

**SIN HWA DEE FOODSTUFF INDUSTRIES PTE LTD  
SINGAPORE**

**UNITED NATIONS GLOBAL COMPACT  
ANNUAL COMMUNICATION ON PROGRESS 2009**

**Statement of Support for UN Global Compact**

As a major player in the Singapore business scene, we at Sin Hwa Dee see ourselves beyond a profit-making entity. In the company, our Vision is 'to be the global market leader by creating innovative, convenient and healthy food that will improve the quality of life'.

Indeed, Sin Hwa Dee understands that while it is essential for businesses to make profits, we should also strive to create value and improve the quality of life for individuals, the community and the nation. We have a part to play for the betterment of society and mankind.

Singapore is a multi-racial, multi-cultural, multi-lingual nation where 4.84 million people of diverse backgrounds live together in a small island. An increasing number of foreigners are calling Singapore home as well. Given such a dense environment of increasing complexity, it is paramount Sin Hwa Dee continue to do our part in upholding the values of meritocracy, integrity, fairness and trust. This is to maintain harmony, and to contribute to the progress of our society and the nation.

In supporting United Nations Global Compact and aligning our policies and operations to the 10 principles, we aim to do our part in upholding the values and promoting Corporate Social Responsibility to the community, 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.

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



Jocelyn Chng  
Managing Director

## **COMPANY PROFILE**

Established more than 30 years ago, Sin Hwa Dee Foodstuff Industries Pte Ltd is a Singapore small-and-medium-size enterprise (SME). We are a major producer and supplier of sauces in Singapore, selling to more than 1,000 customers island-wide. They include hawkers, restaurants, hotels, caterers and fast-food chains. Sin Hwa Dee is also the manufacturer of the CHNG Kees' range of premium and premix sauces.

With a production capacity of 50 tons a day, Sin Hwa Dee currently has a staff of 75 working in administration, production, warehousing, etc.

### **Our Vision**

To be the leader in the global market by creating innovative, convenient & 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 palates and taste, giving conveniences and above all, improving the quality of life.

### **Our Principles**

Fostering creativity and innovation

Achieving excellence

Developing satisfied, happy and loyal customers

Contributing positively to our communities and our environment

## **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 rights abuses**

Sin Hwa Dee is 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 thru proactive and effective policies, measures and actions.

Our belief is to empower people thru development of skills and capabilities, transferring of knowledge and to motivate them. To do so, we believe effective communications, creating mutually beneficial relationships, fostering mutual respect, and treating people fairly are essential to our effectiveness.

### **Well-Being of Employees**

While we ensure our employees get to work in a safe environment, we are also committed in ensuring they receive are amply compensated and receive medical care in the event of accidents. We strive to take care of our employees' well-being regardless of their financial background. Currently, the company has a Workmen Compensation Scheme in place. It is compulsory for all our employees to be given insurance coverage under health and safety policy, paid for by the company.

In an effort to provide our foreign workers with better accommodation, we now provide a workers' dormitory at our company headquarters, ensuring their living conditions are well-taken care of. Having a dormitory also provides these foreign workers a temporary solution to their difficulties with lodging in the event of negative events and disputes with their respective landlords. To date, 10 workers are currently living in the dormitory.

### **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, to allow employees to tend to their issues without having to worry about neglecting their work obligations.

Sin Hwa Dee allows employees to work from home if 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, without cutting into their leave count and time for leisure.

We have also recently introduced a flexi-hour scheme. Under this scheme, employees now have greater flexibility in choosing their working hours so that they can be away from work at a time more suited to their personal needs.

### Empowering People

Our people are important to us. This is the reason we are always on the lookout for avenues to discover their potential and to give them the opportunities to learn and to succeed in their lives.

Sin Hwa Dee regularly sends our employees to courses to give them opportunities to constantly upgrade their skills. This serves to keep our people relevant in the rapidly-changing economy.

Besides, the company also practices job rotation for our employees. Our employees now get greater opportunities to learn and hone their skill-sets by being exposed to the different aspects of our business. This scheme now provides them better understanding of the business so as to improve their productivity and their value to the company. Furthermore, by increasing their employability, the enhanced learning also serves to help our employees' lives in the future.

### Community Investment

Sin Hwa Dee has also not forgotten about the community. Many initiatives has been undertaken to make our place a better everyone to live in. One of them is the outsourcing of the packaging of products to the disabled and needy. This is to help them integrate back into society, so as to fulfill their right to live a normal life.

The Young Women's Christian Association (YWCA) 'Meals-On-Wheels' programme has been helping the needy, frail and/or homebound senior citizens by distributing free lunches to them since 1997. In showing support to the programme, Sin Hwa Dee is currently sponsoring our products once every 3 months, ensuring the recipients' lunches are not only nutritious, but tasty as well. The company is also currently liaising with Singapore Council of Women's Organisations to hold cooking classes for women in need.

### Social Innovation Park

Our Managing Director, Ms Jocelyn Chng, also currently serves as Director of the Social Innovation Park. The Social Innovation Park aims to promote socially responsible entrepreneurship in an innovative and effective approach:

- Educate: First-stop information and research centre on social entrepreneurship for people, public and private sectors.

- Empower: Facilitator for incubation hub for entrepreneurs with self-reliant business models with grants administration to build scalable social entrepreneurs
- Enhance: Catalyst for both local and international network to better access for business ideas and cross boundaries capabilities.

One of the initiatives undertaken by SIP is the Pop & Talent Hub (PaTH). PaTH promotes, cultivates and nurtures talented young people by offering different platforms for them to display their crafts and their skills in performing and visual arts.

### **Labour Standards**

**Business should uphold:**

- **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 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 future success for the company.

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

### **Commitment against Exploitation**

Our policies on labour 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 labour.

### **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 all across Asia. Slightly over half of 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 measures in place 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, to ensure a fair outcome in pays and bonuses within the company. Our managers communicate to 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 to any persons within the management they feel comfortable with.

### Feedback

To date, there have been no complaints received. The company will, however, conduct 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

**Businesses should:**

- **Principle 7: support a precautionary approach to environmental challenges**
- **Principle 8: undertake initiatives to promote environmental responsibility**
- **Principle 9: 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 where we can improve productivity and efficiency in the use of resources, such as energy, glass, paper, water, etc.

### Singapore Packaging Agreement

The company has recently joined the Singapore Packaging Agreement in Nov 2008. Being a signatory, we have agreed to work with other signatories to meet national packaging recycling targets, contribute data on packaging materials consumed and packaging waste reduced/recycled, follow 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.

### Education

Seminars on the 3Rs (Reuse, Reduce and Recycle) have been conducted to educate our employees that protecting the environment should be part of our everyday lives. We highly encourage our employees to bring embrace these practices and to bring them back home as well. Related documents, PowerPoint slides and websites are often being sent to all employees to educate them the importance of playing our part, and the negative consequences of environmental destruction.

### Policies and Actions

Employees are now required 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 of the paper. Non-essential documents are to be printed on waste paper where only one side has been used, whenever possible.

Recycling centres 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.

### Into the Future

The company is committed to be an environmental-conscious corporate citizen. We are planning to 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 use in the company, identify ways to reduce carbon emissions, as well as extending our efforts on the 3Rs.

More collaboration with the National Environment Agency and the relevant government institutions are underway in the embarking on the 3R and Sustainable Energy projects. The company is 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 cut water and energy usage in our operation and production facilities.

Plans to replace the lightings of our entire headquarters to energy saving ones are in progress. Motion sensors are also to be installed in places which are essential by often vacant, such as the staff toilets and emergency exits.

There will also be upcoming efforts by our Business Development department team to reach out to the public by educating them on the recycling of carton boxes and glass bottles.

## **Anti-Corruption**

### **Principle 10: Business should 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 construed as corrupt business practices. Memorandums are also signed among employees to remind them of the dire consequences of engaging in corruption in any form. Employees found to be guilty will face severe disciplinary actions, or be handed over to the police.

### **Policy**

Under our company policy, employees can report any concerns, including misconduct, impropriety or fraud to the Financial Controller, or anyone in the senior management. Being a small and medium private firm, we currently do not have the resources, nor are we compelled, to engage an external auditor as yet.

The company does, however, have an internal audit department that supervises all transactions. Regular checks are made from time to time to ensure full compliance to the laws and regulations of the company.

To avert potential conflicts of interest among employees, especially in the liaison of goods and service providers, 3 quotations are needed to be obtained and verified currently, for any transaction beyond the value of S\$1,000.

### **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 corruption. Appropriate actions have been meted out accordingly.