



ENSURING RESPONSIBLE SOURCING

FOR FARMING HOUSEHOLDS

Betrimex is dedicated to building a responsible, sustainable, and transparent supply chain by prioritizing a domestic sourcing strategy and developing sustainable organic farming regions. The company aims to elevate production standards, safeguard the rights and wellbeing of farmers and local communities, and protect the environment and ecosystems.

To realize this vision, Betrimex has implemented a set of policies, including investment in sustainable farming techniques, training programs for farmers, long-term partnerships with farming households to ensure stability and quality in organic raw material areas, strict monitoring of production processes in compliance with international standards, and close collaboration with certification bodies such as EU Organic, USDA NOP, JAS, GLOBALG.A.P., and Fairtrade. In addition, Betrimex strengthens our connection with farmers by assigning procurement staff to each material area. These individuals also act as technical advisors to understand evolving farmer expectations and realworld needs. Insights from this approach help shape Betrimex's cooperation policies to enable sustainable relationships with farming households.



FOR SUPPLIERS

Betrimex attaches importance to building and developing a network of strategic suppliers, with particular attention to those involved in packaging that comes into direct or indirect contact with products. All suppliers are required to obtain essential certifications such as FSC, ISO 9001:2008, and SA 8000 as entry requirements, and to develop a clear roadmap for the integration of ESG criteria. For our part, Betrimex is committed to supporting suppliers through financial assistance programs, infrastructure investments, and long-term commercial agreements. This commitment was exemplified in 2024, when the company continued our collaboration with Tetra Pak and various domestic and international suppliers to adopt advanced packaging technologies and conduct research aimed at increasing the recyclability and environmental friendliness of packaging materials. This confirms Betrimex's commitment to sustainable packaging transformation.

In our export operations, Betrimex fully recognizes the importance of supply chain optimization in reducing environmental impact. Therefore, the company has shifted raw material sourcing from Europe and the United States to Southeast Asia and capable domestic suppliers to reduce transportation time, lower greenhouse gas emissions, and maintain 100% quality equivalence. Currently, 87% of production support materials are sourced from domestic and regional suppliers. Furthermore, the company is transitioning from road-based logistics to barge and sea transport to further minimize our environmental footprint.

In 2024, Betrimex signed a landmark agreement with **The Jiangnan Market Imported Fruit Chamber of Commerce in Guangzhou**, becoming the exclusive supplier of fresh coconuts to the Guangzhou market in China. This partnership ensures a stable supply of export products that meet stringent export requirements and significantly enhances the global positioning of Vietnamese coconuts.



SUPPLIER EVALUATION BASED ON SUSTAINABILITY CRITERIA

Betrimex conducts an annual supplier evaluation program that emphasizes key criteria such as product quality, food safety, corporate social responsibility, and sustainable development. The company has identified two key areas of impact and implemented targeted solutions as follows:



Risk of soil degradation and depletion of water resources due to unsustainable farming practices

Solution

Betrimex supports farmers and raw material suppliers in transitioning to organic farming and reducing the use of chemical inputs. The company also invests in research and application of regenerative agriculture techniques to conserve land and water resources. (For further details, please refer to the 2024 Sustainable Development Report - Section IV.2: Sustainable farming and climate change adaptation.)



Greenhouse gas emissions from supplier transportation activities

Solution

Betrimex is researching the adoption of energy-efficient transport solutions, optimizing logistics routes, and prioritizing partnerships with suppliers that have clear CO₂ emissions reduction policies. (For further details, please refer to the 2024 Sustainable Development Report - Section IV.4: Carbon footprint in operations.)



Waste from purchased products (packaging, raw materials, production waste, etc.)

Solution

Betrimex takes steps to implement a circular economy model, with a focus on increasing the recycling rate of packaging and enhancing on-site waste collection and treatment practices. In terms of packaging selection, the company gives priority to the use of sustainably certified materials to reduce environmental impact, and requires all packaging suppliers to hold certifications such as FSC, ISO 9001:2008, SA 8000, among others, before engaging in commercial partnerships. Concurrently, Betrimex continues to invest in researching innovative packaging solutions, with the overarching goal of building a green and sustainable supply chain. (For further details, please refer to the 2024 Sustainable Development Report - Section IV.3: Packaging *lifecycle management.)*





Risk of dependence on fossil fuels and inefficient energy use that leads to resource waste and increased greenhouse gas emissions

Solution

Betrimex encourages our suppliers to transition to renewable energy sources and adopt measures to improve electricity and water use efficiency in production. The company also promotes the use of energy-saving initiatives and advanced technologies to optimize production processes and reduce environmental impact across the supply chain.

By integrating sustainability criteria into supplier evaluations, Betrimex enables proactive risk management, continuous supply chain improvement, and contributes to the formation of a sustainable ecosystem for Vietnam's coconut industry. Currently, supplier sustainability evaluations are conducted using a general framework. In the next phase, Betrimex plans to develop a more detailed evaluation system aligned with specific ESG criteria, thereby improving transparency and accountability across the supply chain.

Betrimex has established a closed-loop, transparent raw material traceability system that aligns with international standards to ensure supply chain integrity and safety. The process begins with the registration and assignment of unique identification codes, which are directly linked to sustainability certification documents, to each farming household within the raw material areas. The process continues with raw materials being segregated, logged, and strictly monitored throughout harvesting, transportation, and processing to prevent co-mingling between organic and conventional coconuts.

Betrimex maintains **detailed traceability records**, including harvest logs, raw material batches, processing procedures, and quality control checkpoints. These records are reconciled and verified monthly to ensure consistency and compliance with standards such as EU Organic, USDA NOP, JAS, and GLOBALG.A.P.

Additionally, Betrimex actively advances our digital transformation strategy by integrating technologies such as SAP, DigiFactory, and the FRM system into material area management. These tools enable the company to track the full lifecycle of raw materials - from farm to finished product - ensuring authenticity, transparency, and customer trust in Betrimex's sustainable and responsible products.