



GO BEYOND SUSTAINABILITY 2019

"ACHIEVING GREATER
HEIGHTS IN OUR DRIVE
TO MANAGE
SUSTAINABILITY"



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MFM GROUP

BUSINESS DIVISIONS

Our Sustainability Report will be reported for three business divisions: flour division, poultry integration division and aqua feeds division.



Flour

- MALAYAN FLOUR MILLS BERHAD (MFM)
- VIMAFLOUR LTD
- MEKONG FLOUR MILLS LTD
- PT BUNGASARI FLOUR MILLS INDONESIA



Poultry Integration

- DINDINGS POULTRY DEVELOPMENT CENTRE SDN. BHD. (DPDC)
- DINDINGS POULTRY PROCESSING SDN. BHD. (DPP)



Aqua Feeds

- DINDINGS SOYA & MULTIFEEDS SDN. BERHAD (DSM)





MANAGING DIRECTOR'S MESSAGE



Dear Stakeholders,

Greetings.

On behalf of MFM, we are glad to share the sustainability initiatives we have employed in 2019. Sustainability is the key to delivering long-term value to our stakeholders. We fully endorse United Nations Sustainable Development Goals (UN SDGs) in achieving holistic development and creating sustainable values.

Economic, Environment and Social (EES)

In achieving economies of scale, and creating more value for stakeholders, MFM has successfully commissioned its state-of-the-art poultry primary processing plant. It is supported with rendering and wastewater treatment plants. Industry experts who have visited touted the facility "the best in class".

Our passion lies in fulfilling people's bowls and appetite.

We will continue to embrace the culture of improvement around our core values – "Qualitas", "Consilium" and "Progressus".

In improving the environmental performance of our operations, we invest in waste management, dust management, wastewater treatment, bio-security and others.

The contributing spirit to society is embedded in MFM culture. In order to achieve sustainable business growth, we also build strategic relationships with local and foreign learning institutions, colleges, technical and public schools. The collective effort and hard work from everyone have placed MFM where it is today.

I would like to take this opportunity to thank all our employees, management and fellow directors for their dedication, contribution and continuous support to the Group.

To our esteemed shareholders, suppliers, customers, service providers and others, please accept our heartfelt gratitude for your continued support, confidence and trust in MFM. We will continue to work hard to deliver better value to each and every one of you.

TEH WEE CHYE
MANAGING DIRECTOR



ABOUT THIS REPORT

MFM Group publishes the annual Sustainability Report with the objective of improving transparency, visibility and communication to a wide array of stakeholders. It showcases our commitment and responsibilities towards achieving economic, environmental and social values.

This 3rd edition of MFM Group Sustainability Report is part of Annual Report 2019.

The UN Sustainability Development Goals (SDGs) are incorporated in this report. The specific SDG goals below are mentioned in the subsequent pages of this report whenever it is applicable.





Scope & Boundaries

The reporting period for this report is from 1 January 2019 to 31 December 2019. It covers flour, poultry integration and aqua feeds businesses in Malaysia and Vietnam. It does not include our joint venture, PT Bungasari Flour Mills Indonesia. There has been no changes to our scope for sustainability reporting since our last reporting in 2018.

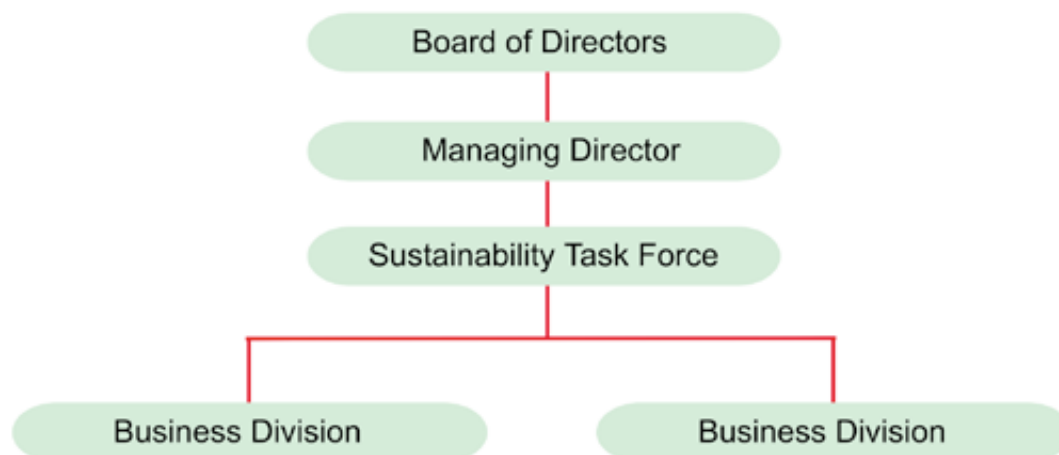
Reporting Framework

The 2nd edition of Bursa Malaysia Sustainability Reporting Guide published by Bursa Malaysia Securities Berhad is used in preparing this report.

Independent Assurance

KPMG PLT as MFM's external auditors, provides limited independent assurance to this Sustainability Report to ensure its accuracy, reliability and timeliness of the reported information and the material matters to MFM Group.

Sustainability Governance



In order to formalise our Group's Sustainability Framework, we have formed a Sustainability Task Force that will enable the Group to deliver sustainable value creation for our stakeholders.

Our Sustainability Task Force is led by our Managing Director, Mr. Teh Wee Chye to ensure reliable decision-making process for our Group in achieving greater sustainability.

Sustainability risk management is integrated into our Group's risk assessment and is spear-headed by our Sustainability Task Force which assesses the risk and publishes the Sustainability Report annually.

Our business divisions implement and manage sustainability initiatives.



Sustainability Policy

VISION

To build a sustainable business and continuously add value to all stakeholders.

SCOPE

Our employees are responsible to embrace and integrate sustainability practices in our Group.

OBJECTIVE

This Sustainability Policy aims to integrate a concept of sustainable development into the organisation's activities to establish and promote sound practices.

SUSTAINABILITY POLICY GOVERNANCE

The well-known Plan-Do-Check-Act (PDCA) cycle is incorporated into our sustainability initiatives. This policy will be reviewed periodically to ensure best practices by the Sustainability Task Force.

Sustainability Framework

1

Balanced Relationship With Nature

2

Workforce & Workplace Environment

3

Operations Excellence & Governance

4

Commitment To Society

The approach to tackle challenges linked to establishing solid sustainability practices is by having the approved Statement on Corporate Governance, Terms of Reference of Board Committees, Board Charter, Whistle Blowing Policy and Code of Conduct which are made readily available to stakeholders via our Company's website (i.e. <https://www.mfm.com.my>). The Code of Conduct serves to ensure that all employees carry out their duties with utmost integrity.

MFM Group upholds its core values of "QUALITAS", "CONSILIUM" and "PROGRESSUS" to identify key issues of EES.

CORE VALUES



QUALITAS

Produce and provide consumers with consistent quality products at reasonable prices



CONSILIUM

Unity of employees and management



PROGRESSUS

Continuous improvement to maintain its competitiveness and contribute effectively to benefit the society



MANAGEMENT APPROACH TO SUSTAINABILITY

Our Group has identified and prioritised key issues related to EES for our business operations as follows:

<div data-bbox="207 403 430 627"> 1 Balanced Relationship With Nature </div> <ul style="list-style-type: none"> • To comply with the regulatory requirements & standards in relation to environmental concerns • To raise awareness among our employees & the whole supply chain in order to act in an environmentally-responsible manner • To integrate environmental matter into our business decisions • To ensure that energy & water are utilised efficiently & consumption is being monitored • To recycle, reduce or reuse the waste or resources where practicable • To reduce carbon footprint through energy efficiency & conservation practices 	<div data-bbox="526 403 750 627"> 2 Workforce & Workplace Environment </div> <ul style="list-style-type: none"> • To empower our employees by offering training, motivation & career advancement • To provide a safe & healthy workplace & take care of employees' well-being • To encourage open communication, ideas and innovation • To support diversity in workforce • To provide job security to employees 	<div data-bbox="845 403 1069 627"> 3 Operations Excellence & Governance </div> <ul style="list-style-type: none"> • To have good strategic management & wisely utilise our resources • To advance sustainable profitable growth whilst satisfying our ethical, legal & contractual obligations • To abide by the requirements of all laws & industry's best practices • To provide our customers with safe products that adhere to Government's legislation & requirements • To adopt good ethical practices through Code of Conduct • To ensure an appropriate governance system is in place to oversee the strategic development & performance that relates to the maintenance of a sustainable business • To ensure proper risk management & internal control system are in place 	<div data-bbox="1165 403 1388 627"> 4 Commitment To Society </div> <ul style="list-style-type: none"> • To engage actively with civic project, charity events & the local communities through our corporate social initiatives • To help our community survive & prosper economically • To provide ample job opportunities
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KEY STAKEHOLDERS ENGAGEMENT

Our Group has continually engaged each stakeholder to address their concerns. We have summarised our engagement platforms with the various stakeholders and the related outcomes from each engagement.

SHAREHOLDERS

Engage via:

AGM, Quarterly Reports, Annual Reports, Shareholders' Circulars, Announcements, Analyst Briefings & Corporate Website

Concerns:

Financial performance and returns, going concern and positive investment growth

COMMUNITY & NGOs

Engage via:

Internship programmes, charity events and volunteer programmes

Concerns:

Community living, care and development

CUSTOMERS

Engage via:

Service satisfaction, customer appreciation and social media platforms

Concerns:

Quality of product, market availability, product prices and values

GOVERNMENT & REGULATORS

Engage via:

Compliance activities

Concerns:

Tax issues, pricing issues, labour practices, health issues, transparency and accountability

MEDIA

Engage via:

Media briefings, events, press conferences and internet

Concerns:

Group's performance and updates

COMPETITORS

Engage via:

Industry competition and market forces

Concerns:

Price competition, new business opportunity, innovation and creativity

HUMAN CAPITAL

Engage via:

Town hall meetings, Employee Portal, Learning & Development programmes and corporate events

Concerns:

Career development, work-life balance and employee welfare

SUPPLIERS & SERVICE PROVIDERS

Engage via:

Compliance with ISO Standards, suppliers' evaluation (audit) and quotation from suppliers

Concerns:

Payment and up-to-date information about the Group



OUR MATERIAL MATTERS

MFM Group has adopted the materiality assessment in accordance to Bursa Malaysia Sustainability Reporting Guide. The materiality assessment incorporates the sustainability concerns highlighted from our stakeholders. This allows us to identify and prioritise all sustainability matters that are deemed material which could affect the Group's business and stakeholders.

Material issues are defined in Bursa Malaysia Securities Berhad Listing Requirements as those:

- Reflecting the business' significant EES impacts; or
- Substantively influence the assessments and decisions of stakeholders

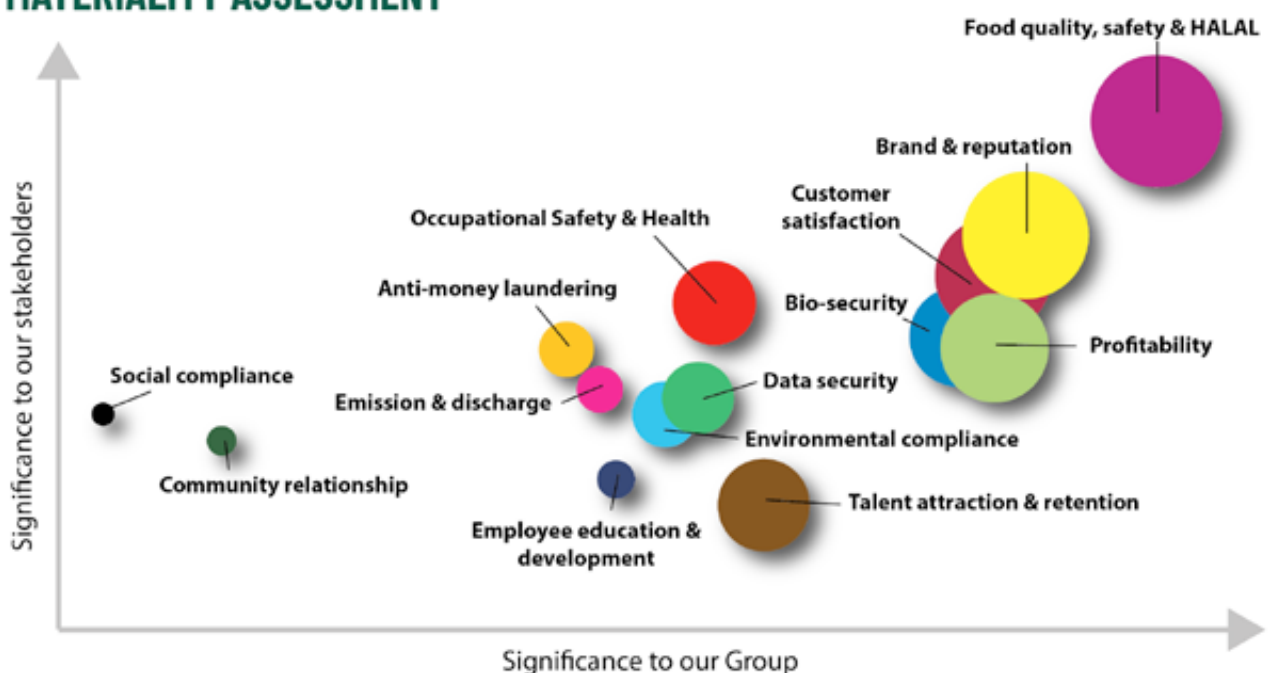
In 2017, MFM Group had conducted a materiality assessment, participated by the Heads of Departments of the Group's key operations. In our assessment, we have also taken into consideration our external stakeholders, which include, but not limited to, our customers, community, government & regulators, etc. The materiality assessment of our Group for year 2017 is still applicable for year 2019.

We have identified 14 material issues that were subsequently grouped under 4 main themes:

- Balanced Relationship with Nature;
- Workforce & Workplace Environment;
- Operations Excellence and Governance; and
- Commitment to Society.

The results of materiality matrix were reviewed by management and endorsed by the Board of Directors.

MATERIALITY ASSESSMENT





1

BALANCED RELATIONSHIP WITH NATURE

For sustainable business development, it is crucial for MFM Group to maintain a balanced relationship with mother earth where all resources come from.

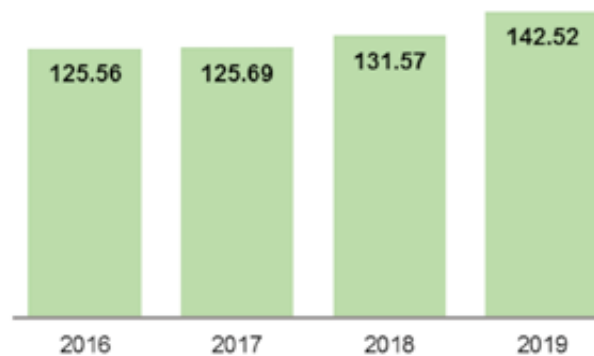


ENERGY

7 8 12 13

Energy conservation plays a crucial role in lessening greenhouse effect. As one of the market leaders in flour manufacturing and poultry industry, MFM Group aspires to reduce our carbon footprint. Conserving energy is not just about saving on the electricity costs.

Group Energy Usage (Million kWh)*



Energy usage of our Group has increased in 2019 as compared to 2018. It was mainly due to expansion project (i.e. commissioning of new poultry primary processing plant since November 2019). The new poultry processing plant is three times bigger than its predecessor. In conserving energy, we deploy these initiatives:

- embrace energy-efficient building design;
- utilise heat recovering system;
- utilise energy-efficient equipment; and
- install LED lighting and others.

We also have power meter and supervisory control and data acquisition (SCADA) system to monitor energy consumption. Corrective actions are taken to address abnormal power consumption to minimise energy wastage. In the long run, we endeavour to manage a balance between ensuring the quality of our products and minimising energy consumption.

* For the purpose of clarity, we have changed our basis of reporting for Group Energy Usage from "kWh/MT" in 2018 to "Million kWh" in 2019. The use of "kWh/MT" may be deemed misleading to users, as MT represents products produced by our Flour, Poultry Integration and Aqua Feeds divisions. As such, prior years' figures were adjusted accordingly to coincide with current year's presentation.

EMISSION

12 13 14 15

Emission represents the various air pollutant that affects the environment and surrounding community. We are committed to reduce emissions throughout our businesses in protecting our environment.

We have adopted emission controls to reduce harmful emissions from our flour and feed operations. Air filters are installed at all possible emission areas, and we have certified external parties to assist in monitoring works and complying with applicable laws and regulations.

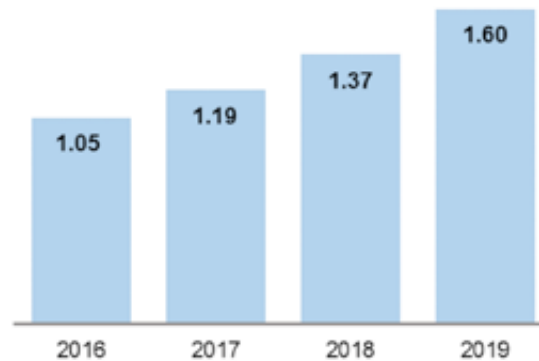


WATER

6 8 12 14

Water is essential for life. It is our responsibility to conserve and keep our water resource pure and safe for future use.

Group Water Usage (Million m³)*



As a major food producer, MFM Group uses significant amount of water to produce safe and clean products.

Poultry processing plant uses relatively more water than flour mills. The increase in water usage in 2019 was mainly due to testing and commissioning works at new plants: rendering plant, reservoir and wastewater treatment plant.

The newly-designed poultry processing plant is designed with rainwater harvesting system which allows rainwater to be reused for non-manufacturing processes.

* For the purpose of clarity, we have changed our basis of reporting for Group Water Usage from "m³/MT" in 2018 to "Million m³" in 2019. The use of "m³/MT" may be deemed misleading to users, as MT represents products produced by our Flour, Poultry Integration and Aqua Feeds divisions. As such, prior years' figures were adjusted accordingly to coincide with current year's presentation.

WASTE MANAGEMENT

3 6 8 12 14

MFM Group strives to implement effective, sustainable and ecologically sound waste management for many years to come.

We have established Standard Operating Procedures (SOPs) for waste disposal (i.e. scrap waste, hazardous chemical waste and others).

WASTEWATER MANAGEMENT

A lot of water is used in the processing of chicken into finished product. Wastewater generated in the poultry processing plant is treated before being discharged into the river. MFM Group invested in a new wastewater treatment plant in 2018.

All wastewater is treated to achieve a minimum effluent standard in line with Department of Environment (DOE)'s requirement.



BIOLOGICAL WASTE MANAGEMENT

Our poultry farming produces biological waste i.e. chicken manure. The direct application of raw manure into plantation soil may lead to environmental problems, such as foul odour and form a breeding platform for pests.

To combat pollution of untreated poultry waste, MFM Group utilises manure composting plant. The composting plant converts chicken manure into dry organic fertiliser.

Its odour filtration system contains sawdust and microorganism that reduces ammonia emission level, complying with Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulations 2000.

As at year ended 2019, there were three composting plants in operations.



Composting Plants

CHEMICAL WASTE MANAGEMENT

Apart from the SOP for proper handling of chemical waste, our Group has training programmes on chemical waste management and disposal procedures including "Safe Chemical Handling" for workers.

Waste oil and hazardous chemical can cause extensive damage to environment and pose substantial hazards to animals, plants and human beings. Our Group manages waste oil and hazardous chemical disposal properly in accordance with the Environmental Quality Act 1974.



ORGANIC SOLID WASTE MANAGEMENT

The new poultry primary processing plant is supported by a rendering plant (originated from Denmark and commissioned in November 2018) to manage solid waste from the processing plant.

The rendering plant is designed to convert chicken by-products such as chicken intestines (or better known as soft offals) and feathers into raw material for animal feeds. Such plant enhances the protein and pepsin digestibility of the meals by having it processed in low temperature, leaving behind useful proteins for the manufacturing of animal feeds. The low temperature processing line will preserve the important amino acids from being denatured by high temperature. Amino acids such as lysine, methionine and other essential amino acids will be preserved. The soft offals and feather meal line is a continuous production line.

The rendering plant will reduce impact on environment by:

- Transforming our waste to be used as feeds
- Processing by-products within hours of harvesting before it decomposed
- Producing quality protein source for animal feeds

We have also constructed a biofilter to remove odours emitted from the rendering plant. The use of natural materials such as wood chips, coconut husk and coco peat provide a growth medium for microbes to remove bad odour. This process reduces air pollution whereby clean air is released into the environment.



Overview of Offal and Feather Meal Processing Line



2 WORKFORCE & WORKPLACE ENVIRONMENT

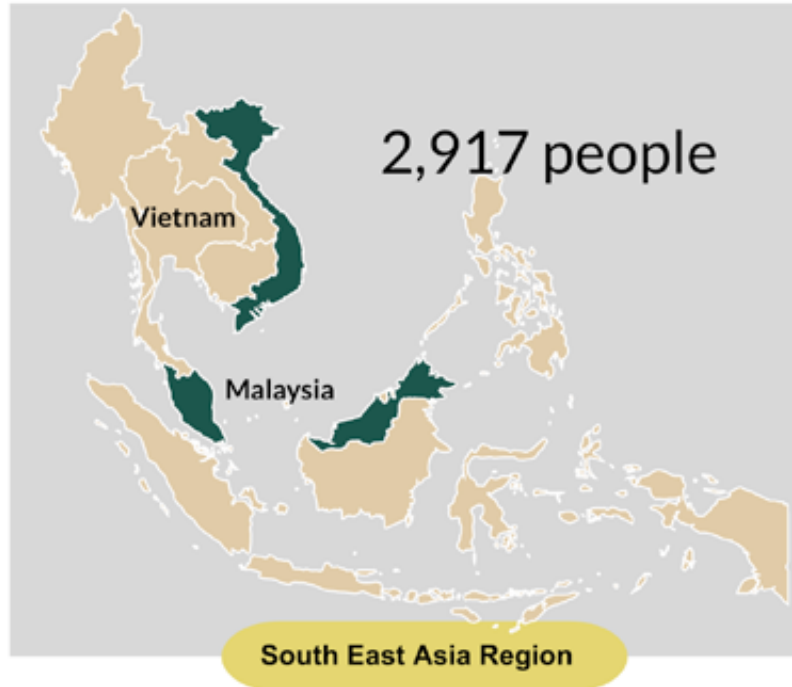
As employees are the most treasured resource in MFM Group, we aim to always grow together in order to achieve greater success and to create a better future.



OUR PEOPLE AT A GLANCE

5 8 10

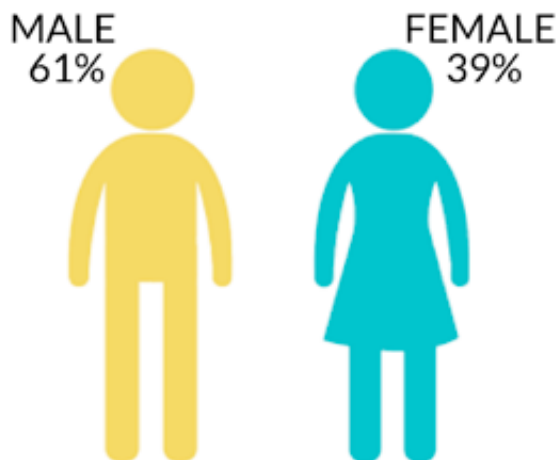
Our Group has a strong regional presence in South East Asia, mainly Malaysia and Vietnam. In 2019, we have employed 2,917 people across all of our businesses.



DIVERSE WORKFORCE

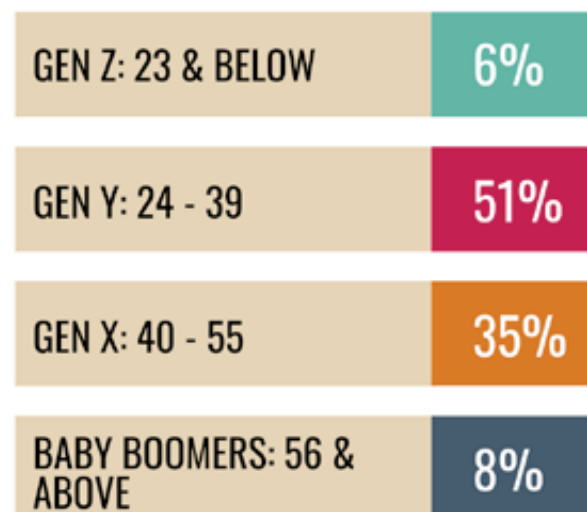
Our Group values workforce diversity as one of its key elements in achieving the Group's Vision and Mission. Embracing the workforce diversity that includes different gender, age group, ethnicity and cultural backgrounds, helps promote multiple perspectives and insights. As a result, this helps create an inclusive environment which would help us to grow holistically and evolve into a bigger, more dynamic organisation.

Gender Profile



**Data excludes foreigners*

Age Group



**Data excludes foreigners*



2019 HUMAN RESOURCES HIGHLIGHTS

5 8 10



ENHANCE OVERALL ORGANISATIONAL EFFECTIVENESS

BUILDING OUR TALENT PIPELINE



MFM aims to be a leading food manufacturing enterprise in the region. We leverage on technology and various digital platforms to attract, develop and retain the best employees in the industry.

Participated in over **22** career fairs/talks around the country and over **1,500** potential candidates registered with us.

To thrive in the business environment is to remain competitive and sustainable. MFM adopts a Change Management Strategy which focuses on people's mindset, process and technology.

OUR CHANGE MANAGEMENT STRATEGY



LEADING CHANGE

6

Workshops conducted to equip all our leaders with the skillset to lead change.

173

Leaders attended the workshop and were tasked to identify and complete projects to achieve MFM's strategic goals.

IMPLEMENTING CHANGE

7

Workshops conducted to equip employees and engage front liners to implement change.

151

Employees attended the workshop and were assigned projects to be implemented to achieve operational efficiency.

**2019 HUMAN RESOURCES HIGHLIGHTS****5 8 10****ENHANCE OVERALL ORGANISATIONAL EFFECTIVENESS****HR INFORMATION SYSTEM**

MFM deploys a robust HR system to provide analytics for future strategies, as well as to assist in increasing efficiency through the introduction of automated workflows, notifications, reminders and to-do lists.

**ORGANISATIONAL DESIGN**

We aim to pursue the right strategies to meet our company's goal. A major restructuring is underway to accommodate the expansion of our poultry farming & poultry processing plant.

**MFM GLOBAL DEVELOPMENT PROGRAMMES**

22nd European Symposium on Poultry Nutrition, Gdańsk, Poland

Marel Processing Equipment, Machineries & PDS software learning, Netherlands

South Asia Contracting for Wheat Value Workshop, OR, USA

Soybean Learning Tour, SD, ND, MN, OR, WA, USA

26th Annual Practical Short Course: Aquaculture Feed Extrusion and Management, and Nutrition, TX, USA

John Maxwell Certification Program, FL, USA

Poultry GP Farm Training, China

Aqua Nutritionist Practical Training Course, Guangzhou, China

The U.S. Soy Asia Trade Exchange (ATX), Thailand

USSEC, Soy Value Chain, Thailand

The Value Protein for One's Health, Thailand

2019 Broiler Feed Quality Conferences & Broiler Breeder Masterclass, Thailand

2019 Southeast Asia U.S. Agricultural Co-operators Conference, Singapore

Co-operative Bulk Handling Tour, Australia

Aquaculture Roundtable Series - Aquafeeds: Fit for Future, Indonesia



2019 HUMAN RESOURCES HIGHLIGHTS

5 8 10



DEVELOP OUR HUMAN CAPITAL TO INCREASE PRODUCTIVITY AND GROWTH

100

Trained MFM Coaches

198

Trained MFM Coachees

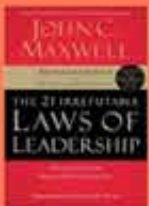
MFM Coaching programme focuses on 3 key areas to support the achievement of business objectives, team goals, and encouragement of self learning.

ON-THE-JOB TRAINING (OTJ) AT VIMAFLOUR & MEKONG

The objective of this programme is to adopt the best practices, develop technical competencies, and exchange learnings in technology and process amongst employees.



21 IRREFUTABLE LAWS OF LEADERSHIP



388

Employees Trained

We nurture and grow our people at all levels with leadership skills as they are an integral part of MFM's success.



We strongly believe in enriching minds to develop future leaders. Our Scholarship Programme provides opportunities for tertiary education locally and abroad in the areas of poultry.

MFM sponsored 3 Universiti Putra Malaysia (UPM) students to pursue a 1-year Certificate of Poultry Science at the University of Arkansas (UAF) with the objective of providing a holistic education to become successful in the poultry industry.



MFM sponsored our employee to pursue a 1-year MFM – KSU Business Scholarship Programme. This collaboration between MFM and Kansas State University (KSU), U.S. Grains Council (USGC) focuses on feed & flour technology and processing, which will enable us to remain competitive and sustainable in our business.





2019 HUMAN RESOURCES HIGHLIGHTS

5 8 10



ENGAGE OUR HUMAN CAPITAL TO ACHIEVE LONG TERM BUSINESS SUSTAINABILITY

4TH APRIL, THURSDAY

2019 MFM LEADERSHIP CONFERENCE

OUR SPEAKERS

9:00AM - 6:30PM

Registration starts at 8.15am, breakfast will be provided

PLENARY THEATRE, LEVEL 3
KUALA LUMPUR CONVENTION CENTRE
KUALA LUMPUR CITY CENTRE, 30088 KUALA LUMPUR, MALAYSIA

MFM LEADERSHIP CONFERENCE & TOWNHALL

To remain competitive in today's environment, MFM leaders shared on company's directions and key initiatives to drive business performance through Transformational Change. MFM invited external leadership experts and international inspirational speaker to share on "Leadership for the 21st Century" and turning adversity into success. These were further communicated via townhall at respective farms and plants. Over 2,000 employees including foreign workers were briefed.

MFM ENRICHES EMPLOYEES ENGAGEMENT & WELLBEING

MFM Brown Bag sessions were established to provide a platform to impart knowledge on topics related to wellbeing and wellness. This will potentially aid employees to adopt and maintain healthy behaviors and lifestyle.

COFFEE ENGAGEMENT WITH MD

New employees onboard are given the opportunity to get up close and personal with our Managing Director during the onboarding period. This provides a platform to better understand current business trends, outlook and future directions of the Company.



MD ENGAGEMENT WITH FARM LEADERS

Our Managing Director engaged with our Farm Leaders directly as part of our enhanced engagement strategies that will enable farm leaders to understand critical functions, importance of teamwork, and to have a solution-focused mindset by adopting the SWOT analysis.



2019 HUMAN RESOURCES HIGHLIGHTS

5 8 10



MEETING THE NEED OF A FUTURE - READY WORKFORCE

STRATEGIC PARTNERSHIP WITH UNIVERSITIES & SCHOOLS

MFM continuously seeks to establish strategic partnerships with schools, universities and various institutions. One of the results is a collaboration between MFM and UPM on upskilling our existing employees and equipping them with poultry knowledge and subsequently developing our talent pool.



SCHOOL HOLIDAY APPRENTICESHIP PROGRAMME

MFM believes in enriching young talents at the school level. We help provide learning beyond the classroom, and equipping them with the right experiences to kick start their career. A group of students from SMJK Nan Hwa & SMK Methodist ACS underwent a 2-week flour milling training.

ILTIZAM PROGRAMME BY EKUITI NASIONAL BHD (EKUINAS)

MFM had the opportunity to collaborate with Ekuinas and hosted 7 trainees. Our aim is to provide on-the-job coaching and mentoring to make them highly marketable and employable. At the end of the training tenure, one of the trainees was successfully converted to a permanent role at Dindings Poultry Processing Sdn Bhd and won the Best Trainee Award from Ekuinas.



MFM INTERNSHIP PROGRAMME



Formalised a structured internship programme by providing interns with an impactful on-the-job training. A total of 69 interns were recruited across all business units under MFM Group of Companies. This will significantly build a pool of knowledge-based workforce, contributing to the country.



**BEST
ONBOARDING
EXPERIENCE
-BRONZE-**

HumanResources
ASIA
Recruitment
Awards 2019
#AsiaRecruitmentAwards



**HR Asia
BEST COMPANIES
TO WORK FOR IN ASIA
2018 & 2019**





HEALTH & SAFETY

MFM always puts workplace safety and employee health as the first priority. We equip related employees with proper Personal Protective Equipment (PPE) to protect them from physical hazards at the worksite. Health surveillance was carried out for employees in accordance to Department of Occupational Safety and Health (DOSH)'s requirement.

To create a healthy and safe working environment, we comply with laws and regulations, provide continuous and consistent trainings to related employees and establish Health, Safety and Environment (HSE) divisions to oversee these matters.

Safety Officer

Our Safety & Health Officers are present to conduct regular checks to ensure compliance with statutory regulations, procedures and practices. They investigate any safety and health-related incidents that happen in the workplace, conduct safety campaigns and provide individual counselling on safety and health-related matters.

Compliance

We comply with the Occupational Safety & Health Act (OSHA) 1994, Factories & Machinery Act 1967 and their regulations. Our poultry farm reinforces our commitment towards OSHA by developing Occupational Safety & Health Administration manual and implementing Hazard Identification, Risk Assessment and Risk Control (HIRARC).

Zero Penalty & Fatality

In 2019, we did not receive any penalties related to occupational safety and health from relevant authorities. There were no workplace fatality cases in our Group.

Training

- Basic Occupational First Aid (BOFA)
- Safety & Health at New Plant
- Lock Out Take Out (LOTO) Training & Awareness
- Emergency Response Team Training with BOMBA
- Authorised Entrance and Standby Person for Confined Space Refresher (AESP)
- Safe Chemical Handling & Spillage Training
- Safe Handling of Forklift and Driving Skills Training
- Safety and Health Manual Lifting Training
- National OSH Policy Campaign
- HIRARC Training & Workshop
- Noise & Hearing Conservation Training
- Fire Drill
- Authorised Gas Tester and Entry Supervisor for Confined Space Refresher (AGTES)
- Working at Height Awareness
- Safe Handling of Chlorine Gas



3

OPERATIONS EXCELLENCE & GOVERNANCE

To provide our customers with safe and high quality products that adhere to legislation and requirements.



PRODUCTS & SERVICES RESPONSIBILITY

12 16

CUSTOMER RELATIONS

Developing a healthy relationship with customers is crucial to understand customers' needs in order to improve our products and services quality. MFM Group deploys Customer Relationship Management (CRM) system to manage customers' feedbacks.

We value and safeguard customer data and privacy as company asset. In 2019, MFM Group did not receive any complaints concerning breaches of customer privacy.

OUR COMMITMENT TO FOOD QUALITY & SAFETY

WE AFFIRM THE FOLLOWING:

- ✓ MFM products are **FREE** from:
 - Any visible metal fragments
 - Salmonella and Aflatoxin; yeast and mould
- ✓ MFM products are certified by:
JAKIM (Department of Islamic Development Malaysia) as HALAL, complying with Islamic dietary requirements
- ✓ Customer complaint related to food safety issues:
Strictly controlled to be not more than 5 cases per year





CERTIFICATE & TRAINING FOR FOOD SAFETY & QUALITY



FLOUR



POULTRY INTEGRATION



AQUA FEEDS

CERTIFICATIONS

Flour Milling

- Hazard Analysis and Critical Control Points (HACCP)
- Food Safety System Certification (FSSC) 22000:2005
- ISO 22000:2005
- ISO 9001:2015
- HALAL (certified by JAKIM)

Poultry Farming

- Hazard Analysis and Critical Control Points (HACCP)
- Malaysia Good Agriculture Practice (myGAP)

Poultry Processing

- Hazard Analysis and Critical Control Points (HACCP)
- Veterinary Health Mark (VHM)
- Good Manufacturing Practice (GMP)
- ISO 22000:2005
- ISO 9001:2015
- HALAL (certified by JAKIM)

Feed Milling

- Hazard Analysis and Critical Control Points (HACCP)
- Fish Quality Certificate (FQC) by Department of Fisheries Malaysia
- ISO 22000:2018

TRAININGS

- Good Manufacturing Practices
- Introduction & Implementation of FSSC 22000 Training
- Food Handling Training

- HACCP Awareness Training
- HACCP Internal Audit Training
- myGAP Training

- HACCP Awareness
- ISO 22000 Awareness
- ISO 22000 Internal Audit Training
- Food Handling, Food Hygiene and Food Safety courses
- Perten (Lab Instrument) Knowledge Training



BIO-SECURITY

12 14 16

MFM Group's poultry farm and hatchery facilities are equipped with bio-security facilities. Bio-security is the most effective and efficient way of prevention and disease control.

Our farms are cared by professional and qualified veterinarians who monitor the flock health, carry out diagnosis, provide treatment prescription and conduct R&D.

Strict bio-security measures prevent infestation or disease in farms, thus, protecting the environment and our workforce.

The closed house system allows chicken house temperature to be regulated. This reduces bird stress, lowers bird mortality and improves farm performance.



Closed Farm Houses

CODE OF CONDUCT

16

We instil high standards of professional and ethical conduct in all employees. Integrity helps us to earn the trust and respect of the people we serve.

MFM Group's Code of Conduct sets out the ethical standards to all employees in their dealings with fellow colleagues, customers, shareholders, suppliers, competitors, the wider community and the environment.

We uphold our reputation and high standards by living the Code of Conduct. This will help us to achieve the highest possible standards across our businesses within the MFM Group.

ANTI-CORRUPTION

16

MFM Group's Whistle Blowing Policy and procedures are in place.

ANTI-COMPETITION BEHAVIOUR

16

In 2019, MFM Group did not have any legal actions pending or completed related to anti-competition behaviour.



4

COMMITMENT TO SOCIETY

MFM holds the responsibilities not only to consistently provide high quality food to people, but also to give back to society.



COMMUNITY ENGAGEMENT

2 3 4 10

CHARITY TRIP

In January 2019, Vimaflour Ltd distributed food and clothes to Hanoi Nursing Centre for the Elderly and Disabled Children in Thuy An, Ba Vi, Hanoi. This was a joint charity event with a distributor in Son Tay Town, Hanoi, Vietnam.

SOCIAL EDUCATION PROGRAMME WITH HOA SUA BAKING SCHOOL

Vimaflour Ltd continuously supports the training programme with Hoa Sua Baking School. We help orphans and homeless children to earn a regular income by learning French culinary skills.

SAHUR FOR KASIH - Food To Share To People We Care

In conjunction with the Ramadan month, Dapur Dindings received supportive pre-order purchases from the public and have delivered 300 sets of Iftar meals and 400 sets of freshly prepared Sahur meals to the selected mosque, Rumah Penyayang, nursing homes and offices. This successful project was led by Ayam Dindings and in collaboration with Saba Restaurant Dataran Jelatek, Restaurant Mahbub Bangsar and Karta Coconut Water.



BLOOD DONATION DAY

Mekong Flour Mills Ltd participated in Blood Donation Day to raise awareness and promote blood donation among the community.





COMMUNITY ENGAGEMENT

2 3 4 10

KEAT HWA KEM PENGAKAP KARNIVAL KEBANGSAAN

Kem Pengakap Karnival Kebangsaan is a national scout camp, participated by 32 schools (800 pax). It was a 5-days event. DPP sponsored fresh frozen products to show appreciation to the scout club.



DAPUR DINDINGS FOOD TRUCK ROVING

Dapur Dindings joined Chong Hwa Independent High School fundraising event in August 2019. Our food truck drew crowd to Ayam Dindings products and all proceeds from the fundraising exercise was contributed to the school.



TREATS FOR THE HEROES 2.0

In September 2019, DPP provided treats for Malaysian Special Heroes. Long-serving teachers were treated with Ayam Dindings at KDU University College, as a token of appreciation for their dedication. This event was DPP's first CSR collaboration project with KDU University College.

