustainability risks and opportunities within the Group's supply chain. The surveys cover topics such as sustainability governance, social-related policies addressing ethical business practices, anti-corruption, child labour and forced labour, equal employment opportunities, excessive working hours, non-discrimination, and freedom of association and collective bargaining, amongst others. The survey also helps us understand potential sustainability-related risks in our supply chain, including climate change risks and impacts. We continued to roll out the survey to suppliers on a gradual basis, focusing on key suppliers or suppliers with potentially higher risks.

For FY2024, we included suppliers from the Manufacturing segment, service providers, and key tenants to the list of Sustainability survey. The survey also extended to assess the extent of readiness of our suppliers or business associates on ESG-related initiatives in their daily business operations. We received 20 out of 31 selected suppliers (trade and non-trade including service providers and key tenants) responded to our survey. There were no significant issues noted from the survey response. From the accumulative 43 suppliers which have responded to date, 37 or 86% of them have established governance structures or clearly identified responsible individuals/ functions in overseeing, strategically managing, and implementing sustainability matters in their organisation respectively.

Supplier Audits and Visits

During the financial year under review, we also continued conducting supplier audits and factory visits on existing and new suppliers, considering various factors such as the supplier's occupational safety programme and performance, certifications and standards adopted for their processes, hygiene and cleanliness, employee training programme, quality control processes, product quality, waste management practices, etc. Supplier audits are planned considering a risk-based approach, such as for suppliers of new products. Audit findings are communicated to suppliers for improvement and will be taken into consideration in our supplier assessments.



KEY SUSTAINABILITY FOCUS AREA

Our Governance




OUR GOVERNANCE
(CONTINUED)



Our Governance

To foster corporate transparency and lay the foundation for strong and sound leadership

Relevant Material Sustainability Matters	Key Highlights in FY2024	Relevant GRI Topics
<p>Corporate Governance and Risk Management</p> <p>Ethics and Integrity</p> <p>Intellectual Property (“IP”) and Data Integrity</p>	<p>Anti-Bribery Policy</p>	<p>GRI 205: Anti-corruption 2016</p>
	<p>Code of Business Ethics for Suppliers and Business Associates</p>	<p>GRI 406: Non-discrimination 2016</p>
	<p>SHOM Business Handbook is made available in: English, Bahasa Malaysia, and Chinese</p>	<p>GRI 407: Freedom of Association and Collective Bargaining 2016</p>
	<p>2 GMP-certified TCM Manufacturing Plants</p>	<p>GRI 408: Child Labor 2016</p>
	<p>ISO 9001:2015-certified MLM and Manufacturing</p>	<p>GRI 409: Forced or Compulsory Labor 2016</p>
	<p>No breaches relating to customer data or privacy</p>	<p>GRI 415: Public Policy 2016</p>
		<p>GRI 418: Customer Privacy 2016</p>
<p>Contributions to SDGs</p>		
<p style="text-align: center;"></p>		

OUR GOVERNANCE

(CONTINUED)

Corporate Governance and Risk Management

BESHOM believes that a good corporate governance structure and effective practices are essential for the Group’s long-term sustainability and ensuring accountability and responsibility. The Group’s corporate governance practices adhere to relevant practices of the MMLR and are guided by promulgations of the Malaysian Code on Corporate Governance, as well as other international better practices.

For the details of the Group’s corporate governance structure and practices, please refer to the **Corporate Governance Overview Statement** on pages 49 to 67 of BESHOM’s Annual Report FY2024 and **Corporate Governance Report** FY2024.

A robust system of risk management and internal control is also in place to complement the corporate governance structure. This system includes a risk management process and a series of internal controls designed to protect the Group’s assets, via a risk-based approach that takes into consideration of strategic, operation, and sustainability risks, amongst others.

For the details of the risk management and internal control system, please refer to the **Statement on Risk Management and Internal Control** on pages 68 to 74 of BESHOM’s Annual Report FY2024.

Details about our corporate governance policies and practices, as well as key corporate communication materials, such as Annual Reports, minutes of general meetings, announcements made to Bursa Securities, press releases, corporate presentations, financial result updates, and analyst reports, are also available on our corporate website.



OUR GOVERNANCE

(CONTINUED)

Ethics and Integrity

The Board of BESHOM sets an expectation for high standards of business ethics and integrity for the Group's business, operations, and people including employees, distributors, and business partners.

Employees

The Board-approved Code of Ethics and Business Conduct ("COE"), included in the Group Employee Handbook, applies to all our businesses, directors, and employees. The COE covers various aspects of ethical business conduct and practices, such as anti-bribery and anti-corruption, preventing and managing conflict of interest situations, abuse of power, insider trading, anti-money laundering, and others.

The Employee Handbook also incorporates BESHOM Group's respect for everyone's fundamental human rights and commitment to complying with labour standards, including prevention of all forms of child labour, forced labour, trafficked labour, and preventing excessive working hours. The Employee Handbook aims to protect employees and stakeholders from activities of bullying or harassment, including sexual and verbal harassment. We respect employees' rights to freedom of association and collective bargaining, in accordance with the laws and regulations. Our employment practices and business operations strictly comply with relevant applicable laws and regulations, with the Management team regularly monitoring these practices at our key operating sites and branches.

All employees, including newly joined employees, are communicated with the Employee Handbook, which encompasses the COE. New employees are also required to provide written acknowledgement indicating their understanding and commitment to adhere to the Employee Handbook. Employees are also required to disclose any potential conflict of interest situations they have with the Group or the Group's key stakeholders.

The Employee Handbook is accessible by all employees through BESHOM's internal Human Resources Online Portal and is available in both languages, which is English and Chinese.

The Employee Handbook undergoes regular reviews and updates to incorporate any development or updates of the laws and regulations. Any significant changes to the Employee Handbook will be followed up with refreshed written acknowledgements from employees, ensuring their awareness and commitment to the updated guidelines. The most recent review of the Employee Handbook during the financial year incorporated the latest updates to our Whistle-Blowing Policy ("WB Policy") and COE, as well as the recent changes to applicable employment laws.

During the financial year, we conduct training for employees to enhance their awareness and understanding of sexual harassment, including providing guidance for employees on self-protection from sexual harassment and encouraging reporting or whistleblowing. Managers and supervisors are also receiving training on raising awareness, preventing, and managing incidents of sexual harassment.

In line with the Group's enhancement of its policy and control, we have updated and enhanced the following and subsequently communicated the updates to the relevant employees:

- ✓ Conflict of Interest ("COI") Policy – enhanced the process for directors, senior management, and employees' declaration and management of conflict of interest situations;
- ✓ Confidentiality Policy – all employees are required to make declaration that he or she have read and fully understand, accept, and agree to comply with the Policy; and
- ✓ Email and Internet Usage Policy – to provide guidance and create awareness on cybersecurity.

OUR GOVERNANCE

(CONTINUED)

MLM Distributors

All MLM distributors are governed by a Business Handbook to ensure the MLM business adheres to consistent ethical standards. These standards encompass compliance with relevant laws and regulations, anti-bribery and anti-corruption, anti-money laundering, responsible marketing and advertising, and customer return and exchange policy, amongst others.

SHOM, including its distributors, commits to fully adhere to the Code of Conduct of Direct Selling Association of Malaysia (“DSAM”) which stipulates the standards and conduct for direct selling activities in Malaysia.

In alignment with the Business Handbook and DSAM Code of Conduct, we are committed to transparent and honest communication with stakeholders. We and our distributors shall refrain from making claims that could misrepresent information regarding the quality, origin, or performance of our products. Similarly, we ensure the criteria and the terms and conditions of our marketing and incentive programmes, including rewards programmes and member awards, are clearly communicated in a clear and transparent manner.

The Business Handbook and DSAM Code of Conduct are provided to all distributors and we continuously raise awareness and provide updates on business ethics-related matters to MLM distributors during our day-to-day engagements with distributors, including marketing plans and strategy briefings, bulletin materials, online meeting slides, marketing and tutorial videos, training sessions, and others.

To accommodate the diverse cultures and backgrounds of our distributors, the Business Handbook is available in three languages, i.e. English, Bahasa Malaysia, and Chinese, and can be accessed via our Member Portal. Furthermore, the DSAM Code of Conduct and Code of Ethics are publicly accessible on our SHOM’s website together with a third-party whistleblowing channel for reporting unethical direct sales practices by our distributors.



SHOM’s Business Handbook is made available in:

English

Bahasa
Malaysia

Chinese

We expect our distributors to familiarise themselves with the Business Handbook and relevant provisions. During our CDM Conference 2024, we carried out a digital quiz, which included topics relevant to the Business Handbook and other topics relating to SHOM’s business and invited all CDMs to participate. The 3 participants who achieved the top scores were rewarded with prizes.

SHOM has shared its COE on Facebook to promote awareness and it continues to work with online marketing platforms to enhance the monitoring and management of ethical direct marketing practices, tackling issues such as price-cutting, misrepresentation of products, etc.

Business Partners

The COBE, which includes various matters such as compliance, business ethics, and environmental and social responsibilities, is applicable to suppliers and business associates. Further details on the COBE can be found in the **Supply Chain Management** section of this Report.

OUR GOVERNANCE

(CONTINUED)

Anti-Bribery and Anti-Corruption

The Board of BESHOM sets out a clear, zero-tolerance approach towards bribery through our Board-approved Anti-Bribery Policy (“ABP”). The ABP applies to all the Group’s business operations, employees, distributors, suppliers, and business associates. The ABP communicates our expectations on the prohibition of the use of bribes and facilitation payment, as well as providing guidance on the use of high-risk transactions such as gifts, entertainment, donations, sponsorships, etc.

The ABP is available on our corporate website at www.beshom.com/investor-relations/corporate-governance.

The ABP established the foundation for the Group’s Anti-Bribery Framework that guides the Group’s internal controls and processes for managing corruption risk. This includes due diligence, periodic review, and monitoring of existing and new employees, key distributors, and business associates (such as suppliers and service providers), and permissible circumstances and procedures in relation to the use of high-risk transactions such as gifts, entertainment, and hospitality. BESHOM Group employed a risk-based approach to manage corruption, incorporating it into the Group’s annual risk assessment that covers all functions and activities.

As at 30 April 2024, 100% of the Group’s operations have been assessed for corruption-related risks.

	FY2023	FY2024
Percentage of operations ⁴ assessed for corruption-related risks (%)	100	100

As part of the Group’s due diligence process, employees, key distributors, and suppliers are required to declare any conflict-of-interest situations. This enables the Group to identify and reduce associated risks and enhance the integrity of our value chain.

Instilling Ethical Culture

BESHOM regularly communicates and raises awareness about its ABP, Anti-Bribery Framework, COE, COBE, and Business Handbook to stakeholders. Briefing and training are conducted, particularly for selected stakeholders exposed to higher-risk business processes or positions, such as those who have the authority to enter into high-value transactions.

BESHOM’s Sustainability KPIs

FY2024 Target – All employees taking the anti-bribery post-training assessment to pass at least 70% of the assessment.

During FY2024, approximately 91% of employees who were required to take the anti-bribery assessment during the year have passed the assessment.

⁴ Each segment is considered as one operation. We adopt a risk-based approach, focusing on higher risk and significant processes and transactions.

OUR GOVERNANCE

(CONTINUED)

The table below summarises our communication efforts to directors, employees, distributors, key suppliers, and relevant business associates as at 30 April 2024. The training topics include an understanding of applicable laws, types of bribery (including facilitation, active and passive bribery), the use of high-risk transactions such as gift, entertainment, and hospitality, as well as how to identify, prevent, and report incidents or suspected of bribes via established channels.

	Communicated on Anti-Bribery Policy	Received training/ briefing on anti-bribery
Board of Directors	100%	100%
Management	100%	100%
Executives	100%	100%
Non-Executives	100%	63%
Distributors	All active distributors	
Suppliers	All active suppliers	
Relevant business associates	All active business associates	

BESHOM's Sustainability KPIs

FY2024 Target – achieving 100% training completion rate for management-level employees on mandatory topics.

As of 30 April 2024, 100% of management-level employees completed the mandatory anti-bribery training.

Monitoring and Audit

Guided by the Anti-Bribery Framework, monitoring measures and internal audit activities act as the second and third lines of defence for the Group's anti-corruption management.

In FY2024, the Group's internal audit function conducted a verification of the results of the staff awareness test on ABP, following the ABP training conducted by the Group Human Resource Department.

We have no political affiliations and typically do not make political contributions or donations without Board approval. During the financial year under review, the Group made no political donations or contributions.

In FY2024, there were no reported cases of corruption involving BESHOM's personnel, nor were any BESHOM personnel being disciplined or dismissed due to non-compliance with ABP. There were also no fines, penalties, or settlements reported in relation to corruption.



no incidents of corruption reported



no fines, penalties, or settlements reported in relation to corruption

OUR GOVERNANCE

(CONTINUED)

Whistle-Blowing Mechanism

BESHOM Group’s whistle-blowing mechanism is developed via its WB Policy and publicly accessible on our corporate website at <https://www.beshom.com/investor-relations/corporate-governance>. This whistle-blowing mechanism allows for the reporting of genuine concerns regarding serious misconduct, illegal acts, human rights violations, or unethical business conduct, as well as serious non-compliance with the Group’s policies and code, including workplace discrimination, bullying, or harassment. Reports can be made through a secure and confidential channel and are managed via a structured and confidential process.

The whistle-blowing mechanism allows anyone, including the public, to raise genuine concerns, and the WB Policy ensures protection for whistle-blowers against any retaliation by the Group or its personnel.

During the financial year under review, there were no whistle-blowing cases reported and there were no substantiated complaints or incidents noted pertaining to bribery and corruption, unethical business practices, or labour standards or human rights violations. Additionally, there were also no significant instances of non-compliance with laws and regulations and there were no significant associated fines or non-monetary sanctions.

	FY2023	FY2024
Confirmed incidents of bribery and corruption (no.)	0	0
Substantiated complaints concerning human rights violations (no.)	0	0



0
whistle-blowing cases reported



No substantiated complaints or incidents noted pertaining to bribery and corruption, unethical business practices, or labour standards or human rights violation



No significant instances of non-compliance with laws and regulations and no significant associated fines or non-monetary sanctions

OUR GOVERNANCE

(CONTINUED)

Intellectual Property (“IP”) and Data Integrity

Intellectual Property (“IP”) Protection

IP rights, especially trademarks, are vital to BESHOM. IP rights not only represent our brand name and the trust our customers place in us but also play a crucial role in protecting our consumers from counterfeit products.

As of 30 April 2024, the Group holds over 150 trademarks across Malaysia and other regions, including Indonesia, China, Brunei, and Singapore. In addition to overseeing trademark applications to ensure successful registration and other IP management activities, we also regularly monitor the government gazette and the market. This helps us to identify and address IP-related risks such as ensuring identical or similar trademarks registered by third parties are brought to our attention and take necessary action when required.

Anti-counterfeiting

Counterfeiting has always been a problem in Malaysia, impacting products from luxury branded goods to popular products, and some of our products are not exempted from these risks. At BESHOM, we have implemented several countermeasures against counterfeiting and will continue to work closely with government authorities to stamp out counterfeits of our products. Our efforts include monitoring counterfeit products sold online and taking necessary actions to address them.

We also leverage technology to bolster our counterfeiting efforts, including through product labels that enable consumers to verify product authenticity. The Group also upgraded our labelling technology to facilitate the traceability of selected products. This enhancement not only helps consumers verify product authenticity but also allows us to monitor and ensure the integrity of our distributors’ direct selling practices and maintain product quality control.

Super QR Code

34

Our MLM product – Min Kaffe and Min Kaffe Enhanced – features a unique Super QR Code label on its packaging to assist consumers and buyers verify that the product is genuine and distributed by SHOM. The Super QR Code acts as an anti-counterfeiting measure, providing traceability and security. The code cannot be duplicated and safeguards our customers from fake or counterfeit products.

Scanning a Super QR Code marked with “Customer Scan” on a product distributed by SHOM will display the following information:



OUR GOVERNANCE

(CONTINUED)

Cybersecurity

Today, businesses are increasingly dependent on information technology, systems, and online infrastructure. The virtual marketplace has become as crucial, if not more so, than the physical marketplace, particularly in recent years with the advent of high-speed internet and widespread internet accessibility. Digitalisation business operations and maintaining an online presence are part of the key strategies for the Group's businesses.

It is crucial for BESHOM to remain cyber-resilient, protecting the integrity of our IT systems and ensuring data security and privacy. BESHOM Group has established various policies and processes to secure our IT infrastructure and manage both personal and business data. A Cyber Security Incident Response Plan is in place to address data security breaches and it includes processes for preparation, identification, containment, remediation, and recovery.

Group-wide IT and data usage control

The Group has a User Access Management Policy to control and restrict user access to core systems. It is complemented by the Group's IT and Data Usage Policy which guides employees' proper use of IT assets, systems, and data.

We also ensure that our employees receive regular awareness training to ensure they are well-equipped with relevant knowledge to maintain the integrity of the Group's cyber environment. In FY2024, several training and awareness programmes are provided to our employees and summarised as follows:

- Shaping Tomorrow's Cyber Security Landscape;
- Massive Data Growth and Cybersecurity Threat, what does it mean to you?;
- Introduction to Internet Of Things ("IOT") - Technologies and Challenges;
- Certified Ethical Hacker (CEH) Webinar: Essential Skills & Strategies for Ethical Hackers;
- Dell Technologies Forum Malaysia | Premier Tech Conference;
- Safeguarding the Digital Frontier: The Latest Cybersecurity Insights; and
- Digital Transformation with HP: Synergizing the Power of Hybrid, Automation, and Security Protection.

Safe payment platforms

All our payment platform service providers comply with the Payment Card Industry Data Security Standards ("PCI DSS") which meets regulatory security expectations. Further, our MLM segment conducts monthly PCI DSS testing to ensure the system's integrity, maintaining high-security standards to protect our distributors and customers.

Data Privacy

BESHOM Group strives to uphold high standards and implement strict procedures for handling and safeguarding data, including those of our employees, distributors, customers, suppliers, and business associates.

Several of the Group's key data-handling practices include the following:

- restricting access on a need-to-know basis;
- retention for no more than necessary;
- regular monitoring to facilitate prompt detection and follow-up of possible data breaches; and
- timely security updates especially on evolving threats (e.g. phishing and ransomware) and encouraging user vigilance.

Our Data Privacy Policy and the corresponding standards and procedures for collecting, processing, and storing personal data are aligned with the Personal Data Protection Act 2010. We also diligently obtain consent from employees, distributors, customers, suppliers, and business associates accordingly when collecting personal data, and we provide them with clear information on how their personal data will be processed.

The Group regularly assesses its data privacy controls to ensure compliance with regulations and adherence to best practices. Our Privacy notice is publicly available on our e-commerce portal, SHOM's website, as well as our corporate website at <https://www.beshom.com/privacy-notice>.

OUR GOVERNANCE

(CONTINUED)

Confidentiality Policy

In FY2024, the Confidentiality policy was enhanced and all employees are required to make declaration that he or she have read and fully understand, accept, and agree to comply with the Policy.

Email and Internet Usage Policy

In FY2024, the Group enhanced the Email and Internet Usage Policy that sets out the policy and guidelines on proper and safe use of the Group's internet infrastructure, email, and social media to safeguard the Group's cybersecurity, data security, as well as reputation.

We are pleased to report that in FY2024 there were no substantiated complaints concerning breaches of customer privacy or losses of customer data, either from outside parties or regulatory bodies. Additionally, there were also no identified leaks, thefts, or losses of customer data recorded.

	FY2023	FY2024
Substantiated complaints concerning breaches of customer privacy or losses of customer data (no.)	0	0

BESHOM's Sustainability KPIs

FY2024 Target: No substantiated complaints on breaches of customer privacy or losses of customer data



FY2024 - No substantiated complaints on breaches of customer privacy or losses of customer data



KEY SUSTAINABILITY FOCUS AREA

Our People



OUR PEOPLE
(CONTINUED)



Our People

To create a corporate culture that champions safety, good conduct, skill development, and community development

Relevant Material Sustainability Matters	Key Highlights in FY2024	Relevant GRI Topics
MLM Entrepreneurship Employee Well-being and Inclusiveness Talent Management and Succession Planning Occupational Health and Safety Community Engagement	472 employees	GRI 202: Market Presence 2016
	42,700 MLM Distributors	GRI 203: Indirect Economic Impact 2016
	100% of product complaints resolved	GRI 401: Employment 2016
	2 cases of work-related injuries	GRI 403: Occupational Health and Safety 2018
	36% male : 64% female Employee diversity	GRI 404: Training and Education 2016
	25 training hours per employee	GRI 405: Diversity and Equal Opportunity 2016
	Community engagement activities Ai Hua Jiao Fund Raising Campaign, Higher Educational Aid, Excellent Academic Awards	

Contributions to SDGs



OUR PEOPLE
(CONTINUED)

MLM Entrepreneurship

Our MLM business serves as a fair and inclusive platform that provides economic empowerment to our society. Our distributors are diverse in cultural, backgrounds, age groups, and career experience, encompassing housewives, youth entering society, professionals, and full-time businesspersons.

We are especially proud in showcasing the empowerment of women within our business, with 80% of our distributors being women. Among them, many holds important positions as high-ranking distributors, demonstrating leadership skills, and achieving extraordinary business performance.

Apart from fostering equality through a flexible and inclusive business platform, our MLM business provides personal and team drive through incentive programmes and performance recognition, supports professional and individual advancements through training and development, as well as fostering mutual growth via fair and mutually beneficial rewards systems. We maintain close communication with our MLM distributors nationwide through various channels, including electronic bulletin, email, training and events, and social media platforms such as YouTube, Facebook, Instagram, and Telegram.



Training and Upskilling	Incentives, Awards and Recognitions
<p>In our MLM business, we continually implement business and people development programmes to enhance business leadership skills, marketing skills, management skills, and others amongst our distributors. Beyond fostering business growth and performance, we believe these skills also elevate the personal qualities and professionalism of our distributors.</p> <p>We utilise both online and physical training methods to reach out to our distributors. In FY2024, we conducted 66 Zoominar and physical training sessions, organised 29 nationwide Min Kaffe & MinCha road tours, and shared 43 short product information videos with our distributors. Our key training focuses include product introductions, detailed explanations of product features, sharing of business experiences and testimonials, and training related to digital systems. These road tours enhance our visibility and strengthen branding among the mass market target audience.</p>	<p>We initiated a range of marketing and promotional campaigns and incentive programmes to stimulate growth and reward high-performance distributors. These rewards include monthly sales bonuses, incentive trips, premium invitations as guest speakers, rank progression, and other member privileges.</p> <p>This year, we gave out the Million Dollar Achiever Board Award, Prestige Elite Achiever Board, and Dynamic Performing Achiever Board.</p>

All sales transactions and business-related information, including sales performance, rank qualification, network tree, downline sales performance, and bonuses, are transparently recorded and accessible to distributors anytime through the member portal. Members are encouraged to utilise the member portal to master the upgrading process effectively.



OUR PEOPLE

(CONTINUED)

Employee Well-being and Inclusiveness

Employees

As at 30 April 2024, the Group has 472 employees, including one foreign national, across the business segments covered in this Report. Our employment practices are guided by the Group's three core HR values, i.e. Sense of Belonging, Teamwork, and Equal Opportunity.

Core values of BESHOM Group's HR Philosophy		
Sense of Belonging	Teamwork	Equal Opportunity



We embrace diversity and ensure equal opportunities for individuals based on merits, competency, experience, and qualities relevant to their respective roles and responsibilities, without discrimination on the basis of race, religion, gender, age, disabilities, or nationality. This applies to all our employment practices, including recruitment, training and development, performance appraisals, and promotions. We also ensure fair remuneration by providing equal pay for equal work, based on merits and without discrimination. The Group's HR Philosophy is available online at <https://www.beshom.com/career/hr-philosophy>.

Since 8 March 2011, at BESHOM Group, International Women's Day has been celebrated as a special holiday and is a day-off for our employees, demonstrating our support and empowerment of women across the globe.

We regularly promote awareness among employees on the topics of equal opportunity and non-discrimination, including women empowerment, via channels such as training or company activities.

40

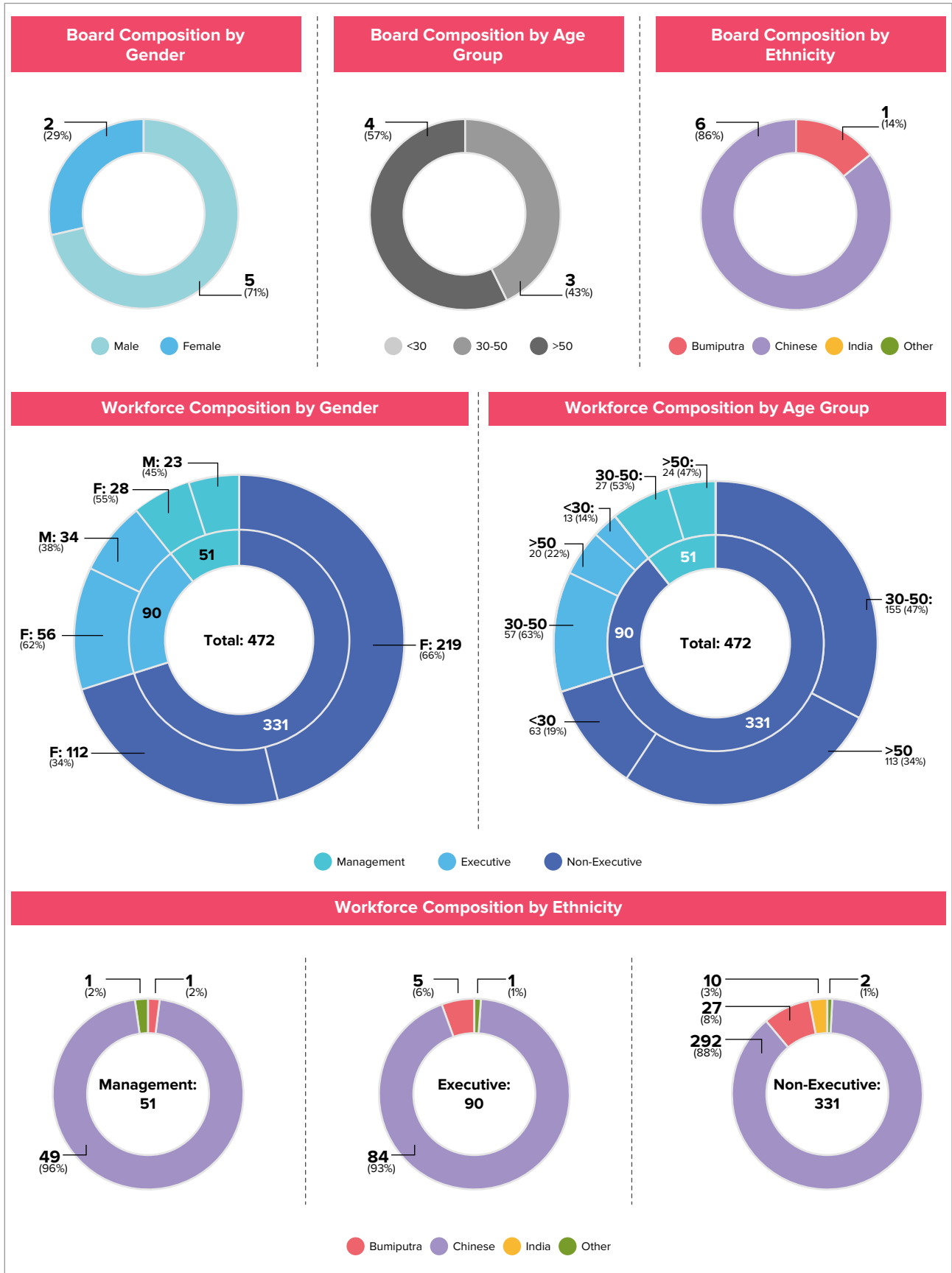
Our workforce consists of 84.3% permanent employees and 15.7% contract or temporary employees. We strive to promote inclusiveness and as at 30 April 2024 we employ 7 persons with disabilities, representing 1.5% of our overall employees.

Employment type	FY2024	
	Number	%
Full-time permanent employees	398	84.3%
Full-time contract or temporary employees	63	13.3%
Part-time contract or temporary employees	11	2.4%
Total	472	100.0%

OUR PEOPLE

(CONTINUED)

The composition breakdown of our people, including the Board and our workforce, is illustrated in the following diagrams.



OUR PEOPLE

(CONTINUED)

We are committed to providing a safe and conducive working environment for all employees, in accordance with the Group's HR culture and ethical standards. We do not tolerate any form of discrimination, harassment, or bullying in the workplace. Violations of our HR standards or Code of Ethics can be reported through our internal grievance channels or the whistleblowing channel.

Engagement Channels

Employees are among our most important stakeholders. BESHOM Group has established various channels to engage with our employees, including communicating business direction and strategies, understanding their needs and wants, understanding how the business can grow together with employees and leveraging their innovative ideas to propel future business growth and market relevance. We foster an open-communication culture with employees and strive to build ongoing, trustworthy relationships with employees.

In FY2024, BESHOM Group carried out a survey to gather the relevant information necessary to estimate the Group's emissions associated with Scope 3, Category 6 – Business Travel and Category 7 – Employee Commuting. The exercise prepares the Group to meet its future reporting requirements and promotes climate-related awareness among employees.

The HR department plays a crucial role in ensuring employees' voices are being heard and considered at the Group level. This involves addressing key topics such as compliance with employment laws and regulations, adherence to acceptable labour standards and practices, and protecting the basic human rights of all employees.

HR-related Training

During the financial year under review, our HR personnel attended training relevant to certain social topics including:

1. e-LATiH Corporate Access;
2. Navigating Change: HR's Role in Successfully Managing Organizational Transitions;
3. Flexible Working Arrangement in Practice: Managing Poor Performance;
4. Diversity, Equity & Inclusion (DEI): Central Tenets of the Moderns Workforce;
5. ChatGPT in HR: What You Need to Know;
6. Building Agile HR Programs with Program Logic Modelling;
7. Talent Search Webinar;
8. Attracting, Selecting, Engaging, and Retaining Talent: How to leverage a unique talent analytics tool;
9. What AI Can Do For Your Recruitment - And What it Cannot;
10. Harnessing AI for Next-Gen Course Development with Open Learning;
11. National Human Capital Conference & Exhibition 2023;
12. HR Reinvented 2023;
13. HRD Corp Exchange Session - Wholesale & Retails Industry;
14. Driving impactful change in your organisation with employee feedback;
15. Retain, Grow, and Accelerate Your Best Talent for a Future-Ready Workforce;
16. HRD Corp Grant Clinic Webinar;
17. Guide to HR Compliance in Malaysia;
18. Unlock the Top Benefits of AI with SEEK;
19. Payroll Evolution 2024: Enhancing Accuracy, Compliance, and Employee Experience;
20. How To Build Your Employee Training Programme;
21. Beyond the Office Rules: Employers Guide to Managing Misconduct in the Workplace; and
22. Empowerment Through Learning and Development.

OUR PEOPLE

(CONTINUED)

Employee Well-being

We are committed to complying with applicable laws and regulations regarding employee benefits, including employees' accident insurance (i.e. SOCSO contribution), retirement (i.e. EPF contribution), and employment insurance (i.e. EIS contribution). Apart from that, we also offer other entitlements and benefits to support the work-life balance and quality of living of our employees.

BESHOM's employee well-being programme includes healthcare insurance, medical card, and insurance coverage for accidents and hospitalisation, helping employees to ensure that they have access to medical and healthcare services for non-occupational related health matters as well. The Group also in place an Employee Share Option Scheme ("ESOS") which intends to reward and recognise employees' contributions while also incentives continuous performance and to attract and retain high calibre individuals.

Supporting Family Development

We support our employees in family development by offering paternity and maternity leave. At our headquarters in Wisma Hai-O and Wawasan Hai-O, we provide dedicated mother rooms that are private and equipped with the necessary amenities for nursing mothers and other medical needs.

All employees are entitled to parental leaves and the Group's parental leave records for FY2024 are summarised as follows.

Number of employees	FY2022		FY2023		FY2024	
	Male	Female	Male	Female	Male	Female
Entitled to parental leave	174	291	177	302	168	298
Took parental leave	0	4	0	1	2	5
Returned to work in the reporting period after parental leave ended	0	4	0	1	2	5
Total number of employees due to return to work after taking parental leave	0	4	0	1	2	5
Still employed 12 months after their return to work from parental leave	0	3	0	2	0	0
Return to work rate (%) ⁵	NA	100	NA	100	100	100
Retention rate (%) ⁶	0	30	0	50	0	0

Fair remuneration

In addition to adhering to the laws and regulations on minimum wage, we are committed to remunerating employees fairly, without gender bias. This practice is also in line with our HR Philosophy.

In FY2022, we initiated an effort to measure the Gender Wage Parity Index, i.e. the average male-to-female salary among our non-director full-time salaried employees. The Group's Gender Wage Parity Index for FY2024 has improved to 1 : 0.94.

BESHOM's Sustainability KPIs

FY2024 Target: Maintain Gender Wage Parity Index at 1 : 0.91 or better



Gender Wage Parity Index

(M : F) – 1 : 0.94

(FY2023: Gender Wage Parity Index

(M : F) – 1 : 0.91)

⁵ Return to work rate = Total number of employees that did return to work after parental leave ended / Total number of employees due to return to work after taking parental leave

⁶ Retention rate = Total number of employees who were still employed 12 months after their return to work from parental leave/ Total number of employees that did return to work after parental leave ended in the prior reporting period

OUR PEOPLE

(CONTINUED)

In FY2024, the average wage ratios for entry-level non-executives⁷ against the minimum wage for East Malaysia and West Malaysia are 1.3 : 1 and 1.4 : 1, respectively. Employees' remuneration complies with applicable minimum wage laws and regulations.

To attract young talents to the Group, entry-level executives are competitively remunerated based on their qualifications.

New Hire and Turnover

To analyse the Group's talent retention and development efforts, we monitor the turnover rate and new hire rate (based on full-time salaried employees). As at 30 April 2024, our monthly turnover rate was 1.5% (FY2023: 1.7%) and our monthly new hire rate was 1.4% (FY2023: 1.5%). Overall, turnover and new hire rates remained manageable throughout the year.

	By Age			By Gender		Group-wide overall
	< 30 years	30 – 50 years	> 50 years	Male	Female	
New Hires						
Number	34	37	9	31	49	80
Rate (%) ⁹	7.4	8.0	2.0	6.7	10.6	17.3
Average of Monthly New Hire Rates¹⁰ : 1.4%						
Employee Turnover						
Number	30	33	20	30	53	83
Rate (%) ¹¹	6.5	7.2	4.3	6.5	11.5	18.0
Average of Monthly Turnover Rates¹² : 1.5%						

As at 30 April 2024, the turnover and new hire rates by employee category are illustrated as below:

44

Employee category	30 April 2024	
	Number	Rate (%)
New Hires¹³		
Management	2	0.4
Executive	16	3.5
Non-Executive	62	13.4
Employee Turnover¹⁴		
Management	4	0.9
Executive	15	3.3
Non-Executive	64	13.9

We conduct exit interviews and/or surveys with departing personnel to gain insight into the reasons for their departure and to identify any potential areas for improvement in the Group. Where relevant, we also have processes to identify and review the findings from these interviews and surveys, including implementing follow-up action plans to enhance our current practices.

⁷ Full-time salaried employees only. The Group has 461 full-time salaried employees as at 30 April 2024.

⁸ The minimum wage of RM1,500 was used.

⁹ New hires rate = (total new hires / average number of employees for the year) x 100%, where average number of employees for the year = (total number of employees on last day of previous FY + total number of employees on last day of current FY) / 2)

¹⁰ Average of monthly new hire rates = sum of 12 months' new hire rates / 12, where monthly new hire rate = (total new hires during the month / average number of total employees for the month) x 100%

¹¹ Employee turnover rate = (total resigned employees / average number of employees for the year) x 100%

¹² Average of monthly turnover rates = sum of 12 months' turnover rates / 12, where monthly turnover rate = (total resigned employees during the month / average number of employees for the month) x 100%

¹³ New hires rate by employee category = (total new hires by employee category / average number of employee for the years) x 100%

¹⁴ Employee turnover rate by employee category = (total resigned employees by employee category / average number of employees for the year) x 100%

OUR PEOPLE

(CONTINUED)

Talent Management and Succession Planning

BESHOM Group's talent development and succession planning strategies work together to create a sustainable pipeline of leadership and skilled professionals for the Group's future. At BESHOM Group, we are committed to offering continuous learning and growth opportunities to all employees, while maintaining our commitment to equal opportunity.

All employees of the Group undergo performance and career development reviews at least once a year. These sessions evaluate employees' individual performance over the year, address training needs, identify business improvement opportunities, and identify talents for the Group's succession planning. The review sessions are designed as a two-way communication platform and serve as a crucial employee engagement channel.

In addition to training needs identified through employees' annual performance reviews, we also seek employees' feedback via training needs surveys which are conducted periodically. Training needs surveys are carried out at intervals from once a year to once in three years, in accordance with the procedures of the respective segments.

Recognising the Efforts of Our Employees

For FY2024, BESHOM continued to recognise and acknowledge the efforts of its employees and presented 1 Best Sales Personnel, 28 Long Service Awards, as well as 3 Loyal Long Relationship (30 years) Awards (Franchise).

Succession Planning

To ensure leadership continuity, BESHOM's succession plan assesses key leadership roles across the Group to anticipate future needs in leadership, experience, talents, and skills. These needs may arise from various circumstances, including retirement, resignation, death, or disability of incumbent personnel, or new business opportunities or developments. Our succession planning programme is complemented by our employee development activities such as annual performance reviews and assessments.

The Group conducted its latest group-wide review of succession planning needs, identifying candidates and enrolling them in specific talent development programmes. The talent development programmes are ongoing, with progress regularly updated to the Nominating Committee.

At BESHOM's Retail segment, we implement an active succession planning programme for our retail outlets. This ensures continuous leadership, management qualities, and skills and capabilities, are in place to ensure the sustainability of our Retail business and branches.

During the financial year under review, 15 potential outlet personnel have been identified as part of the Retail segment's succession plans.

Employees Training

In FY2024, we recorded a total of 11,336 training hours provided to our employees, which was an average of approximately 25 training hours per employee for the year (FY2023: 14 training hours per employee). The significant increase in training hours is due to the introduction of flexi-time and the availability of virtual training sessions, which have greatly encouraged employee participation.



Average 25 training hours per employee

(FY2023: Average 14 training hours per employee)

OUR PEOPLE

(CONTINUED)

	FY2022 ¹⁵		FY2023 ¹⁶		FY2024 ¹⁷	
	Total	Average	Total	Average	Total	Average
Total training hours	7,430	14	6,805	14	11,336	25
By gender						
Male	2,256	11	2,607	14	4,178	25
Female	5,174	15	4,198	15	7,158	25
By employee category						
Management	1,091	18	1,204	22	2,932	57
Executives	1,273	12	1,578	18	2,317	26
Non-Executives	5,066	14	4,023	12	6,087	20

Employees from the executive level and above are expected to attend training every year and we have set targets for the training hours to be attended according to employee categories. We are pleased to report that 97% of our employees met the set targets during FY2024.

BESHOM's Sustainability KPIs

We have set targets for the minimum training hours to be attended by each employee, as follows:

FY2024 Target:	FY2024 performance:
At least 75% of employees meet the following minimum training hours	97% of employees met the minimum training hours required
16 training hours annually per person for managers and above	
8 training hours annually per person for executive-level employees	

¹⁵ Employees who are promoters are excluded when calculating the total training hours and average training hours for FY2022.

¹⁶ Employees who are promoters are excluded when calculating the total training hours and average training hours for FY2023.

¹⁷ Employees who are promoters are excluded when calculating the total training hours and average training hours for FY2024.

OUR PEOPLE

(CONTINUED)

A summary of the training topics attended is as follows.

	Target Skills	Related topics, lessons, and training (non-exhaustive)
1.	Management and Strategic Management	<ul style="list-style-type: none"> • How to Develop Operational Resilience in your Organization • Cost Reduction & Profit Improvement Strategies • One Vision, Endless Achievements • Strategic, Talent, Cashflow
2.	Product Knowledge	<ul style="list-style-type: none"> • Transforming Herbal Products - From Traditional to Therapeutic Claim • Promoter Briefing and Product Training • Marketing Projects and New Product Information • Operational Management Internal Training/Briefing: Branches & Stockists Operations
3.	Accounting, Finance, Audit and Data Analysis	<ul style="list-style-type: none"> • Fireside Chat with the Former Governors: Central Banking in an evolving International Financial System • Personal Data Protection Act 2010 • Basic Accounting Principles, Practices & Procedures • Your Journey to E-invoicing in Malaysia - Series 2 • DSAM / Deloitte Briefing on e-Invoicing • Credit Control and Manufacturing Accounting • Decoding New Tax Measures in 2024 Budget • Further Tax Clarifications in Finance Bill • Withholding Tax • MADANI Budget 2024: Navigating Emerging Tax & Legal Issues • Webinar on Service Tax Updates • Internal Audit - A Key to Effective Quality System • One-Day Dialogue with IRBM and KPDN
4.	Corporate Governance, Risk Management and Sustainability	<ul style="list-style-type: none"> • ASEAN Workshop on Sustainable Development • National Anti-Corruption Summit (NACS) 2024 • Understanding the Impact of ESG & How to Improve the Quality of ESG Information • HRD Corp Business Accelerated Talk on Environmental, Social and Governance (ESG) • Sustainability in the Digital Age • Sustaining ESG Momentum Maintaining and Improving Performance For The Long Term • Board Oversight of Climate Risks and Opportunities • Bursa Malaysia's Enhanced Conflict of Interest (COI) Disclosure Requirements - Understanding and Navigating Its Changes • FTSE4Good Bursa Malaysia Index & Centralised Sustainability Intelligence (CSI) Platform • Mandatory Accreditation Programme (MAP) • ESG Data Challenges and Solutions • Global Sustainability Development Goals (SDGS) with Local Environmental, Social & Governance Integration • Climate Change in Business Sustainability, Reporting and Data Collection • Anti-Bribery & Anti-Corruption
5.	Compliance and Regulatory, Legal and Law	<ul style="list-style-type: none"> • In Depth Understanding of PDPA and Importance of PDS • TMHS Industry Training 2023: PQR and Verification • Webinar with BKKM • Overview of the Food Act 1983, Food Labelling regulations, Food Advertising • ESG Workshop • Anti-Bribery & Anti-Corruption Training • GMP - Good Manufacturing Practice • MIDA Tax Exemptions under Section 14(2) Customs Act 1967 and Related SST Rules

OUR PEOPLE

(CONTINUED)

	Target Skills	Related topics, lessons, and training (non-exhaustive)
6.	Computer, Information and Technology, Digital Marketing, IT Management, Cyber Security, and Communication and Media	<ul style="list-style-type: none"> • Speak Like a Pro in Any Meeting With NLP • Effective Communication Through Different Personality • Secrets of Powerful Presenters • Essential Features that Pro Users of Gmail Cannot Live Without • Powerful Visualization Using Power BI (Foundation) • Dive into AI Excellence with Microsoft Copilot • Microsoft Excel: Conditional Formatting • Microsoft Word: Tab, Convert Text to Table, Mail Merge • Google Workspace Basics: Get Up to Speed in a Flash • The Human Factor of Cyber Risk in Cybersecurity • Aligning Business Technology Adoption to the Sustainable Development Goals • Event Management and Automation with Google Workspace • Certified Digital Marketing Strategist • Shaping Tomorrow's Cyber Security Landscape • Introduction to Internet of Things (IOT) - Technologies and Challenges • Certified Ethical Hacker (CEH) Webinar: Essential Skills & Strategies for Ethical Hackers • Proofpoint Certified Security Awareness Specialist 2023 • Digital Transformation with HP: Synergizing the Power of Hybrid, Automation, and Security Protection
7.	Sales, Marketing and Supply Chain	<ul style="list-style-type: none"> • AI-Driven Marketing Excellence: Mastering ChatGPT and MidJourney for Branding, Marketing, Sales • Mastering Sales Techniques • Building sustainable brands: From product development to marketing strategies • Good Distribution Practice for the Regulated Industry • Understanding Incoterms 2020, Customs Process & Trade Financing International and Domestic Trade
8.	Human Resource Management	<ul style="list-style-type: none"> • Refer to Employees – HR-related Training section for further details
9.	Safety, Health, and Wellness	<ul style="list-style-type: none"> • Safety Issues on Imminent Danger and Worker Right to Refuse • Workplace Wellness That Works • Is Occupational Safety and Health Coordinator (OSH-C) Mandatory under the Laws? • Ergonomics & Manual Handling in The Workplace Training • Safety & Health Awareness Briefing • Hazard Identification, Risk Assessment and Risk Control (HIRARC) • Warehouse Hazards and Safety Measures
10.	Motivation and Personal Development	<ul style="list-style-type: none"> • How to deal with an old person trapped inside a young body • The Science of Wellbeing • Workforce Equity: Exercise Soft Power to Offset Discrimination at the Workplace • Effective Time Management & Negotiation Skills • Managing Workplace Burnout & Mental Health Challenges • The Genius Matrix - How Successful people become who they are and how you can become one
11.	Supervisory and Leadership	<ul style="list-style-type: none"> • Preview: A Growing Trend: Team Coaching Certification • Developing a Leader as a Coach Culture within Your Organization • The Art and Science of Coaching • Leadership Program - GROW
12.	Public Relations and Customer Services	<ul style="list-style-type: none"> • Unleashing the Power of AI in Customer Service • Customer Service & Satisfaction with Uniqueness
13.	Education and Training	<ul style="list-style-type: none"> • How To Build Your Employee Training Programme
14.	Language	<ul style="list-style-type: none"> • Avoid Grammar Mistakes • Unleashing the Power of AI in Business English & Writing • Practical English for Business

OUR PEOPLE

(CONTINUED)

Occupational Health and Safety

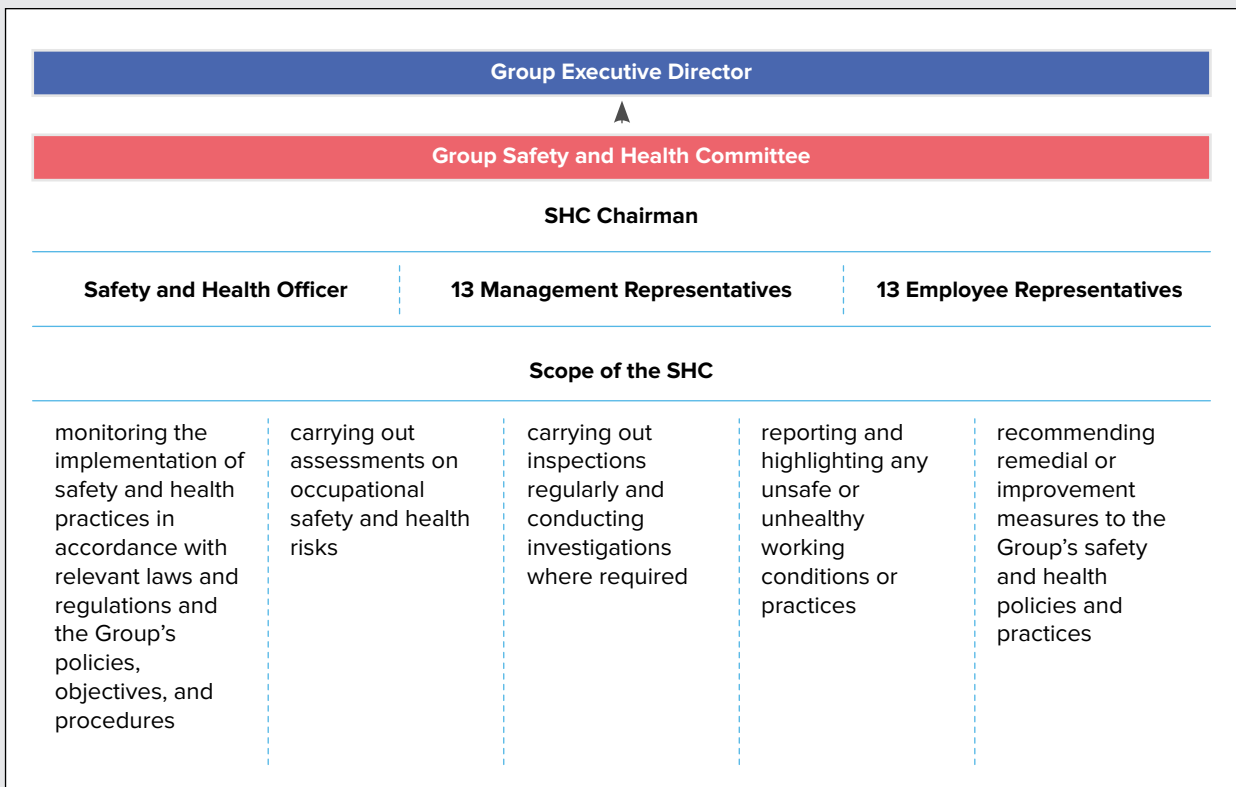
BESHOM Group has established a group-wide Safety Policy, formalising its commitment to safeguarding employees, the public, and the Group’s property. This Policy ensures a safe and conducive work environment for all people at our premises, including customers, employees, contractors, and visitors.

To achieve an accident-free workplace, we are guided by a framework for safety and health management, i.e. the Operational Manual on Safety and Health (“OMSH”). The OMSH sets out the governance structure, roles and responsibilities, monitoring and reporting, and continuous improvement of the Group’s safety and health programmes, amongst others.

Governance for Safety and Health

The Board of BESHOM holds ultimate responsibility for the strategic risk management of the Group’s Safety and Health Management System (“SHMS”). This responsibility is supported by the Safety and Health Committee (“SHC”), which oversees the implementation and performance of SHMS in their respective operations. The SHC Chairman reports to the Group Executive Director cum Group Financial Officer, who represents the Board in overseeing the Group’s overall health and safety performance and issues.

The SHC is established in accordance with the Occupational Safety and Health Act 1994 and the Occupational Safety and Health (Safety and Health Committee) Regulation 1996. It includes management and employee representatives from the relevant business units, including a qualified Safety Officer who is responsible for monitoring compliance with safety and health laws and regulations. The involvement of employee representatives in the SHC promotes practical, operational-level considerations at the deliberations of the SHC. Having employee representatives also ensures that safety and health concerns from the working level are effectively represented and directly escalated within the SHC.



The SHC meets quarterly to assess the safety and health performance of the Group’s operations and escalate any significant safety and health issues to the Board when necessary.

OUR PEOPLE

(CONTINUED)

In FY2024, the SHC met four times and some of the key activities of the SHC are summarised as follows:

- provided oversight to the establishment, review, and maintenance of relevant documents such as Safety & Health Policy and safety and health-related standard operating procedures (“SOPs”);
- reviewed the overall safety performance of the Group quarterly;
- reviewed the overall workplace safety and health condition of the Group;
- reviewed the conduct and outcome of the annual safety audit;
- reviewed the conduct of fire drill and inspection by the fire department;
- reviewed the adequacy of safety and health personnel, particularly first aid personnel; and
- reviewed the group-wide safety and health training and briefings.

Safety and Health Training

The safety and health training provided to employees is tailored to their specific roles and activities, using a risk-based approach. Safety and health personnel, including first aid personnel and safety officers, also receive more extensive and in-depth safety and health training.

	FY2023	FY2024
Employees trained on health and safety standards (no.)	48	85
Employees trained on general safety and health training (no.)	92	290



85 employees
trained on safety and health standards

290 employees
were provided with general safety and health training

Recognising that safety and health encompass more than just physical safety environment, we also address employees’ mental health and hygiene, incorporating ergonomic and mental health topics into our safety and health training plan from time to time.

Fire safety awareness	Briefing on general safety and health awareness	Basic emergency response, CPR, and AED	Ergonomics and manual handling	Stress management	Workplace hazards: risk assessments and risk control	Personal health and mental health
-----------------------	---	--	--------------------------------	-------------------	--	-----------------------------------

OUR PEOPLE

(CONTINUED)

Occupational Health and Safety Performance

		FY2022	FY2023	FY2024
Total number of hours worked ¹⁸		987,289	941,282	925,258
No. of accidents with lost time		2	0	2
Lost-time Incident Rate ¹⁹		4.2	0.0	4.2
Fatality as a result of work-related injury	No.	0	0	0
	Rate ²⁰	0.0	0.0	0.0
Lost time due to work-related injury	No. (hrs)	40	0	244
	Rate ²¹	0.000041	0.0	0.000264
Lost time due to work-related illness	No. (hrs)	0	0	0
	Rate ²²	0.0	0.0	0.0

During FY2024, we recorded two incidents of work-related injuries. The incidents occurred during our teambuilding activities and were assessed and relevant initiatives to enhance employees' safety and health were undertaken.

BESHOM's Sustainability KPIs

FY2024 Target: 0 cases of work-related injuries



2 cases of work-related injuries
(FY2023: 0 cases of work-related injuries)

¹⁸ Based on the work hours of full-time salaried employees.

¹⁹ Lost-time incident rate = Number of cases of accidents with lost-day x 1,000 / annual average of number employees

²⁰ Fatality Rate = Number of cases of fatality x 1,000 / annual average of number employee

²¹ Lost time due to work-related injury (Rate) = Total lost-time due to work-related injury / Total number of hours worked

²² Lost time due to work-related illness (Rate) = Total lost-time due to work-related illness / Total number of hours worked

OUR PEOPLE

(CONTINUED)

Community Engagement

In addition to delivering stakeholder value via its business operations, the Group has consistently supported society and communities through its corporate social responsibility (“CSR”) activities, which are spearheaded by the Hai-O Foundation (also known as “Yayasan Hai-O”) and Yayasan Tan Kai Hee. These initiatives generally aim to assist communities in need and promote healthcare, education, and cultural causes.

Education – Ai Hua Jiao Fund Raising Campaign

Hai-O Foundation continued to organise the Ai Hua Jiao Fund Raising Campaign in collaboration with Sin Chew Daily. The campaign successfully raised a total of RM9.7 million, which was allocated to 6 schools, benefiting approximately 3,786 students and 234 teachers.



Education – Excellent Academic Awards 2023

The Excellent Academic Awards, established in 2016, aim to promote academic performance amongst the children of our MLM entrepreneurs and employees and, at the same time, recognise the hard work of dedicated and committed parents. In FY2024, the Excellent Academic Awards 2023 granted a total of 51 SPM achievers of our MLM distributors’ children, including 3 children of our employees. The awards totalled to RM21,900.



Education – Hai-O Higher Educational Aid 2024

Since 2014, Hai-O Foundation has been offering financial assistance to eligible employees’ children to support them to further their studies in higher learning institutions. We always believed in the power of education for advancing civilisation and humanity, as well as enhancing competitiveness for better career opportunities and improved living standards. The Hai-O Higher Educational Aid is also a way for the Group to express its appreciation to loyal employees.

In FY2024, we provided RM60,000 in assistance to 12 eligible employees’ children through the Hai-O Higher Educational Aid.

OUR PEOPLE

(CONTINUED)

Donation to Tabung Kemanusiaan Palestin

In support of humanitarian efforts in Palestine, Yayasan Tan Kai Hee donated RM100,000 to the Tabung Kemanusiaan Palestin through Media Prima during SHOM's 31st anniversary on 18 November 2023.



Donation to the orphanage home

In FY2024, we donated RM3,000, plus RM600 in green pao, to Pertubuhan Kebajikan Anak-anak Yatim, Fakir Miskin dan Muafak Baitul Sakinah As-Shariff Selangor and Kuala Lumpur, to celebrate Hari Raya Open House with the orphans.



Articles/ infographic sharing

We conducted a campaign featuring articles and infographics sharing to raise awareness and promote a culture of sustainability among all SHOM's staff. This activity covered topics such as "No More Plastic Bag", "The 4R's", "Top 10 Ways to Live a More Sustainable Life", and "Sexual Harassment".

Health Talks (Breast cancer and eye care) and free clinical examination / free eye examination

As part of our health initiatives, we sought to learn the correct practices for maintaining breast health with guidance from Matron Chew Bok Yu of BCWA, including free clinical examinations and self-breast examination techniques. During SHOM 31st anniversary celebration, we provided free eye examinations by optometrists, addressing issues such as dry eyes, colour blindness and more, to further support the well-being of our distributors and employees.

Hai-O Arts and Cultural Grants 2024

Hai-O Foundation conducted its 4th annual Hai-O Arts and Culture Grants, designed to support Malaysian arts and culture across diverse ethnicities, fostering the spirit of social justice, multi-ethnic unity, and harmony. Nine eligible applicants were awarded a total of RM50,000 in support, and details including works produced under the grants are available on Hai-O's corporate website.



OUR PEOPLE

(CONTINUED)

Earth Day Extravaganza: Unite For Nature & Cleanliness at Taman Rakyat, Klang

In celebration of Earth Day, HOR and Kelab Muhibbah Hai-O organised a park outing and environment cleaning activity in April 2024. Our employees and their families were invited to participate, contributing to the community's environmental efforts. Around 35 HQ staff responded to the event, gathering at Taman Rakyat Park in Klang early in the morning to conduct the cleanup activities. Additionally, selected Hai-O chain stores across Malaysia joined the cleanup efforts within a 300-meter radius of their respective stores, in support of this initiative.



Joy 4 Klang Blood Donation Campaign

Kelab Muhibbah Hai-O continued to carry out its regular, annual blood donation campaign in collaboration with the Angkatan Pertahanan Awam Unit Sungai Pinang. The blood donation campaign is aimed at promoting and raising awareness of healthcare and community well-being. The blood donation campaign in October 2023 was held in Klang Parade which had successfully collected 217 bags of blood.



Kelab Muhibbah Hai-O

At BESHOM, we recognise the importance of supporting employees to fulfil their social and recreational needs. The company's sports club called Kelab Muhibbah Hai-O was set up in 1998 to cultivate work-life balance and create a harmonious and cohesive workplace. During the FY2024, Kelab Muhibbah Hai-O organised talent shows during the Chinese New Year dinner & Mooncake Festival dinner, a subsidised Thailand trip, bowling and badminton competitions, Earth Day and other activities and made it an exciting year for our staff.



54

FY2024

Total amount invested in the community (RM)

711,404

Beneficiaries²³ of the investment in communities (estimated no.)

4,032

BESHOM's Sustainability KPIs

FY2024 Target: sponsorship, fund-raising, or similar programmes that benefit more than 4,000 students and teachers



In FY2024, the Group contributed RM711,404 to community investment activities which supported approximately 4,032 beneficiaries, including 3,798 students and 234 teachers, amongst others, through its various CSR activities.

²³ Beneficiaries only include target beneficiaries that are external to the BESHOM Group.






KEY SUSTAINABILITY FOCUS AREA

Our Product



OUR PRODUCT
(CONTINUED)



Our Product		
To provide safe and high-quality products that cater to improving the well-being of our customers		
Relevant Material Sustainability Matters	Key Highlights in FY2024	Relevant GRI Topics
Reputable Brands, Products, and Services Customer Responsibility	Guidelines to govern responsible marketing	GRI 416: Customer Health and Safety 2016
	Compliant with: MAL, NOT, Food Label, KKKLIU	GRI 417: Marketing and Labeling 2016
	0 case of product recall	
	> 150 products with HALAL certifications	
Contributions to SDGs		
  		


OUR PRODUCT
(CONTINUED)

Reputable Brands, Products, and Services

Brand Reputation

At BESHOM, we continued to uphold our reputation and portfolio of brands, which reflect our values and beliefs as a responsible corporate citizen. We are committed to providing the best product quality, ensuring we are a reliable and trustworthy business partner with integrity.




Objective: To constantly uphold corporate branding through various channels and activities

Strategy: To preserve and uphold our “SEAGULL” corporate values

Our branding activities and events are commonly conducted in conjunction with health-related informative sessions, to align with our Vision and Mission of promoting better healthcare for all people.

We engage with industry peers and leaders to stay updated on the latest industry developments and better practices and to participate in industry-wide efforts towards building sustainable businesses.

Our MLM business is a member of the DSAM, which sets industry standards and promotes an ethical marketplace for direct selling. Our Retail business is a member of the Malaysia Retail Chain Association. Additionally, we are members of the Federation of Chinese Physicians and Acupuncturists Association of Malaysia (“FCPAAM”) and the Malaysia-China Traditional Medicine and Health Food Product Association (“MCTMHFPA”).

In addition, BESHOM Group is honoured to be recognised with The Edge ESG Awards 2023 (GOLD) in the category of Most Improved Performance Over Three Years, specifically for companies with a market capitalisation ranging from RM300 million to RM800 million. This award recognises BESHOM Group’s exceptional growth and significant improvements in ESG performance over the past three years, highlighting their commitment to sustainable and responsible business practices.

OUR PRODUCT

(CONTINUED)

Deepening our market presence

To strengthen our market presence and outreach, we collaborate with business partners to create business synergies and offer attractive deals for consumers. We also organise promotional events and activities as part of our strategy.

BESHOM's Sustainability KPIs

FY2024 Target: We aim to have at least 2 cross-over projects with business alliances to cater for market needs and synergy reach in FY2024.

FY2024: There were 7 cross-over projects/ events conducted to cater for market needs and synergy reach, which include collaborations with Subplace, Tohoku Food Culture Export Promotion Cooperative Association, AstroGO, Alliance Bank, UOB Bank, Doctor 2 U, and Touch n Go.

Product Innovation

BESHOM Group continuously strives to expand its portfolio with safe and high-quality products that contribute to consumers' well-being. We consistently seek innovative products that provide more options to meet our customers' needs, considering the evolving consumer preferences.

We stay updated on industry trends and technological development to maintain our competitiveness and relevance in the market, supported by our product team which conducts market research and analysis to identify products required by the market in line with our business strategies.

In recent years, our product innovation strategy has increasingly placed focus on incorporating healthier options and adopting more environmentally friendly elements in our products, amongst others.

Leveraging our network of experienced distributors who understand the local markets, we have the advantage to be able to reliably gauge market response through our product evaluation before launching new products. Our product evaluation process considers various perspectives, including physical and sensory aspects, unique and exclusive ingredients or formulations and functional benefits for consumers, aiming to achieve at least 80% customer satisfaction.

Nurich Nutra-i: A proprietary blend of tailored lutein and zeaxanthin (from Marigold flower), natural astaxanthin, and European mixed berry powder for a complete eye care solution. It is a sugar-free formula suitable for all ages.
Min Cha - Exclusive milk tea formula with black tea powder from Sri Lanka and Kenya, Korean bamboo salt, and Sweetality® sweetener. The silky smooth texture and luxurious creaminess in every sip give you a delightful sensory experience. These are high-demand local delights which suit the Malaysian tastebud.
Min Kaffe Mocha & Cappuccino -The line extension from our signature Min Kaffe series. Crafted with an exclusive coffee formula made from Robusta and Arabica coffee bean powder, Korean bamboo salt, and Sweetality® sweetener. The unique blend offers a flavourful cafe-style coffee drink.
Thera Seamless Series - The line extension from our signature Premium Beautiful 360 Thera series. The Seamless bras feature light sculpting, gentle contouring, and long-lasting shape retention, ensuring a smooth and skin-friendly feel. The bra cup is made from more than 93% natural latex content, which is non-toxic and anti-mite. Meanwhile, the Seamless Panty series is crafted from seamless velvet-touch fabric, the seamless panty offers soft, comfortable, and invisible wear, providing an ultra-light sensation.



OUR PRODUCT
(CONTINUED)

Access to Healthier Options

When considering products for FMCG food products, we prioritise ingredients that enhance health benefits where possible. We actively promote health awareness and moderate consumption of our products as we encourage non-excessive sugar consumption. Where appropriate, we incorporate safe substitute ingredients in new or rebranded products to mitigate risks associated with excessive sugar consumption, such as obesity or heart-related diseases. Our product portfolio includes products that serve as healthier food options and products that aid consumers with better health management.

Summary of Key Branding and Health Promotion Events in FY2024

Events (SHOM)	Description
Min Kaffe & Min Cha Branding	Participated in Suria Carnival to showcase Min Kaffe & Min Cha, followed by Min Kaffe & Min Cha National Road Tour (On-the-Go Tasting tour).
Raya Festival	SHOM participated in the biggest Raya Festival in 2024, which is Festival Gaya Raya Absolut Bazaar JB & KL. We have showcased our Min Kaffe series & Premium Beautiful Shaping Lingerie during the exhibition and had received excellent response from both members and consumers. This has also deepened the brand image of Min Kaffe among consumers.
Raya events	Raya promotions and campaigns including Suria FM airtime, Duit Raya campaign, Ramadhan & Raya roadshows, and Joyful Raya Collection Special Gift Pack.
Business Incentive Trip	SHOM brought a team of 130 top leaders to visit our renowned manufacturer for body shaping lingerie in Guangzhou for a Business Incentive Trip. We visited the manufacturing facility and Asthetic Gallery during the trip. This eye opening experience has successfully boosted the brand identity and user confidence in Premium Beautiful 360 Thera.
Collaborated with PhD Agronomist	Collaborated with PhD Agronomist, Dr Syed Omar Syed Rastan for Ezigrow Agro workshop.
Collaborated with BCWA	Collaborated with Breast Cancer Welfare Association (BCWA) for breast cancer talk to raise awareness. This BCWA x PB 360 Thera Talk has raised breast cancer awareness. We conducted 2 rounds of this talk, one in KL and one in Terengganu.
Introduction of New FlexiOwn (rent-to-own) payment	New FlexiOwn (rent-to-own) payment options for PB 360 Thera series products.
Seoul Coex Food Fair 2023	Expansion to overseas market with key brands Min Kaffe, Min Cha & Nurich.



OUR PRODUCT

(CONTINUED)

Events (Hai-O)	Description
Roadshows	Roadshows were conducted at Da Hong Hua International Tea Expo, Malaysia International Traditional & Complementary Medicine and Health Food Product EXPO, Leisure Mall, Setia City Mall, and BMC Mall.
Weekly In-Store Product Testing	Providing customers with hands-on experience of new or existing products to improve product awareness & drive sales.
Merdeka Countdown Giveaway	To celebrate Merdeka with a total of RM10,000 in prizes to be given away, encouraging customer participation and enhancing brand loyalty.
CNY 2024 Hamper Launching & One-Utama Outlet Re-opening Ceremony	Launch festive CNY hampers and celebrate the re-opening of the One Utama outlet with a grand ceremony to attract foot traffic and media attention. We also initiated an XHS campaign by collaborating with 20 bloggers to promote the One Utama outlet re-opening.
CNY Giveaway Contest	Increase customer engagement and excitement with a Chinese New Year giveaway contest.
Campaign Partnerships with Business Alliances	Collaborate with UOB, Alliance Bank, Standard Chartered Bank, and TnGo to provide exclusive product deals, driving sales through strategic partnerships. We also collaborate with KOSE on a CNY media kit, distributing product samples and vouchers to 30 media, bloggers, and KOL to enhance brand visibility and engage a broader audience.
Regional events	Wu Jia Pi Night at Genting International Convention Centre in March 2024, Chinese liquor and Japanese wine tasting event from June 2023 to January 2024, participated in Jom Heboh at Shah Alam, Penang and Johor and also the Malaysia Health & Wellness Fair in Mid Valley.



OUR PRODUCT
(CONTINUED)

Customer Satisfaction

We strive to build customer confidence and trust in our products and our people.

To ensure effective engagement with our customers, addressing their needs and preferences and delivering quality service, BESHOM Group engages with customers through our established channels.

MLM Segment

We maintain a strong and robust engagement network with our distributors, who serve as the primary point of contact for consumers of our products. We have established direct channels through which consumers can contact us for any enquiry, comments, and feedback.

Some of our key engagement channels are as follows:

- Corporate email at info@shom.com.my and coe@shom.com.my
- Corporate website at www.shom.com.my
- Bulletin
- Social media including WhatsApp, YouTube (www.youtube.com/c/SahajidahHaiOMarketing), Facebook (www.facebook.com/OfficialSHOM) and Instagram (www.instagram.com/sahajidah.haio)
- Customer Service WhatsApp line: 017-302 8588
- E-commerce WhatsApp line for HQ
- E-commerce service lines for branches and stockists
- Text via SMS and Telegram (one-way communication)
- Member Portal
- Others include surveys, trainings, meetings, conferences, and events

FY2024 Highlights:

We continued to carry out our engagement surveys with our distributors through the Distributor Survey Form and Event Feedback Survey. We also conducted a weekly exclusive 360 Thera Insight Zoominar to share real life testimonials and boost product image and confidence.



Retail Segment

Hai-O retail stores are represented by both its physical stores and online stores. At our physical retail stores, we strive to provide a secure and comfortable shopping environment, with well-trained personnel dedicated to delivering quality service and assistance to walk-in customers. Our online store, https://mall.hai-o.com.my, provide a convenient platform for online customers to explore our diverse product offerings online from anywhere. We also regularly feature online promotional activities to enhance the shopping experience for our online clientele.

Members of our Hai-O Member Programme enjoy extra benefits including birthday rewards, member discounts, early and exclusive promotions, access to special seminars, and others. We also hold Member Privilege Sales to reward the loyalty of our members.

Hai-O's key engagement channels are summarised as follows:

- BESHOM General Email: info@beshom.com
- Hai-O Chain Store Facebook
- Hai-O Chain Store Customer Service Hotline: 03-3343 8889
- Text via SMS and telemarketing
- Customer Service WhatsApp line
- Customer complaint procedures
- Feedback Form (available in our retail stores)
- Customer Satisfaction Survey (accessible via QR Code)
- customer_care@hai-o.com.my (for online store)
- Live chat services

FY2024 Highlights:

Customer survey is conducted through various channels, including Customer Satisfaction Survey, Post Member Privilege Sales Campaign Member Survey, as well as customer impression and experience survey on the newly refurbished outlet at One Utama, Kuala Lumpur.

OUR PRODUCT

(CONTINUED)

Wholesale Segment

Hai-O's Wholesale segment primarily caters to corporate clients, some of them are also our business partners with whom we have collaborated in the past years to promote our products and their various distribution platforms, such as supermarkets and hypermarkets. Our Wholesale segment focuses on fostering collaborative relationships with other businesses to foster mutual growth and enhance competitiveness. In this regard, our in-house representatives undergo regular training to better serve our customers, ensuring their needs and interest are met. Moving forward, we will continue to deepen our engagement with customers through events and functions to better understand their concerns about product quality, sustainability, and responsibility.

The Group has established processes to monitor and manage complaints received, aiming for ongoing enhancement of our operations, in addition to resolving customers' complaints. During the financial year under review, all received complaints have been duly addressed. Below is a summary of the complaints received during FY2024.

MLM Segment	27 product complaints - 27 resolved
Retail Segment	18 product complaints – 18 resolved 4 customer service complaints – 4 resolved
Wholesale Segment	nil

BESHOM's Sustainability KPIs

FY2024 Target: Resolving 100% of product complaints received.

FY2024: All (100%) complaints received were resolved.

Product Safety and Quality

Product safety is a fundamental, non-negotiable criterion which we will assess before including a product in our portfolio. We ensure that our products are safe and comply with all applicable regulatory requirements. The SOPs of our relevant business segments include procedures and controls to ensure our products comply with the relevant regulations, including those under the purview of the National Pharmaceutical Regulatory Agency ("NPRA") or the Ministry of Health ("MOH"), before products are sold to customers.

In Malaysia, products such as health supplements and traditional preparations typically require registration and adherence to guidelines set by the NPRA. Moreover, all food, wellness, skincare, cosmetic, and personal care products marketed by SHOM are governed and approved by the MOH. Within our relevant business segments, we have SOPs to ensure strict compliance with regulatory requirements before products are made available to customers.

How to Identify NPRA-registered Products

Health supplements and traditional preparations are considered pharmaceutical products and must be registered with NPRA. There are two main features for registered products:

- Registration number starting with "MAL". followed by eight numbers and ending with the letter T, A, X, or N; and
- Genuine hologram sticker affixed on the packaging of the product.

Please refer to the official government website of the NPRA or the official website of the MOH for further details.

The products we sell may be generally categorised into three main groups: those manufactured under our own brands and our own facilities, those manufactured under our brands by third parties, and third-party brands for which we hold distribution rights. Our products are subject to robust product quality and safety control processes throughout its lifecycle, from market readiness, procurement, manufacturing, packaging, to logistics and distribution. These processes ensure that all products meet our stringent standards before reaching our customers.

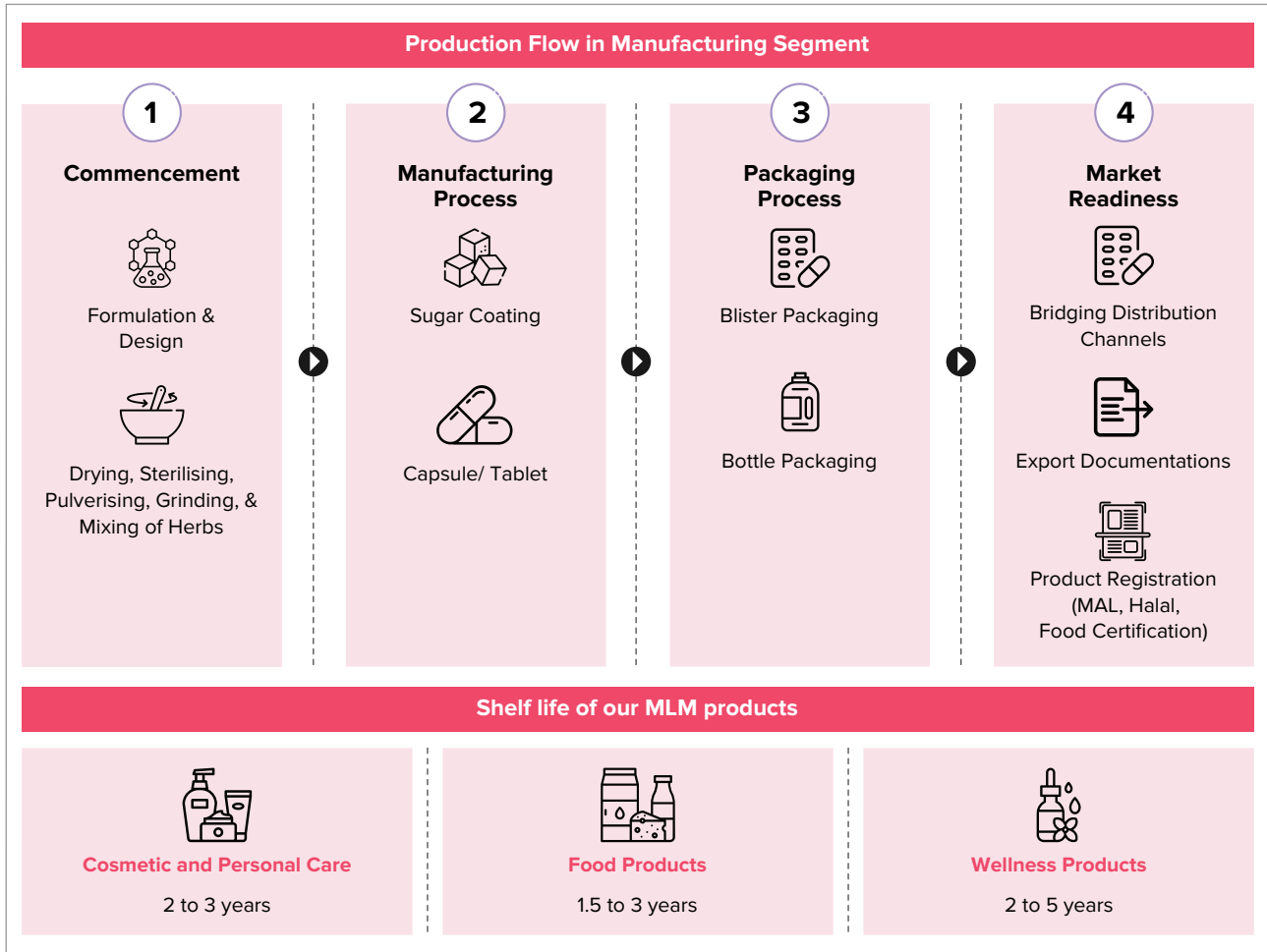
As part of our process, food, supplement, skincare, and cosmetic products we receive from suppliers are required to be accompanied by a Certification of Analysis ("COA") or an in-house test report. These documents ensure that the products meet regulatory and agreed-upon specifications. Besides, we conduct rigorous testing during our manufacturing process to detect any presence of contaminants and/or to assess product efficacy.

Additionally, both our MLM and Manufacturing segments operate dedicated in-house quality control teams tasked with conducting quality checks on every batch of products before distributing them to our stores and branches. These teams evaluate various qualities considering such as physical appearance, aroma, taste (for edible products), and other specifications. As part of the quality control process, 2 units of retention samples will be taken as controlled samples for each batch of delivery and will be kept throughout their specified shelf life, as well as references for future verification, batch tracing, or investigations or testing as needed. We undertake traceability practices for every batch of products we sell.

OUR PRODUCT

(CONTINUED)

At our manufacturing sites, we uphold strict standards by using only quality ingredients throughout our manufacturing process. In this regard, we have a stringent process for selecting suppliers for raw materials and products, who are assessed based on, amongst others, the quality of raw materials, finished goods, and the manufacturing process, as relevant. We also conduct due diligence, periodic reviews, and audits to gain an enhanced understanding of our suppliers. Our manufacturing sites practice a high level of quality control, hygiene, and best practices, and are certified with GMP.



Product Certification and Manufacturing Certification

Product and manufacturing certifications provide additional assurance for our business, our business partners, and our customers.

The Group’s relevant key business activities, encompassing manufacturing, distribution, and quality control processes, adhere to the following certifications, as applicable:

- **GMP** which governs the manufacturing and production of food or pharmaceutical products;
- **ISO 9001:2015** which specifies the requirements for a quality management system;
- **HACCP** which is a management system addressing food safety through the production chain from sourcing to consumption; and
- **SAMM Accreditation (MS ISO/IEC 17025)** which is an accreditation under the Skim Akreditasi Makmal Malaysia (“SAMM”) based on ISO/IEC 17025, in relation to the competence of testing and calibration laboratories.

OUR PRODUCT

(CONTINUED)

To uphold these certifications, independent audits are conducted regularly to verify ensure continuous implementation of practices according to the said standards. In FY2024, we continued to maintain our certifications as follows, without significant issues.

Certification	Certified process/ company	Audit Frequency
GMP	<ul style="list-style-type: none"> Manufacturing plants at both Lot 1388 and Wisma Hai-O 	Annually
ISO 9001:2015	<ul style="list-style-type: none"> MLM operations at Wawasan Hai-O Manufacturing plants at both Lot 1388 and Wisma Hai-O 	Annually
SAMM Accreditation (MS ISO/IEC 17025)	<ul style="list-style-type: none"> Laboratories and QC team 	Annually
HACCP	<ul style="list-style-type: none"> Manufacturing plants at both Lot 1388 and Wisma Hai-O 	Biennially
FDA Certificate of Registration	<ul style="list-style-type: none"> Manufacturing plants at both Lot 1388 and Wisma Hai-O 	-

In addition, we hold HALAL certifications for over 150 products and maintain KKKLIU certifications to advertise certain NPRA-registered products via appropriate channels.

Food Safety and Product Recall

BESHOM Group diligently uphold the integrity of its product safety processes and controls to protect consumers of our food products. Our aim is to proactively prevent any food safety issues incidents, and we are pleased to report that there were no such issues reported during FY2024.

BESHOM's Sustainability KPIs

FY2024 Target: 0 food safety incidents

FY2024: 0 food safety incidents

(FY2023: 0 food safety incidents)

As a preventive and remedial control, we have established a product recall policy and corresponding SOPs to ensure an effective and efficient response in the event of a necessary product recall. This enables us to promptly contain and minimise any negative impacts associated with recalled products. Our process is developed in alignment with recall procedures prescribed by the NPRA and is subject to regular review to maintain effectiveness.

Our quality control processes at our operations, including batch tracing and other practices supporting traceability, further strengthen the effectiveness of our recall process and facilitate accurate tracing.

During the financial year under review, there were zero incidents of product recall.

BESHOM's Sustainability KPIs

FY2024 Target: Zero incidents of product recall

FY2024: Zero incidents of product recall

(FY2023: Zero incidents of product recall)

OUR PRODUCT

(CONTINUED)

Customer Responsibility

Responsible Marketing and Advertising

We are committed to upholding the responsible marketing principles and will adhere to all applicable regulations for marketing and advertising regulations. All our MAL products will be registered under NPRA, and our advertisements will comply with KKKLIU's²⁴ approval, ensuring we are aligning with responsible advertising and marketing principles. Our food, wellness, skin care, and cosmetics marketed by SHOM are regulated and approved by MOH. Products offered by our MLM business are also governed by the KPDN with respect to their pricing.

In our MLM business segment, represented by our numerous distributors, we prioritise responsible and ethical marketing practices. Committing to adhere to the DSAM Code of Conduct and SHOM's Business Handbook on ethical business practices, all our MLM distributors are required to conduct fair and ethical direct sales practices. Our Advertising and Marketing Policy for SHOM and Business Handbook also reflects similar requirements for all distributors to truthful and accurate advertising and promotional activities, including electronic formats. Our policy prohibits any repackaging, changes in labelling, or misleading claims regarding product efficacy, health ability, as a specific treatment, or purported cure for any disease or condition, and distributors shall accurately represent product information such as quality, origin, performance, and others. Our SHOM personnel also monitor distributors' marketing practices and marketing materials, taking necessary actions against non-compliance.

At BESHOM, we prioritise regular training and awareness programmes for our employees, salesmen, and distributors on relevant advertising and marketing regulations. We emphasise our commitment to responsible marketing and clarify acceptable and non-acceptable marketing practices. We ensure that our salesmen and distributors receive clear guidance on product information materials for all products. To further disseminate our principles, we have uploaded the "Panduan Penyiaran Iklan" video on our official SHOM YouTube channel, with the aim of educating our distributors. Additionally, we published our code of ethics related to advertisements and promotions in our quarterly Bulletin.

In FY2024, our new Retail staff underwent an orientation and induction programme (Fundamentals of Retail Management Course) and this programme covered topics such as "introduction to labelling requirements for traditional medicines" and "precautions and storage rules for herbal medicines".

In addition, we promptly provided our Retail staff with memos to inform them about food safety issues, specifically referencing the Kobayashi red yeast incident. In this regard, it helped staff to clarify to customers and consumers that our company's red yeast products are not associated with the issues identified in the Kobayashi incident.

Customer Data Privacy

We prioritise the privacy of our customer information, maintaining high standards of procedures to protect customers' privacy and information in accordance with our various data and privacy policies. Further details can be found in the **IP and Data Integrity** section of this Report.

Responsible Marketing of Products Containing Alcohol

At our Hai-O Wholesale and Retail segments, some of our products may contain alcohol and these products may be used as traditional complementary health products, for cooking, or for enjoyment. However, majority of our alcohol-containing products are traditional complementary medicated health products that are MAL-registered with the NPRA and affixed with genuine hologram stickers.

See "**Product Safety and Quality**" of this Report to understand how to identify NPRA-registered products.

The selling and marketing of alcohol-containing products are strictly adhered to all relevant laws and regulations. We only sell alcohol-containing products to non-Muslim adults who are at least 21 years old. Such statements are clearly stated and communicated in our physical and online stores, as well as in our marketing and advertising materials, to ensure that we do not sell to Muslims or those under the legal age. Our sales personnel, including staff at Hai-O's retail outlets, are also trained and required to only sell alcohol-containing products to those who are 21 years old and older and non-Muslims. Moreover, we only sell alcohol products within the permissible time as stipulated by local laws, regulations, and requirements.

²⁴ Pharmaceutical Services Division, Ministry of Health.

OUR PRODUCT

(CONTINUED)

Our wine and liquor products, which are consumed for enjoyment, are accompanied with a statement warning against excessive drinking, i.e. “Meminum Arak boleh Merbahayakan Kesihatan” and/or “文明 喝酒”, as applicable. In addition, all our MAL-registered medicated tonic products include information on the recommended dosage and precautions to ensure safe use by consumers.

The Group continues to implement a Responsible Marketing Code to oversee the distribution or sale of alcoholic products. The code outlines the Group’s stance against alcohol consumption by minors and Muslims, as well as the promotes responsible drinking and we are strictly opposing any drink-driving actions. Following these policies and principles, we do not sell or provide samples to minors and Muslims at any of our Retail outlets and events. We are also taking steps to raise awareness about responsible drinking via reminder labels on our products, advertisements, or packaging.



Awareness on nutrition intake

Our processed food and beverage products are labelled with nutritional information in accordance with applicable laws and regulations, such as Food Act 1983. This includes the recommended intake amount and the content amount for the relevant nutrition contained within the said product.

We conducted both online and offline product training, especially for new products, to ensure that our distributors understand the ingredients and benefits. This equips them with the necessary product knowledge to better recommend our products to customers in need.

Additionally, we also actively participate in activities to promote public health knowledge and awareness, including via a health talk session by REN TCM, participation in the Health and Wellness Fair 2023, and health sharing sessions through Facebook and Xiao Hong Shu.

Product Labelling

Our product labelling practices adhere to relevant product labelling regulations to ensure accurate and truthful communication of product information. For food products, product labelling checks are undertaken by the MOH to obtain clearance and ensure compliance with applicable regulations. The description of food and beverages on our SHOM’s website are also screened by the MOH.

To effectively reach our diverse customer base with diverse language needs, most of our products are labelled in at least two languages. Amongst others, these labels typically include product information such as ingredients used, any potential allergens or health risks for consumers, additives used, suggested consumption/ application methods, manufacturing date, expiry date, and/or the best-before date. Our aim is to provide relevant and adequate information to enable consumers to make informed decisions about their consumption or purchase via our product labelling practices.



KEY SUSTAINABILITY FOCUS AREA




Our Planet



OUR PLANET

(CONTINUED)



Our Planet		
To strengthen our efforts towards protecting the environment when carrying out our business operations		
Relevant Material Sustainability Matters	Key Highlights in FY2024	Relevant GRI Topics
Energy and GHG Emissions Management Green Product and Packaging Resource and Waste Management	6.01 kWh/ ft² Total electricity usage intensit (per square foot)	GRI 302: Energy 2016
	852,500 kWh of renewable energy generated from Solar Panel Projects	GRI 303: Water and Effluents 2018
	Electronic communication with stakeholders	GRI 305: Emissions 2016
	Efforts to reduce packaging and use of paper and plastic materials	GRI 306: Waste 2020
	19,845 reams savings of A4 80-gram paper from paperless efforts	
Contributions to SDGs		
  		

BESHOM Group recognises its corporate responsibilities towards the environment, including the Group’s responsibility to support global efforts in mitigating climate change. In this regard, BESHOM strives to minimise the environmental impacts of its products and operations and conserve natural resources through:

- (i) pursuing efficient use of resources including energy, water, and raw materials;
- (ii) reducing waste discharged to landfills and unnecessary wastage of materials;
- (iii) avoiding pollution in all forms; and
- (iv) promoting the use of eco-friendly materials.

At BESHOM Group, we continuously promote and raise awareness among our stakeholders, such as employees, distributors, customers, and supply chain partners. This heightened awareness enhances the effectiveness of our initiatives, such as reducing electricity usage, minimising paper consumption and recycling paper at the workplace, and segregating waste to improve recycling and reuse efforts. In addition, we also support a transition to a lower-carbon lifestyle among our employees. The Group offers employees a lower interest rate for the purchase of personal electric cars and installation of solar panel systems on their houses.

At the Retail Segment, we carried out initiatives to reduce the consumption of energy across all our retail outlets. This includes optimising air conditioner settings to maintain an ideal temperature, which we practice across all outlets, and actively exploring methods to minimise the leakage of cool air. These efforts demonstrate our commitment to mitigating climate change and promoting energy efficiency. In addition, we also share knowledge and communicate environmentally friendly habits for the daily lifestyle of our employees. These habits include not wasting food, avoiding, and reducing the use of new packing materials (including plastic bags and paper bags), avoiding Styrofoam, collecting, and reusing resources such as rainwater harvesting, and others.

OUR PLANET

(CONTINUED)

Energy and GHG Emissions Management

As combatting climate change becomes an increasingly urgent task for everyone in the world, at BESHOM, we are also playing our roles in ways we could also contribute and ensure business sustainability by adapting to the change in the global energy landscape.

BESHOM Group continues to gather data and oversee our energy usage, which is one of our primary sources of emissions that we can directly control. Furthermore, we have initiated an analysis of our emissions and are exploring strategies to reduce emissions, which aligns with our energy management initiatives.

Energy Management and Emissions

In general, our energy management approach focuses on reducing overall energy consumption, especially fossil-based energy, and enhancing efficiency across our operations.

Electricity is the primary energy source for our offices and premises, contributing significantly to our carbon emissions. Our operations are largely located in Malaysia, where we procure electricity from Tenaga Nasional Berhad (“TNB”) in West Malaysia and from the relevant state power utility companies in Sabah and Sarawak. Generally, electricity in Malaysia is derived from a mix of non-renewable and renewable sources including natural gas, coal, and hydro-powered dams.

The electricity usage of the Group’s 4 main buildings, i.e. Wisma Hai-O, Lot 1388, Wawasan Hai-O, and Menara Hai-O, are monitored to measure the efficiency of our electricity use.

Electricity saving efforts and performance in the 4 main buildings of the BESHOM Group	Unit	FY2022	FY2023	FY2024
Total electricity usage	million kWh	1.99	1.98	1.64
Total electricity usage intensity (per square foot) ²⁵	kWh/ ft ²	7.30	7.40	6.01
Conversion of LED lights				
LED Lights installed during the year	Unit	533	56	201
Estimated savings from conversion to LED for the year	kWh	17,990	30,730	19,711

Since 2017, we have been upgrading our lighting system to LED. We focus on replacing existing lamps nearing the end of their usable product life, weighing the cost of replacement against cost-efficiency. During the financial year under review, we converted and installed 201 LED lights, resulting in an estimated cumulative energy savings of 19,711 kWh from the replacements we have made since we initiated the project.

Efforts were extended to our MLM branches and Retail stores. Currently, all 12 MLM branches are fitted with LED lights, out of which 7 branches are fully fitted with LED lights. In our Retail segment, significant progress has been made, with 19 additional retail outlets now fully fitted with LED lights. As at 30 April 2024, all 44 retail outlets²⁶ are fully fitted with LED lights.



BESHOM's Sustainability KPIs

FY2024 Target: We set ourselves a target to use LED lighting systems for all new outlets and branches.

In FY2024, the newly refurbished Retail outlet at One Utama is installed with LED lighting systems.

²⁵ The floor area used as denominator is calculated based on the floor area used for the purpose of the Group's operations.

²⁶ Outlets where the Group has control over the choice of lighting systems.

OUR PLANET

(CONTINUED)

Renewable Energy

Our solar energy project, involving the installation of solar panel systems at Wisma Hai-O, Lot 1388(B), and Wawasan Hai-O, is now fully commissioning. For FY2024, the solar panel systems have generated a total of 852,500 kWh of renewable energy and contributed to the avoidance of 646 tonnes of CO₂ emissions.

BESHOM's Sustainability KPIs

FY2024 Target: To provide up to 800,000 kWh renewable energy.

In FY2024, our solar panel systems have generated a total of 852,500 kWh of renewable energy.



OUR PLANET

(CONTINUED)

Group energy consumption and GHG emissions

BESHOM Group has gathered and reported on fuel and electricity consumption across all its business operations to understand its energy usage throughout the year. This is to implement measures to improve energy efficiency and reduce its overall environmental impact. In FY2024, the Group consumed 4,096.56 MWh of energy.

BESHOM Group		Unit	FY2024
Fuel Consumption	Petrol	MWh	100.69
	Diesel	MWh	462.77
	Liquified Petroleum Gas	MWh	8.40
	Battery	MWh	0.00126
Electricity Purchased	Peninsular	MWh	2,623.50
	Sabah	MWh	59.48
	Sarawak	MWh	89.72
Solar/ Renewable Fuel Consumption		MWh	752.00
Total Energy Consumption		MWh	4,096.56

In addition, we have estimated and reported a total of 2,174.57 tonnes of CO₂e in FY2024, reflecting our effort to transparency in our environmental impact and to implement strategies for reducing GHG emissions.

BESHOM Group		Unit	FY2024
Scope 1 Emissions ²⁷	Petrol	tCO ₂ e	24.58
	Diesel	tCO ₂ e	116.43
	Liquified Petroleum Gas	tCO ₂ e	1.90
Scope 2 Emissions ²⁸	Peninsular	tCO ₂ e	1,988.62
	Sabah	tCO ₂ e	25.28
	Sarawak	tCO ₂ e	17.76
Total Scope 1 and 2 Emissions		tCO₂e	2,174.57

²⁷ FY2024 emissions from petrol, diesel, and liquified petroleum gas are using GHG Protocol. Reference: Transport_Tool_v2, <https://ghgprotocol.org/calculation-tools-and-guidance>.

²⁸ FY2024 emissions from purchased electricity were restated, using the latest Grid Emission Factor, i.e. for year 2021, provided by the Energy Commission of Malaysia. Reference: *Grid Emission Factor (GEF) in Malaysia, 2017-2021*, <https://meih.st.gov.my/home>.

OUR PLANET

(CONTINUED)

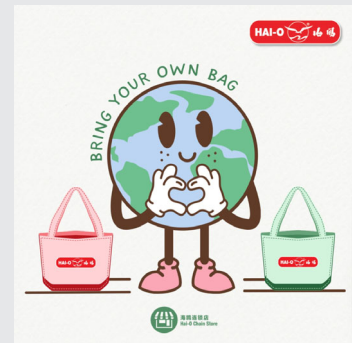
Green Product and Packaging

When selecting products for our portfolio, we take into consideration the environmental effects of the materials used in the product and its packaging, in addition to key considerations in product safety and quality. Apart from that, we also prevent materials that are hazardous or may cause significant pollution to the environment. We prioritise eco-friendly and reusable packaging materials. We also consider consumption habits and seek opportunities to improve packaging solutions or launch options such as refill packs.

We have implemented several initiatives to promote environmental awareness among our customers and consumers. These include discouraging the use of less environmentally friendly plastic bags, encouraging the recycling of supplement bottles, and minimising the use of new materials.

Across all our business segments, we also attempt to use more recyclable materials for packing and packaging. For instance, we have introduced recyclable bags that can be reused multiple times.

Same with last year, we continued to launch a series of campaigns, including the Bring Your Own Bag campaign for our retail customers. In this campaign, we provide non-woven recyclable bags to customers instead of plastic bags. This initiative encourages and reminds customers to bring their own bags when shopping at our stores. Apart from promoting the avoidance of new bags in our stores, we also aim to instil widespread habit among our customers to bring their own shopping bags wherever they go.



Recycle & Be Rewarded campaign is continued to carry out, which allows customers to bring in their supplement bottles and receive discounts on our HONBO product series. During the financial year under review, we successfully collected 44 kg of empty plastic medicine and supplement bottles. These bottles are recycled and handed over to the Tzu Chi Recycling Center. The proceeds from selling the recycled materials are donated to organisations that support environmental protection and preservation activities.

BESHOM's Sustainability KPIs

FY2024 Target: At least half of rebranded products or new products during the year incorporate elements of environmentally friendly packaging.



4 out of 7 rebranded or new products use grey pack packaging during the year.

OUR PLANET

(CONTINUED)

Resource and Waste Management

In line with our efforts to optimise material use and minimising waste generation, we implement the '4R' principles across our operations where possible. We continually enhance our waste and resource management practices by identifying key waste and materials and exploring recycling or reduction strategies. Our efforts are to achieve better environmental protection and preservation beyond mere compliance with laws and regulations.

Reducing the use of paper

Benefiting from our digitisation efforts and migration, our MLM business now operates via an electronic membership system. This system issues membership cards, statements, and regular communication like quarterly bulletin in electronic form. Several business functions such as stock purchases, tracking, and sales are able to be conducted online. Nearly all new members onboarded this year, i.e. 99.9%, are registered on the e-membership platform. Only a handful of members may face challenges accessing this e-membership platform.

Our digitalisation efforts have significantly improved the timeliness and accuracy of our business data, transactions, and statistics towards informing better business decisions. At BESHOM, we continued to advance digitalisation and reduce paper usage, transitioning to digital meetings and board papers. Similarly, we continue to adopt a wide range of paperless initiatives across operations and businesses, including the adoption of e-filing of documentation for banking processes, requesting e-copies for statutory documents, providing e-statement for customers, implementing e-insurance policy as well as transitioning accounting forms from 3 plies to 2 plies. Where paper remains necessary, we prioritise sourcing environmentally friendly paper and encourage paper reuse practices.

BESHOM's Sustainability KPIs

FY2024 Target: We targeted to achieve a savings of 20,000 reams of 80gsm A4 papers.

During the year, we estimated to have saved 19,845 reams, resulting in cost savings of more than RM238,000.

73

Other waste reduction and management practices

In support of the global initiative to reduce plastic waste, our MLM branches will no longer provide single-use plastic bags. Our Retail stores are encouraged to reuse carton boxes for packing customer goods. When necessary, our Retail stores will provide biodegradable bags instead of single-use plastic bags.

In our warehouse, we dismantle broken wooden pallets and reconstruct the usable pieces into new, functional pallets. Typically, 3 or 4 broken pallets can be rebuilt into 2 usable units. We reuse carton boxes for packing and delivery.

At our manufacturing segment, the raw materials used over the past three years, which consist of powdered form of TCM and nutrient ingredients, are summarised as follows:

Manufacturing segment	Unit	FY2022	FY2023	FY2024
Raw materials used	Tonnes	2.572	2.849	2.620

We adhere strictly to waste management regulations, particularly concerning the safe disposal of expired or defective pharmaceutical products and MAL-registered products, as well as disposal of containers of defective excisable goods. Our waste management practices are guided by established SOPs and Waste Management Procedures. In our operations, broken glass bottles used for excisable goods, such as alcoholic health tonic, are disposed of in designated sites and approved containers by the Department of Environment.

BESHOM Group's waste contractors are subject to assessment to ensure full compliance with relevant laws and regulations, and they are also subject to periodic evaluation.

OUR PLANET

(CONTINUED)

The following table below shows the Group's notable waste generated from its offices and warehouse, which is either disposed of or sold to third parties for recycling. In FY2024, there was a notable increase in paper waste due to an intensive exercise to remove old promotional materials, packaging and historical files. For glass waste, we generally accumulate rejected or broken glass items in a safe place and dispose them of once in a few years to save on the landfill cost.

Waste generated	Unit	FY2022	FY2023	FY2024
Total waste generated	tonnes	8.806	28.561	31.832
Total waste diverted from disposal				
Paper – recycled	tonnes	6.930	12.631	27.230
Metal – recycled	tonnes	1.556	15.800	0.182
Total	tonnes	8.486	28.431	27.412
Total waste directed to disposal				
Glass – landfill	tonnes	0.320	0.130	4.420
Total	tonnes	0.320	0.130	4.420

In FY2024, there were no fines or penalties for non-compliance with waste management laws or regulations recorded.



No fines or penalties for non-compliance with waste management laws or regulations recorded

Water consumption

74

Although our operations are not located in water-stressed areas and our water consumption does not strain the local water supply, we continue to report our water usage across Wisma Hai-O, Lot 1388, Wawasan Hai-O, Menara Hai-O and the Group's branches and outlets.

The water consumption is summarised as follows.

Water consumption	Unit	FY2022	FY2023	FY2024
Total water usage	MI	20.21 ²⁹	24.04	23.50

²⁹ Water usage for FY2022 exclude branches and outlets.



ESG Performance Data Table

ESG PERFORMANCE DATA TABLE

ESG Performance Data for financial year 2024

The ESG Performance Data Table was generated from Bursa Malaysia's ESG Reporting Platform and is included in the Sustainability Statement as mandated by Bursa Malaysia's enhanced sustainability reporting requirements under the Main Market Listing Requirements. The table below presents performance data that is relevant to our significant concerns. These figures have been verified internally.

Indicator	Measurement Unit	2024
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	100.00
Executive	Percentage	100.00
Non-executive	Percentage	63.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	711,404.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4,032
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-50	Percentage	52.94
Management Above 50	Percentage	47.06
Executive Under 30	Percentage	14.45
Executive Between 30-50	Percentage	63.33
Executive Above 50	Percentage	22.22
Non-executive Under 30	Percentage	19.03
Non-executive Between 30-50	Percentage	46.83
Non-executive Above 50	Percentage	34.14
Gender Group by Employee Category		
Management Male	Percentage	45.10
Management Female	Percentage	54.90
Executive Male	Percentage	37.78
Executive Female	Percentage	62.22
Non-executive Male	Percentage	33.84
Non-executive Female	Percentage	66.16
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71.43
Female	Percentage	28.57
Under 30	Percentage	0.00
Between 30-50	Percentage	42.86
Above 50	Percentage	57.14
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	4,096.56
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	4.20
Bursa C5(c) Number of employees trained on health and safety standards	Number	85
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	2,932
Executive	Hours	2,317
Non-executive	Hours	6,087

ESG PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	15.70
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	4
Executive	Number	15
Non-executive	Number	64
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	51.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	23.500000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	31.83
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	27.41
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	4.42
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	142.91
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	2,031.66

ESG PERFORMANCE DATA TABLE

ESG Performance Data for previous financial years 2023 and 2022

INDICATOR	MEASUREMENT UNIT	FY2022	FY2023
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	80.00	100.00
Executive	Percentage	77.00	100.00
Non-executive	Percentage	28.00	33.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	632,000	815,000
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	35,369
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
<u>Age Group by Employee Category</u>			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	54.90	51.85
Management Above 50	Percentage	45.10	48.15
Executive Under 30	Percentage	15.22	12.50
Executive Between 30-50	Percentage	66.30	67.05
Executive Above 50	Percentage	18.48	20.45
Non-executive Under 30	Percentage	22.67	21.96
Non-executive Between 30-50	Percentage	46.89	45.99
Non-executive Above 50	Percentage	30.44	32.05
<u>Gender Group by Employee Category</u>			
Management Male	Percentage	47.06	46.30
Management Female	Percentage	52.94	53.70
Executive Male	Percentage	39.13	39.77
Executive Female	Percentage	60.87	60.23
Non-executive Male	Percentage	35.40	34.72
Non-executive Female	Percentage	64.60	65.28
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	75.00	62.50
Female	Percentage	25.00	37.50
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	50.00	37.50
Above 50	Percentage	50.00	62.50

ESG PERFORMANCE DATA TABLE

INDICATOR	MEASUREMENT UNIT	FY2022	FY2023
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	1,987.00 ^a	3,089.00 ^e
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	4.2	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	95	48
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	1,091	1,204
Executive	Hours	1,273	1,578
Non-executive	Hours	5,066	4,023
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	16.90 ^b	15.90 ^b
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	8	8
Executive	Number	20	16
Non-executive	Number	74	71
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	60.00	50.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	20.21 ^c	24.04 ^d
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	8.81	28.56
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	8.49	28.43
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0.32	0.13
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO₂e	Metric tonnes	*	*
Bursa C11(b) Scope 2 emissions in tonnes of CO₂e	Metric tonnes	*	1,699.00 ^f

^a FY2022 - Energy usage for Wisma Hai-O, Wawasan Hai-O, Menara Hai-O & Lot 1388 ("4 main buildings"), excluding retail outlets & MLM branches.

^b Restated employment type

^c FY2022 - Water usage for 4 main buildings, excluding retail outlets & MLM branches.

^d FY2023 - Water usage for 4 main buildings, retail outlets & MLM branches.

^e FY2023 - Energy usage for 4 main buildings, retail outlets & MLM branches.

^f FY2023 - Scope 2 (Indirect) GHG emissions derived from purchased electricity for the 4 main buildings, retail outlets & MLM branches.

* Disclosure for emissions management data from FY2024 only.

GRI CONTENT INDEX

Statement of use	Beshom Holdings Berhad has reported in accordance with the GRI Standards for the period from 1 May 2023 to 30 April 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standards(s)	Not applicable

Abbreviations:

AR: Annual Report 2024

SS: Sustainability Statement 2024

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number	
General Disclosures				
GRI 2: General Disclosures 2021	The organization and its reporting practices			
	2-1 Organizational details	Legal name: Beshom Holdings Berhad		
		Nature of ownership: Public Limited Liability Company		
		Location of its headquarters: Klang, Selangor Darul Ehsan		
		Countries of operation: Malaysia		
		AR: Notes to the Financial Statements		93 - 139
		SS: About This Report		2
	2-2 Entities included in the organization's sustainability reporting	This Report did not cover the Group's other business activities, such as property management.		
		AR: Financial Statements		77 - 144
		SS: About This Report – Reporting Basis and Scope		3
	2-3 Reporting period, frequency and contact point	Reporting period: 1 May 2023 to 30 April 2024		
		Frequency: annually		
		Publication date: 28 August 2024		
		SS: About This Report – Contact Us		3
	2-4 Restatements of information	Emissions conversion for purchased electricity for FY2024 has been restated		71
2-5 External assurance	SS: About This Report – Assurance		3	
Activities and workers				
2-6 Activities, value chain and other business relationships	Sector: consumer products & services			
	AR: Management Discussion and Analysis by Group Managing Director		20 - 32	
	SS: About This Report – Reporting Basis and Scope		3	
	SS: Reputable Brands, Products, and Services		57 - 64	

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
General Disclosures			
GRI 2: General Disclosures 2021	Activities and workers		
	2-7 Employees	The number of employees is reported based on head count at the end of the reporting period	
		Majority of our employees are on full time permanent basis and most of them are locally employed (i.e. Malaysians). Our employees are required to work in office based and their working time is mainly during working hours. Most of our employees are employed locally based on the country we operate.	
		No significant fluctuations in the number of employees during the reporting period and between reporting periods	
		SS: Employee Well-being and Inclusiveness – Employees	40 - 44
	2-8 Workers who are not employees	Type of work: security and cleaner	
		The number of workers who are not employees is reported based on head count at the end of the reporting period	
		No significant fluctuations in the number of workers who are not employees during the reporting period and between reporting periods. The number of workers who are not employees is insignificant to the Group’s workforce.	
		SS: Economic Performance – Supporting the Local Economy and Creating Work Opportunities	22 - 23
	Governance		
	2-9 Governance structure and composition	AR: Profile of the Board of Directors	10 - 14
		SS: Governance for Sustainability	9
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report	
		AR: Corporate Governance Overview Statement	49 - 67
	2-11 Chair of the highest governance body	The Chair of the Board of Director, Mr. Ng Chek Yong, is a Senior Independent Non-Executive Director	
		Corporate Governance Report	
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance Report	
SS: Governance for Sustainability		9	
SS: Stakeholder Engagement		10 - 14	
SS: Material Sustainability Matters – BESHOM’s Materiality Assessment		15 - 19	
2-13 Delegation of responsibility for managing impacts	Corporate Governance Report		
	SS: Governance for Sustainability	9	

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
General Disclosures			
GRI 2: General Disclosures 2021	Governance		
	2-14 Role of the highest governance body in sustainability reporting	SS: Governance for Sustainability	9
	2-15 Conflicts of interest	AR: Audit Committee Report	43 - 48
		AR: Corporate Governance Overview Statement	49 - 67
	2-16 Communication of critical concerns	SS: Ethics and Integrity – Whistle-Blowing Mechanism	33
	2-17 Collective knowledge of the highest governance body	Corporate Governance Report	
		SS: Group Managing Director’s Message	4 - 8
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report	
		SS: Governance for Sustainability	9
	2-19 Remuneration policies	Remuneration Committee Terms of Reference is made available at https://www.beshom.com/investor-relations/corporate-governance	
		Corporate Governance Report	
	2-20 Process to determine remuneration	Corporate Governance Report	
	2-21 Annual total compensation ratio ³⁰		
	Strategy, policies and practices		
2-22 Statement on sustainable development strategy	SS: Group Managing Director’s Message	4 - 8	
2-23 Policy commitments	Code of Business Ethics for Suppliers and Business Associates is made available at https://www.beshom.com/investor-relations/corporate-governance		
	Anti-Bribery Policy is made available at https://www.beshom.com/investor-relations/corporate-governance		

³⁰ Disclosure for GRI 2-21-a, b & c on Annual total compensation ratio – Disclosure omitted as salary and compensation of employees are confidential information for BESHOM.

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
General Disclosures			
GRI 2: General Disclosures 2021	Strategy, policies and practices		
	2-23 Policy commitments	SS: Group Managing Director’s Message	4 - 8
		SS: Supply Chain Management – Code of Business Ethics for Suppliers and Business Associates	24
	2-24 Embedding policy commitments	SS: Supply Chain Management – Code of Business Ethics for Suppliers and Business Associates	24
		SS: Ethics and Integrity – Anti-Bribery and Anti-Corruption	31
	2-25 Processes to remediate negative impacts	Whistle-Blowing Policy is made available at https://www.beshom.com/investor-relations/corporate-governance	
		SS: Ethics and Integrity – Whistle-Blowing Mechanism	33
	2-26 Mechanisms for seeking advice and raising concerns	SS: Ethics and Integrity – Whistle-Blowing Mechanism	33
	2-27 Compliance with laws and regulations	SS: Ethics and Integrity – Whistle-Blowing Mechanism	33
	2-28 Membership associations	SS: Reputable Brands, Products, and Services – Brand Reputation	57
	Stakeholder engagement		
	2-29 Approach to stakeholder engagement	SS: Stakeholder Engagement	10 - 14
2-30 Collective bargaining agreements	There is no union in Beshom Group		
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SS: Stakeholder Engagement	10 - 14
		SS: Material Sustainability Matters	15 - 19
	3-2 List of material topics	SS: Material Sustainability Matters	15 - 19
Our Economy			
Economic Performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Economic Performance	22 - 23
GRI 201: Economic Performance 2016 SS: Economic Performance	201-1 Direct economic value generated and distributed	SS: Economic Performance	22 - 23

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our Economy			
Economic Performance			
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	Significant location of operation: Malaysia	
		SS: Economic Performance – Supporting the Local Economy and Creating Work Opportunities	23
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	SS: Economic Performance – Supporting the Local Economy and Creating Work Opportunities	23
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	SS: Economic Performance – Supporting the Local Economy and Creating Work Opportunities	23
Supply Chain Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Supply Chain Management	24 - 25
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SS: Supply Chain Management – Code of Business Ethics for Suppliers and Business Associates	24
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SS: Supply Chain Management – Code of Business Ethics for Suppliers and Business Associates	24
Our Governance			
Corporate Governance and Risk Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Corporate Governance and Risk Management	28
Ethics and Integrity			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Ethics and Integrity	29 - 33
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SS: Ethics and Integrity – Anti-Bribery and Anti-Corruption	31

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our Governance			
Ethics and Integrity			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	SS: Ethics and Integrity – Instilling Ethical Culture	31 - 32
	205-3 Confirmed incidents of corruption and actions taken	SS: Ethics and Integrity – Instilling Ethical Culture	31 - 32
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SS: Ethics and Integrity – Whistle-Blowing Mechanism	33
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SS: Ethics and Integrity	29 - 33
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	SS: Ethics and Integrity	29 - 33
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	SS: Ethics and Integrity	29 - 33
GRI 415: Public Policy 2016	415-1 Political contributions	SS: Ethics and Integrity – Monitoring and Audit	32
Intellectual Property (“IP”) and Data Integrity			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: IP and Data Integrity	34 - 36

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our Governance			
Intellectual Property (“IP”) and Data Integrity			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	SS: IP and Data Integrity – Data Privacy	35
Our People			
MLM Entrepreneurship			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: MLM Entrepreneurship	39
Employee Well-being and Inclusiveness			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Employee Well-being and Inclusiveness	40 - 44
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	SS: Employee Well-being and Inclusiveness – Employee Well-being – Fair remuneration	43 - 44
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SS: Employee Well-being and Inclusiveness – Employee Well-being – New Hire and Turnover	44
	401-2 Benefits provided to full- time employees that are not provided to temporary or parttime employees	SS: Employee Well-being and Inclusiveness – Employee Well-being	43
	401-3 Parental leave	SS: Employee Well-being and Inclusiveness – Employee Well-being – Supporting Family Development	43
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	SS: Employee Well-being and Inclusiveness – Employee Well-being	43

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our People			
Employee Well-being and Inclusiveness			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SS: Employee Well-being and Inclusiveness – Employees	40 - 42
	405-2 Ratio of basic salary and remuneration of women to men	SS: Employee Well-being and Inclusiveness – Employee Well-being – Fair remuneration	43 - 44
Talent Management and Succession Planning			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Talent Management and Succession Planning	45 - 48
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	SS: Talent Management and Succession Planning – Employees Training	45 - 48
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SS: Talent Management and Succession Planning – Employees Training	45 - 48
	404-2 Programs for upgrading employee skills and transition assistance programs	SS: Talent Management and Succession Planning – Employees Training	45 - 48
	404-3 Percentage of employees receiving regular performance and career development reviews	SS: Talent Management and Succession Planning	45 - 48
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Occupational Health and Safety	49 - 51
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SS: Occupational Health and Safety – Governance for Safety and Health	49 - 50

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our People			
Occupational Health and Safety			
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	SS: Occupational Health and Safety – Governance for Safety and Health	49 -50
	403-3 Occupational health services	SS: Occupational Health and Safety – Governance for Safety and Health	49 -50
	403-4 Worker participation, consultation, and communication on occupational health and safety	SS: Occupational Health and Safety – Governance for Safety and Health	49 -50
	403-5 Worker training on occupational health and safety	SS: Talent Management and Succession Planning – Employees Training	45 - 48
	403-6 Promotion of worker health	SS: Employee Well-being and Inclusiveness – Employee Well-being	43 - 44
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SS: Occupational Health and Safety	49 - 51
	403-9 Work-related injuries	SS: Occupational Health and Safety – Occupational Health and Safety Performance	51
Community Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Community Engagement	52 - 54
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	SS: Community Engagement	52 - 54

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our Product			
Reputable Brands, Products, and Services			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Reputable Brands, Products, and Services	57 - 64
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	SS: Reputable Brands, Products, and Services – Product Innovation	58 - 59
Customer Responsibility			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Customer Responsibility	65 - 66
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	SS: Customer Responsibility – Product Labelling	66
Our Planet			
Energy and GHG Emissions Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Energy and GHG Emissions Management	69 - 71
GRI 302: Energy 2016	302-1 Energy consumption within the organization	SS: Energy and GHG Emissions Management – Group energy consumption and GHG emissions	71
	302-3 Energy intensity	SS: Energy and GHG Emissions Management – Energy Management and Emissions	69
	302-4 Reduction of energy consumption	SS: Energy and GHG Emissions Management – Energy Management and Emissions	69
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SS: Energy and GHG Emissions Management – Group energy consumption and GHG emissions	71
	305-2 Energy indirect (Scope 2) GHG emissions	SS: Energy and GHG Emissions Management – Group energy consumption and GHG emissions	71
Green Product and Packaging			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Green Product and Packaging	72

GRI CONTENT INDEX

(CONTINUED)

GRI Standard/ Other Source	Disclosure	Information/ Location	Page Number
Our Planet			
Resource and Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	SS: Resource and Waste Management	73 - 74
GRI 303: Water and Effluents 2018	303-5 Water consumption	SS: Resource and Waste Management – Water consumption	74
GRI 306: Waste 2020	306-3 Waste generated	SS: Resource and Waste Management – Other waste reduction and management practices	73 - 74
	306-4 Waste diverted from disposal	SS: Resource and Waste Management – Other waste reduction and management practices	73 - 74
	306-5 Waste directed to disposal	SS: Resource and Waste Management – Other waste reduction and management practices	73 - 74

www.beshom.com

BESHOM HOLDINGS BERHAD

Registration No. 202101001114 (1401412-A)

Unit 621, 6th Floor, Block A, Kelana Centre Point, No.3, Jalan SS7/19,
Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia

Tel. No. : 03-7880 9699 Fax No. : 03-7880 8699
Email : info@beshom.com