

## SIN HWA DEE FOODSTUFF INDUSTRIES PTE. LTD., SINGAPORE

### UNITED NATIONS Global Compact Annual Communication on Progress 2012

#### Description of Business Nature and Statement of Support

Sin Hwa Dee Foodstuff Industries Pte. Ltd. (hereafter "Sin Hwa Dee") is more than a profit-making entity. Our Vision is "to be the global market leader by creating innovative, convenient and healthy food that will improve the quality of life of our consumers'.

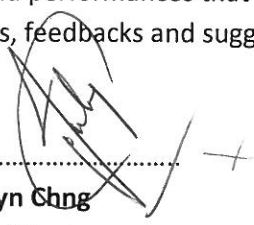
We are a corporation that strongly beliefs in human and ethical values. We understand that while it is essential for businesses to make profits, we also strive to create value and to improve the quality of life for individuals, the community and the nations.

In a multi-racial, multi-cultural, multi-lingual nation where some 4.8 million people of diverse backgrounds live together in a small island of nearly 700 square kilometer, we continue to do our part in upholding the values of meritocracy, integrity, fairness and trust, thus maintaining peace and harmony to our nation.

In supporting the 10 principles advocated by the United Nations Global Compact, where we were a member, we align our policies and operations in upholding the values and promoting Corporate Social Responsibility to Singapore and the world. In practicing what we preach, we also serve to help foster the spirit of humanity by empowering our staff with learning opportunities, and to contribute to society and the people around us.

We have undertaken the under-mentioned initiatives, actions and performances to comply with the principles of United Nations Global Compact.

This 2012 report aims to communicate to our respective stakeholders with the policies, initiatives, actions and performances that has been undertaken and achieved in the past year. Your valid comments, feedbacks and suggestions will be very much appreciated.



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**Ms. Jocelyn Chng**  
Managing Director

## **COMPANY PROFILE**

Established more than 30 years ago, Sin Hwa Dee Foodstuff Industries Pte. Ltd. is a small-and-medium-size enterprise ("SME"). We are a major producer and supplier of sauces in Singapore, selling to more than 1000 business customers island-wide, and distributing to 35 cities globally. They include local restaurants, hotels, food hawkers, caterers and fast-food chains.

Sin Hwa Dee is also the manufacturer of the CHNG Kee's range of premium and premix sauces. With a production capacity of about 50 tons a day in Singapore, Sin Hwa Dee Foodstuff industries currently has a staff strength of 79 working in administration, production, warehousing and logistics, sales & marketing, etc..

### **Our Vision**

To be the leader in the global market by creating innovative, convenient and healthy food that will improve the Quality of Life.

### **Our Mission**

To commit excellent service to our customers and through innovation, we constantly improve ourselves through modern technologies to bring authentic Asian gourmet that suits any taste, giving conveniences and above all, improving the quality of life.

### **Our Core Values**

With a thirst for creativity and innovation, coupled with our pursuit of excellence, we foster an environment where we strive to exceed expectations in our business operations, products and services, and where our people are always challenged to think out of the box.

We embrace both tradition and technology to deliver the most authentic products of the highest quality, and believe in developing long-term relationships with our customers that add value and bring about mutual growth and profitability.

## REPORT

The following is a brief report on the policies and activities undertaken by Sin Hwa Dee and the respective results we have achieved in our commitment towards the Global Compact Principles.

### Human Rights

Business should:

- **Principle 1 : Support and respect the protection of internationally proclaimed human rights;**
- **Principle 2: Make sure that they are not complicit in human abuses.**

Sin Hwa Dee supports and respects the protection of internationally proclaimed human rights and ensures that we are not complicit in any human rights abuses

We are committed to the rights and welfare of our respective stakeholders. We aim to uphold the spirit of respect and mutual trust towards all our stakeholders through proactive and effective policies, measures and actions.

We believe in empowering our people through development of skills and capabilities, transferring of knowledge and motivating them through a number of incentives, rewards, and benefits. To do so, we believe in effective communications, creating mutually beneficial relationships, fostering mutual respect, and treating people fairly.

### Well-Being of Employees

While we strive to provide for a safe working environment, in the event of any accidents, we are also committed in ensuring employees are amply compensated and received adequate medical care. We take care of our employees' well-being regardless of their financial background. Currently, the company has a Workmen Compensation Scheme in place. All our employees are given a comprehensive insurance cover, paid for by the company to guard against personal health and safety.

### Work-Life Balance

The company understands that employees may at times be required to be away from the workplace to tend to their personal or family needs. The company currently has 2 schemes that allow employees to their own issues:

a) Working from Home: Sin Hwa Dee allows employees to work from home when the need arises, as long as their job responsibilities allow. This ensures that employees are still able to fulfill their job obligations while tending to their family needs.

b) Flexi-Hour Scheme: Under this scheme, employees now have greater flexibility in choosing their working hours in relation to their other obligations to his or her family.

### **Empowering People**

All our staff is given ample opportunities to learn and to succeed in their careers.

We regularly send our employees to relevant courses to upgrade their skills and productivity, so that they continued to be relevant to the rapidly-changing technology and economy.

The company also practices job rotation for our employees so that they get greater opportunities to learn and improve their skills by being exposed to the different aspects of our businesses. This scheme not only enhances the understanding of our businesses, it also improves their productivity and value to the company.

### **Community Investment**

Sin Hwa Dee is always conscious of the needs of our community. Many initiatives have been undertaken to make our community a better place to live in. For example, we regularly outsource our packing requirement to the disabled and needy. In a small way, we help them integrate into society and fulfill their right to live a normal and independent life.

We are also a Sponsor of The Young Women's Christian Association (YWCA) "Meals-On-Wheels" program. The YWCA program has been helping the needy, frail and/or homebound senior citizens by distributing free lunches to them since 1997. Every 3 months, we supply our sauces to YWCA to cook up lunches that are not only nutritious, but tasty as well. We are also currently liaising with Singapore Council of Women's Organizations to hold cooking classes for those women who are interested to be self-sufficient.

Sin Hwa Dee contributing back to the local community

- a) We support local development. Our managing director had had spearheaded many social projects to help the local community and the people in need. She is also a director at the Social Innovation Park (SIP), supporting and encouraging innovation and entrepreneurship amongst the community, to make a place a better one for all of us to live in
- b) We support the marginalized. In our course of business, we employ the disabled and the needy. Not only do we provide them with income for them to support themselves, this is also opportunity to serve the community as well, to pass the message that everyone matters in our society.
- c) We support prisoners and drug abusers. We have liaisons with Changi Prison and SCORE and hire ex-convicts. Everyone deserves a second chance. And we will assist them in employing them and aiding them in their transition returning back to society so that they can live a normal like you and I.

## **Labor Standards**

Business should uphold the following principles of labor relationship:

- **Principle 3: the freedom of association and the effective recognition of the right to collective bargaining;**
- **Principle 4: the elimination of all forms of forced and compulsory labour;**
- **Principle 5: the effective abolition of child labour;**
- **Principle 6: the elimination of discrimination in employment and occupation.**

The company firmly believes that fair employment practices are an integral part in nurturing a healthy business climate for all. It also benefits the company by nurturing a healthy working environment, where employees feel satisfied and secure in the work they do, ensuring greater productivity and the future success of the company.

In particular, the company is strongly against employment of child labor, in all aspects of our business, regardless of geographical boundaries.

## **Commitment against Exploitation**

Our policies on labor are in line with the Singapore Ministry of Manpower (MOM) requirements. All our workers must hold valid employment passes to ensure there is no exploitation. Particulars of employees must be recorded and verified to ensure no persons under the age of 16 may work for the company. The company also takes a proactive stance in not engaging suppliers known to be involved in any forms of exploitation of child labor.

## **Commitment against Discrimination**

In our course of employment, we do not discriminate any persons based on gender, race, nationality and religion. The company currently has a workforce comprising different races and religions, coming from a various countries in Asia. Slightly over half of our key management positions in the company are currently held by women. All these clearly indicate our commitment against discrimination in employment and occupation.

## **Initiatives to Promote Fairness**

Currently, all employees in our company are free to join the National Trades Union congress ("NTUC"). While the scope of union activities is limited in Singapore, the company has put in place, measures to ensure fairness for our employees in the way we conduct our business.

We conduct performance reviews for our employees on a regular basis. They are transparent and they ensure a fair outcome in pay and bonuses within the company. Our managers communicate with employees regularly to ensure that they understand the company's position and the current issues facing the company. Employee feedback is highly encouraged and sought-after. Employees

who feel they are being harassed or discriminated may speak to our HR manager, or any persons within the management they feel comfortable with.

### **Feedback**

The company conducts regular confidential employee feedback sessions to ensure non-discrimination and non-harassment within the company. Measures and policies in place are continually fine-tuned to avert potential conflicts of interest between superiors and subordinates.

### **Environment**

We are always conscious of preserving the sanctity of our environment in which we worked with,

- **Principle 7: We support a precautionary approach to environmental challenges;**
- **Principle 8: We undertake initiatives to promote environmental responsibility;**
- **Principle 9: We encourage the development and diffusion of environmentally friendly technologies.**

Sin Hwa Dee takes a very serious and proactive stance in environmental issues, and we are absolutely committed to continuing to find new avenues where we can cut wastage of resources in our daily operations. We are also on the lookout for new technologies to improve our productivity and efficiency in the use of resources such as energy, glass, paper, water, etc..

#### **1) Membership to Singapore Packaging Agreement**

The company is a signatory of the Singapore Packaging Agreement since November 2008. Being a signatory, we work with other members to meet national packaging recycling targets; contribute data on the consumption of packaging materials, reduce packaging waste through recycling; adopt the Singapore Environment Code of Practice and develop sustainable markets for reused / recycled packaging materials, among other commitments.

To date, we have successfully managed to reduce our paper-packaging by more than half, switching from a full carton box to a half carton tray in the packaging of our glass-jar bottles. Our labels have also been redesigned to come in smaller sizes.

#### **2) 3Rs Education**

Seminars in the 3Rs (Reuse, reduce, and Recycle) were regularly conducted to educate our employees that protecting the environment should be part of our everyday lives. We encourage our employees to embrace these practices not just in the work-place but also at home. Related documents, PowerPoint slides and websites are often being sent to all employees to educate them on the importance of playing our part, and the negative consequences of environmental destruction.

### 3) Environmental Protection

- Protocols are in place to ensure all staff to switch off appliances that are not in used. In our course of operation, we will be on the lookout for ways to improve efficiency so that redundant processes are kept to minimum, reducing unnecessary energy usage in the process.
- We will also strive to control water usage in our operations. Staff will be informed and supervised to ensure they do not leave taps running unnecessarily. In our course of production, we continuously seek new ways to improve efficiency of water usage.
- Our production process will meet stringent standards to ensure food wastage is kept to minimum. Food waste will be reused or recycled to other forms, if possible i.e. animal feed.
- Our packaging and portable cutlery and crockery will be biodegradable. Non-biodegradable plastics will be avoided in our operations.

### 4) Policies and Actions

Employees are reminded daily to switch off the lights in the toilets after use, and to turn off the lightings and air-conditioners when they have to be away from their desks. To cut wastages of paper, pages are to be printed on both sides. Non-essential documents are to be printed on waste paper where only one side has been used, whenever possible.

Recycling centers have also been placed in the company building so that employees can now dispose their waste paper, used glass bottles and plastics in an environmental-friendly manner.

### 5) Appointment of an Environment Protection Task Force

The company is committed to nurture environmentally conscious corporate citizen. We have set up a taskforce focusing on making Sin Hwa Dee a more eco-friendly corporate body. In particular, we will be looking towards the conservation of water and energy used by the company and occupants in our corporate building. We are constantly identifying ways to reduce carbon emissions as well as extending our efforts on the 3Rs.

More collaboration with the National Environment Agency (Singapore) and the relevant government institutions are underway in embarking on the 3Rs and Sustainable Energy projects.

The company is also looking out for ways to reduce glass usage in our glass containers without compromising on packaging quality. We are also on the look out opportunities to reduce water and energy usage on our operation and production facilities.

## **Anti-Corruption**

Our business should:

- **Principle 10: Work against all forms of corruption including extortion and bribery.**

Sin Hwa Dee shall not, directly or indirectly, engage in bribery, fraud, or any other activities which may be read as corrupt business practices. Our employees are obligated to sign a memorandum against any form of corruptible practices. Employees found guilty will face severe disciplinary actions, or be handed over to the police.

We encourage our employees to report any cases of misconduct, impropriety or fraud to the senior management team.

The company's internal audit department supervises all transactions to ensure full compliance with the laws and regulations.

To avert potential conflicts of interest among employees, especially in the procurement of goods and services, a minimum of 3 quotations are to be obtained for any transaction beyond the value of S\$1000.00.

## **Actions and Feedbacks**

To date, we are not aware of any complaints against our business conduct. There are, however, a few verified cases of employee engaging in such activity. Appropriate actions have been taken out accordingly, and the senior management shall continue to monitor all activities with uphold of these principles.

This yearly **Communication on Progress** report can be obtained in the company's server computer's shared file. And a printed copy to be circulated to every senior management personal and heads of department for references.