



FOOD FOR
THOUGHT
SUSTAINABILITY
REPORT **2018**

ROYAL UMBRELLA
FRAGRANT RICE
皇族安培哪香米

Singapore No.1 Selling Rice Brand*

幸福可以很简单

Bonding through the quality in every grain.
Thank you for trusting us in nurturing your family in our special way.



*BASED ON NIELSEN RETAIL AUDIT MAY SEPT '17 FOR TOTAL RICE IN SINGAPORE.

Essentials for a Good Day

*Laksa Prawn
Fried Rice*

ROYAL UMBRELLA
FRAGRANT RICE
皇族安培哪香米



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STRATEGY AND ANALYSIS

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STATEMENT FROM THE MOST SENIOR DECISION MAKER OF THE ORGANIZATION

DEAR STAKEHOLDERS,

As a leading fast moving consumer goods ("FMCG") company in Singapore, we pride ourselves upon our ability to create sustainable value through our numerous business activities. Sustainability, in the manner we conduct our day-to-day dealings with customers, suppliers, employees and society, has been and will always be one of the key corporate values motivating and inspiring us to consistently do our best.

SOLAR POWER INSTALLATION

Increasingly, there has been heightened focus amongst stakeholders for the use of the Earth's resources in a manner that is extensive yet sustainable. The use of clean, renewable energy is one of the most important actions companies can take to directly reduce their footprint upon the environment and to move towards a more energy efficient future. The benefits are multifold; in aspects of greater energy security, economic development and price stability, for they produce neither greenhouse gases – which causes climate change, nor polluting emissions.

In this regard, Hanwell has invested significantly in the installation of Photovoltaic (PV) panels to reduce its dependency on fossil fuels and increase its exposure to solar power. Completed on 7th May 2018, the 1'008.15kWp solar panels have had their initial manifestation of carbon reduction; equivalent to approximately 27'564 trees of carbon dioxide offset in year one alone. Following Singapore's formal pledge in the 2016 Paris Climate Change Accord to reduce emissions intensity by 36% from 2005 to 2030, this makes it commercially viable for companies like Hanwell to further intensify their efforts towards sustainable production.

Our initiatives on energy saving via adoption of technology have contributed to lower energy consumption and in turn, smaller carbon footprint from the Group as follows:

Energy Consumption	2018	2017	2016
Natural Gas Heating (kWh)*	2,376,785	2,636,581	3,363,106
Electricity (kWh)	2,081,397	2,566,379	2,678,415
Solar Power (kWh)	838,423**	–	–
Total Energy Consumption (kWh)	5,296,604	5,202,960	6,041,521
Energy Intensity (kWh/S\$'000)	10.6	11.2	15.1

* Method of calculation: Google Currency Converter at 1MMBtu = 293.07 kWh.

** Based on figures as obtained between 7 May 2018 and 31 December 2018. Figures indicated are gross and include a portion exported to SP Group.

Carbon Footprint**	2018	2017	2016
Energy Indirect (Scope 2) GHG Emissions (metric tons)	2,081,397	2,566,379	2,678,415

* Method of calculation: US Environmental Protection Agency.

In the aspect of water, an important and scarce resource, we have procedures put in place to ensure that water conservation is maximized.

Water Management	2018	2017	2016
Water Withdrawal (cubic meters)	44,252	51,519	65,389
Water Discharged (cubic meters)	31,011	45,319	31,790

In 2018, we also made good progress in implementing our sustainability strategy and delivering on our sustainability targets. Namely, in the aspect of food traceability, product responsibility and community-based efforts, we have had various initiatives put into effect to strengthen our commitment towards sustainable development of our portfolio of food and non-food products.

STRATEGY AND ANALYSIS



Community Development: Beautex's *Life is Beautiful* art competition organised in collaboration with The Straits Times School Pocket Money Fund.

ENSURING FOOD SAFETY WITH FOOD TRACEABILITY

Food traceability has become increasingly important today. Be it from the perspective of public food safety, businesses, supply chain, or consumers, the benefits of greater transparency are multifold. By collaborating with our major supplier Chaoren Pokphand, we have been able to extend food traceability to our rice consumers regionally.

Food traceability allows us to improve consumers' confidence in our brand as well as manage our supply chain. If done right, sustainable production of our food sources can be ensured for many generations to come.

PRODUCT RESPONSIBILITY WITH HEALTHY FOOD CHOICES

Not only do dietary choices impact human health, they also carry significant implications on the health of the planet arising from shifts in consumption patterns by consumers. Today, greater transparency is demanded in the various sourcing, production and transportation practices of global food brands. Accordingly, this creates an impending need for companies to address this trend in order to stay relevant in a rapidly changing industry landscape.

Over the past year, Hanwell had the following initiatives:

- Food safety process certification for our subsidiary, Fortune Food Manufacturing's new tofu facility.
- Healthier food choices such as products labelled with the Health Promotion Board's Healthier Choice Symbol.
- Engagement of the local community using themes related to healthy diet choices.

Additionally, they also have a unique line of low glycaemic-index Basmati Long-Grain Rice in place to complement their traditional business offerings of shrink-wrapped rice, organic, brown and red rice.

FOSTERING COMMUNITY SPIRIT WITH ACTIVE OUTREACH EFFORTS

Giving back to the community is important. It not only allows us to positively impact society, it also enables us to actively engage our stakeholders. Here at Hanwell, we are committed to being good and responsible corporate social citizens while pursuing our business objectives. Continuous involvement in community programs is encouraged, with employee volunteerism instilled as key aspects of our corporate identity.

Lastly, we would also like to take this opportunity to highlight our efforts in reducing our reliance on paper. From FY2018 onwards, hard copies of all annual reports and/or shareholders' circulars shall only be sent to shareholders upon specific requests by them for it. This will not only prevent unnecessary cutting down of trees, but also allow us to save approximately S\$40,000.

The Board has considered sustainability issues as part of its strategic formulation, determined the material sustainability factors; overseeing management and monitoring of the material factors in this report.

Dr Allan Yap
Executive Chairman
Hanwell Holdings Limited

ORGANIZATION PROFILE

102-3	HQ LOCATION	348 Jalan Boon Lay, Singapore 619529			
102-4	GEOGRAPHY	Hanwell Holdings Limited (“Hanwell”) has significant presence in 2 countries. It has offices and manufacturing facilities in Singapore and Malaysia.			
102-5	LEGAL FORM	Hanwell has been publicly listed on the Main Board of Singapore Exchange since 25 October 1990.			
102-7	ORGANIZATION SCALE	Number of employees	790		
		No. of key operating subsidiaries	9		
		Revenue	S\$501,552,000/–		
		Total Debt	S\$87,169,000/–		
		Total Equity	S\$349,420,000/–		
102-8	WORKFORCE		Male	Female	Sub-total
		SINGAPORE	185	112	297
		MALAYSIA	205	288	493
		Total Employees	390	400	790
		SINGAPORE			
		Permanent Employees	148	107	255
		Contract Employees	37	5	42
		Singapore Employees	185	112	297
		MALAYSIA			
		Permanent Employees	181	268	449
		Contract Employees	24	20	44
		Malaysia Employees	205	288	493

ORGANIZATION PROFILE

102-10	SIGNIFICANT CHANGES	In Japan, we recently acquired two immovable properties in Osaka and Kyoto City respectively. Comprising a combined total floor area of 518.31 sqm and a total land area of 165.56 sqm, these properties are strategically situated in the entertainment area of Dotonbori, which is Osaka’s most famous tourist destination, as well as Gion, which is where Kyoto’s most famous Yasaka Shrine resides. We expect both properties to be potential core investments for us.
102-11	PRECAUTIONARY PRINCIPLE	The Group’s policy is to continually ensure that all our supplies are purchased from sustainable sources. We suspend procurement of fast moving consumer goods as well as raw materials from suppliers which are reported to have engaged in errant practices until there is reasonable assurance that the offending practice has been rectified.
102-12	EXTERNAL INITIATIVES	ISO 9001 Quality Management ISO 14001 Environment Management Hazard Analysis and Critical Control Points (HACCP) Forest Stewardship Council - Chain of Custody (FSC-CoC) Food Safety System Certification (FSSC) 22000
102-13	MEMBERSHIP OF ASSOCIATIONS	Singapore Institute of Directors Singapore Business Federation Singapore Retailers Association Singapore National Employers Federation Singapore Manufacturing Federation

ETHICS AND INTEGRITY

102-16 VALUES AND CODE OF ETHICS

CORPORATE CITIZENSHIP PROGRAM

Getting involved in the community is a great way for any organization to build relationship, boost visibility and create brand awareness. Whether it is by sponsoring or taking part in community programs, or by enabling employee volunteerism, companies that encourage involvement in the community stand out among their peers and see multiple benefits as a result, such as a happier workforce or more loyal customer base.

Tipex has partnered with The Straits Times School Pocket Money Fund to increase participation for its Corporate Social Responsibility (CSR) initiatives. For this year specifically, "Beautex: Life's Beautiful" Art Competition 2018 was organised, with the theme of "Healthy Living" for participants. The objective is to advocate the importance of healthy living through the hosting of an art competition and to contribute their share towards a healthier and inclusive society. Collectively, the vision is to forge a new, and more sustainable business future for both Tipex and the communities that it has adopted as part of its CSR drive.

Together with support from the Health Promotion Board, a series of health-based activities, including the dissemination of collaterals, the hosting of a "Eat Right, Get Moving" workshop and the performance of a 30 minutes educational skit titled "My Happy Healthy Family" were conducted. Through which, these initiatives promoted healthier eating habits, increased adoption of physical activities in daily routine and highlighted the importance of positive communication and positive role modelling of parents.

Besides community-based efforts, product responsibility is another key aspect of Tipex's corporate sustainability efforts. All of their pulp papers are sourced from arenas that are FSC certified to ensure that their impact upon the environment is kept to the minimum. These adds to the list of industry standards which Tipex already conforms to, such as the FSC-CoC (Forest Stewardship Council – Chain of Custody), ISO9001:2015 (Quality Management System), ISO14001:2015 (Environmental Management System), ISO22000:2005 (Food Safety Management System) and HACCP (Hazard Analysis and Critical Control Points).

To better reflect their responsiveness to the needs of today's consumers, Tipex recently launched their new sugarcane mix pulp toilet rolls, which is environmentally friendly. Made out of a renewable plant with no replanting required, it addresses consumers' desire for new and innovative products that are both valued for money while also contributing to a relevant cause. This comes as Tipex sets up its new production plant with targets to increase product output, improve energy efficiency, enhance product safety and boost workplace safety. All-in-all, the sustainability of a business is key to its long-term viability, something which Tipex is cognisant of and constantly moving towards.

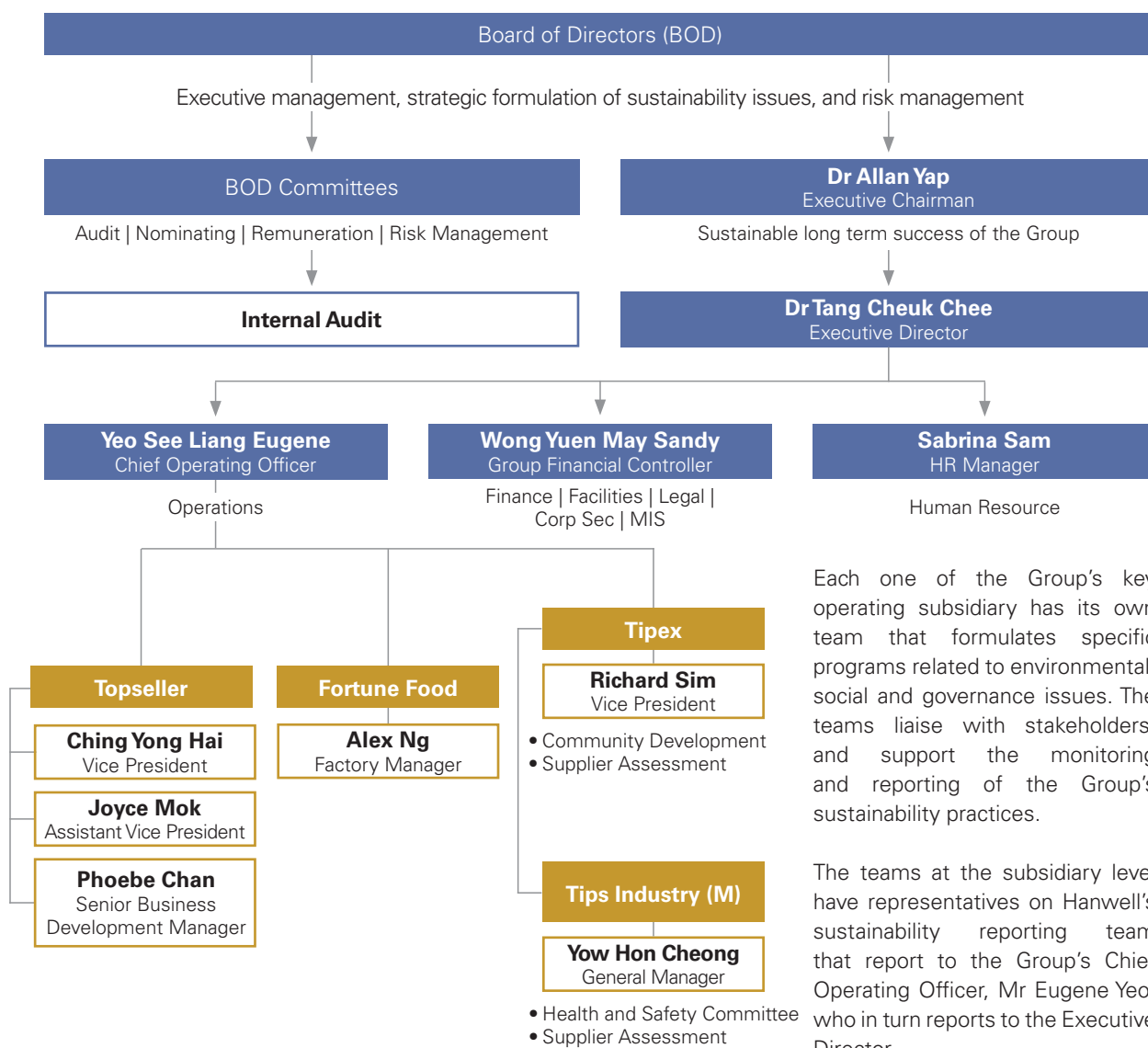
Lastly, to keep themselves ahead of the competition, our top-selling in-house tissue paper brand Beauty & Mood recently underwent a rebranding exercise from June and November 2018, so to better anchor its brand in the local market as well as overseas. Through a structured brand roadmap and clearly defined brand identity, Tipex seeks to translate this into sales growth and increased profit for the business.

ANTI-CORRUPTION

The Group's Code of Conduct for its directors, management and employees strictly prohibit involvement in corruption activities such as the acceptance or giving of bribes.

GOVERNANCE

102-18 SUSTAINABILITY GOVERNANCE STRUCTURE



STAKEHOLDER ENGAGEMENT

102-40 | STAKEHOLDER GROUPS

Regulators

Employees

Shareholders

Statutory Boards | E.g. People's Association

Civil Society | E.g. retail consumers

Customers | E.g. supermarkets and hotels

Suppliers | E.g. rice mills and manufacturers

Local Communities

Industry Bodies | E.g. Forestry Stewardship Council

102-42

BASIS OF IDENTIFICATION AND SELECTION OF STAKEHOLDERS TO ENGAGE

- Stakeholder engagement is a daily part of our business in the course of our cooperation with manufacturers, suppliers, corporate buyers such as NTUC Fairprice and government bodies to deliver a diverse range of consumer essentials.
- When engaging each stakeholder group, we consider the group's impact on the demand for our products, as well as the staff and investment resources involved. The order in the 102-40 list represents how we often prioritize stakeholders.

102-43

APPROACH TO STAKEHOLDER ENGAGEMENT

- We typically engage each stakeholder group annually, be it through trade exhibitions or customer surveys with follow-on activities on a case by case basis. Each key operating subsidiary has various community development programs, and many of these programs are carried out annually.
- We collaborate with external stakeholders to promote the integration of sustainable practices in the value chains of our wide range of fast moving consumer goods.
- Our manufacturing facilities conduct annual customer surveys to solicit feedback on product quality, on-time delivery, after-sales service and our product pricing.

102-44

KEY TOPICS AND CONCERNS

Rice, oil, paper and soybeans are among the more important raw materials in our business. There are upstream activities undertaken by external stakeholders that are critical to the overall supply chain sustainability of the natural resources from which our products are derived. Key topics include sustainable agricultural and production practices related to rice farming, farmer's livelihood, food safety and forest conservation.

We are looking into the following areas of stakeholder interest:

- Innovation
- Reduction in packaging
- Advocacy and assistance for partner organizations to adopt best practices
- Greater staff welfare

MATERIAL ASPECTS AND BOUNDARIES

REPORTING APPROACH AND FRAMEWORK

We refer to the Global Reporting Initiative (2016) ("GRI") as a framework for disclosure inclusion. Disclosures revolve around the value chains in our key business segments including Topseller, Tipex and Fortune Food Manufacturing. We have prioritized our scope of reporting as follows:

- Brands that have the greatest impact to the Group's revenues.
- Activities that contribute to our product brand equity.
- Industry standards that are considered important by stakeholders such as customers, principals, suppliers and shareholders.

TOPIC BOUNDARIES

We aim to create public awareness about the sustainable value chains behind our key brands. Metrics applicable to GRI core disclosures are reported only if they are a good representation the impact of our value chains. For example, we do not report the percentage of suppliers assessed for social impact because many of them have relatively low impact on cost of goods sold and business revenue. Rather, we focus on discussing the management approach of principal suppliers based on each one's upstream social and environmental impact and downstream business impact through the Group.

MATERIALITY CHART

Importance to External Stakeholders



Materiality	Rank Percentile
Most Important	> 75th
Very Important	51st to 75th
Important	25th to 50th

- Extending Partnerships
- Product Labeling
- Responsible Sourcing
- Economic Performance
- Occupational Health & Safety
- Food Quality & Safety
- Employee Welfare
- Affordable Products
- Care for Local Communities
- Learning & Development
- Material Waste
- Governance & Business Ethics
- Energy & GHG Emissions
- Water Management
- Food Waste

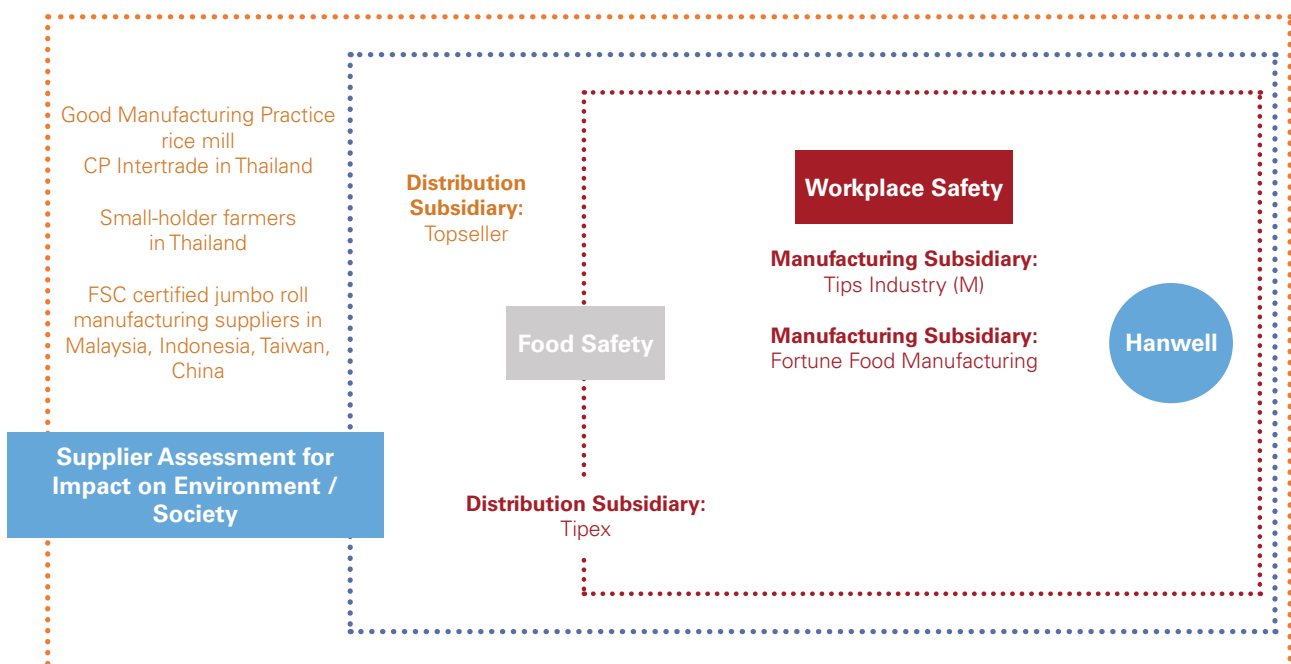
Data Source: Hanwell Holdings Limited's stakeholder engagement survey conducted in July 2018.

MATERIAL ASPECTS AND BOUNDARIES

102-47 | MATERIAL TOPICS



BOUNDARIES OF ENVIRONMENTAL AND SOCIAL IMPACT



SUSTAINABLE RICE PRODUCTION

102-1 | KEY SUBSIDIARY: TOPSELLER PTE LTD

102-2 | ACTIVITIES, PRIMARY BRANDS, PRODUCTS, SERVICES

Topseller is a distributor and brand developer of consumer essentials as follows:

Food: Royal Umbrella rice, Golden Peony rice, Gitangkim rice, Okome rice, Taj Ponni rice, Taj Basmati Rice, Harmuni rice and oil, Golden Circle oil and Soyalite oil.

Non-food: Promax detergent, Singpo detergent and TP706 dishwashing liquid.

102-4 | COUNTRIES OF OPERATION 102-6 | MARKETS SERVED 102-9 | SUPPLY CHAIN

Topseller's distribution network covers supermarkets, grocery stores, caterers, institutions, ship chandlers, hotels, restaurants, food courts, hawker centres and online retailers in Singapore.

103-1 | WHY GOOD AGRICULTURAL PRACTICES ARE IMPORTANT

Rice is the Group's top selling fast moving consumer product category and Royal Umbrella is our best-selling brand of rice. The rice supply chain starts with the preparation of land and seed and ends with the consumption of the rice on the table. It includes all of the economic activities undertaken between these phases including processing, delivery, wholesaling and retailing.

The key risk factors to this supply chain include:

- Sustaining the environmental integrity of arable land to ensure the soil is productive.
- Farmers' ability to access means of production.
- Farming practices to ensure food safety.

SUSTAINABLE RICE PRODUCTION

103-2

HOW WE MANAGE THE IMPACT OF GOOD AGRICULTURAL PRACTICES

As a marketing and distribution business for fast moving consumer goods, it is the Group's strategy to educate consumers on aspects of the value chain that affect their ultimate purchasing decisions. We aim to use this sustainability report as a platform for stakeholders as well as consumers to understand issues at stake in the value chain of a staple such as rice.

It is intended to be part of a larger feedback loop that leads to better informed decision making by consumers. This will ultimately enhance our capability to improve product mix and add value to our product range.

This section focuses on good agricultural practices (GAP) and draws on guidelines published under United Nations reporting framework, Sustainable Assessment of Food and Agriculture Systems.

Food traceability has become increasingly important today. For public safety, it's about reducing food fraud incidences and adulteration, disease management and environmental emergencies. For businesses, it's all about risk management and mitigation; lowering the impact of recalls and lowering liability costs. For the supply chain, efficiencies relate to productivity; cash flow improvements; innovation; and reducing waste. And for consumers, it's about access to markets and specialty foods; and enhancing or strengthening brand confidence.

As consumers become increasingly conscious of the broader repercussions of their lifestyles on the global ecosystem, this naturally culminates in them demanding greater transparency from the world's food system; requiring food brands to be more transparent regarding their sourcing, production and transportation practices, as well as the nutrient content present in the everyday food consumables.

In this regard, Chaoren Pokphand ("CP") has invested significantly in the improvement of its supply chain performance, through the changing of suppliers and processes, training of employees, and the instillation of monitoring and reporting mechanisms. These are steps which CP believes are necessary for them to address concerns relating to consumers' health, the environment, the well-being of workers and animal welfare.

Social responsibility has and will continue to be an essential charter of CP's sustainability practices. With the world's population projected to increase to 9.6 billion by 2050, this inadvertently puts pressure on the global food industry to adopt sustainable solutions to tackle the devastating impact of climate change, pollution, deforestation, energy and water consumption, resource degradation and depletion, and food waste on the global food supply.

Specifically, one of the initiatives being brought forth by CP then, was the integration of digital traceability systems within their supply chain. Through this measure, CP seeks to serialize the rice they produce using a unique identifier number. This enables tracking in real-time from the moment the raw materials are sourced through to production, warehousing and delivery, before eventually ending up on the consumer's plate. It also gives CP improved supply chain visibility and better control over how it plans to achieve its specific sustainability targets, so as to optimise resources in a manner which has minimal impact to the environment. Through continual engagement of its various stakeholders, CP aim to ensure sustainable production of its food sources for many generations to come.

SUSTAINABLE RICE PRODUCTION

In Singapore, Royal Umbrella has been awarded the annual Reader's Digest Trusted Brands for 15 years running.



In 1986, Hanwell Holdings Limited (formerly known as PSC Corporation Ltd) wanted to distribute jasmine rice, a long-grain strain of fragrant rice, from CP Intertrade in Thailand (the rice processing arm of Asia's largest agribusiness conglomerate Chaoren Pokphand). In those days, few Thai products were labelled in English. Hanwell worked with its rice processing partner to identify an English brand name for jasmine rice imported from Thailand. Hanwell and CP Intertrade eventually decided to use "Royal Umbrella" as the brand name to distribute Thai Hom Mali rice to English speaking consumer markets. The brand name was subsequently translated into other languages.

Today, Royal Umbrella Thai Hom Mali rice has become Thailand's top export brand. CP Intertrade processes different sub-brands of rice according to the diverse cultural palates of each market. The quality of rice paddy that is trucked into its processing facilities, state-of-the-art production equipment, a strong marketing and distribution network, as well as strong R&D all play a part in the success of this brand name.

Engaging farmers to adopt GAP is the first stage of this success story. The Royal Umbrella Thai Hom Mali rice supply chain starts from providing farmers with top grade grains for planting and culminates in international rice tasting competitions such as the World Best Rice award organized by the World Rice Conference. Royal Umbrella Thai Hom Mali rice bagged the World Best Rice award which was held in the Philippines in 2009. In Singapore, Royal Umbrella has been awarded the annual Reader's Digest Trusted Brands for 15 years running – from 2004 to 2018. It won the Platinum award in 2017 and 2018.

SOYBEAN FOODS



102-1 | KEY SUBSIDIARY: FORTUNE FOOD MANUFACTURING PTE LTD

102-2 | ACTIVITIES, PRIMARY BRANDS, PRODUCTS, SERVICES

Fortune Food Manufacturing Pte Ltd ("Fortune Food") specialises in the production of soya bean-based products such as tofu and tau kwa.

102-4 | COUNTRIES OF OPERATION
102-6 | MARKETS SERVED
102-9 | SUPPLY CHAIN

Using the finest soybeans from North America, products are manufactured daily in our FSSC22000 certified production facility in Singapore and delivered to local supermarkets, F&B retail outlets, as well as general trade outfits such as provision shops and minimarts in Singapore via our chilled delivery trucks.

Our production process consumes about 1,000 metric tons of raw soybeans per year.

SOYBEAN
FOODS

416 | ASSESSMENT OF HEALTH AND SAFETY IMPACT OF PRODUCT CATEGORIES

103-1 | WHY FOOD SAFETY IS IMPORTANT

Foodborne diseases can be a widespread public health problem and even adversely impact the economy as seen during the SARS outbreak. Thanks to the stringent regulation by the Agri-Food & Veterinary Authority of Singapore (AVA), Singapore enjoys one of the lowest incidences of foodborne disease outbreaks compared to the rest of the world.

The Group views any incident of food contamination seriously as this will affect our reputation, brand value, sales and even bottom line in the event of product recall.

We have a robust system in place to prevent incidences of food contamination.

103-2 | HOW WE MAINTAIN HIGH FOOD SAFETY STANDARDS

We work closely with AVA to ensure that all our food products meet stringent quality and safety standards. Our factory has attained certification for Hazard Analysis and Critical Control Points (HACCP) and Food Safety System Certification (FSSC) 22000.

All the food products manufactured by Fortune Food are assessed for improvement in the following life cycle stages:

- Development of product concept
- Factory process certification
- Manufacturing and production
- Storage, distribution and supply

SOYBEAN FOODS

CERTIFICAT



CERTIFICADO



СЕРТИФИКАТ



認證證書



CERTIFICATE



ZERTIFIKAT



Management Service

CERTIFICATE OF REGISTRATION

The Food Safety Management System of

Fortune Food Manufacturing Pte Ltd
(A Subsidiary of Hanwell Holding Ltd)

at

348 Jalan Boon Lay
619529 Singapore
Republic of Singapore

has been assessed and complies with
the requirements of

FOOD SAFETY SYSTEM CERTIFICATION (FSSC) 22000 (version 4.1)

Certification scheme for food safety management systems
consisting of the following elements:
ISO 22000:2005, ISO/TS 22002-1:2009 and
additional FSSC 22000 requirements (version 4.1).

This certificate is applicable for the scope of:

**Manufacturing of soya bean cake (tofu and tau kwa),
soya bean curd (dou hua), egg tofu products
and re-packing of rice**

(Category: C IV, C I).

Certificate of registration No: 12 520 57022 TMS
Report No.: 7191190629

Certificate decision date: 2018-12-06
Initial certification date: 2018-12-06
Expiry date: 2021-12-05

Validity of this certificate can be verified in the
FSSC 22000 database of certified organizations available on www.fssc22000.com.

M. Wegner

Product Compliance Management
Munich, 2018-12-07



FORTUNE FOOD MANUFACTURING

Dietary choices not only impact on human health, but also have significant implications for the health of the planet – upon which human health is reliant – and for our ability to feed current and future generations equitably. Our food system contributes significantly to climate change through greenhouse gas (GHG) emissions; and impacts negatively on ecosystems, including through deforestation, water use, overfishing, pollution and biodiversity loss.

In response to the push by Health Promotion Board for Singaporeans to have a healthy diet and the desire by consumers here to pursue cleaner food choices, Hanwell has rolled out several healthy food choices and promoted the use of online platforms to encourage a healthy eating lifestyle. Specifically, they introduced tofu product with vegetarian DHA and sought the use of non-genetic modified soybeans in the manufacture of all of their Fortune's tofu products.

Other than these initiatives to enhance the health of their consumers, Fortune Food also places a high emphasis upon food safety certification to ensure that products, processes or systems in the food supply chain are in compliance with accepted food safety standards. With regards, the Food Safety System Certification 22000 (FSSC 22000) is an additional qualification obtained by Fortune Food in FY2018 to enhance their commitment to food safety and instil greater confidence in consumers for the quality of food produced. Graded higher than the Hazard Analysis and Critical Control Points (HACCP), this certification will better equip Fortune Foods with the capability to export their tofu products to the regions of Europe and the United States.

GOALS

FRESH FOOD

SAFE FOOD

CLEANLINESS

SAVE WATER

SAVE ELECTRICITY

WORK SAFETY

TIPEX

102-1 | KEY SUBSIDIARY: TIPEX PTE LTD

102-4 | COUNTRIES OF OPERATION
102-6 | MARKETS SERVED
102-9 | SUPPLY CHAIN

Tipex's distribution network covers supermarkets and hypermarkets, general retail trade, pharmacies, medical halls and institutions in both Singapore and Malaysia. In addition, Tipex's products are being exported to New Zealand, Brunei, Australia, Vietnam, Maldives, India and Philippines.

We have a factory in Malaysia held under Tips Industry (M) Sdn Bhd, a wholly owned subsidiary of Tipex. The factory procures paper rolls and converts them into packaged tissue paper products.

The advertisement for TIPEX features the company logo at the top, which consists of a green leaf icon followed by the word "TIPEX" in green, and the tagline "Choices for better lives" in a smaller, brown font. Below the logo, the text reads: "The leading Singapore brand that improves your lifestyle and embraces environmental sustainability." The main visual is a collection of TIPEX products, including boxes of "Mood" tissues with floral designs, "Beautex" Premium Bathroom Tissues (3500 Sheets), "Beautex" Multi Purpose Towels (6 Rolls), and "Beautex" Baby Wipes. The products are arranged in a cluster, with some boxes standing upright and others lying flat. The background is a soft, out-of-focus indoor setting. In the bottom right corner, there is a small logo and text: "A subsidiary of 恒威集团 HANWELL HOLDINGS LIMITED".

TISSUE
PAPER

102-2 | ACTIVITIES, PRIMARY BRANDS, PRODUCTS, SERVICES

Tipex produces and distributes tissue paper products of household brands such as Beautex, Mood, Hibis, Comfy and Parity.

Its consumer tissue paper range includes facial box tissue, pocket tissue, handkerchief, bathroom tissue, and kitchen towel. Its commercial products include napkins, serviettes, hand towels, bathroom tissue, as well as dispensers.

It also distributes washroom hygiene products like cleaning agents and dispensers, baby and adult diapers. Brands include Pet Pet, Fitti baby diapers, as well as Certainty adult diapers in Singapore. In 2013, Tipex was appointed as the exclusive distributor of a reputable Australian household brand – MR. CLEAN in Singapore.



TISSUE PAPER

403 | WORKPLACE HEALTH & SAFETY

103-1 | WHY IT IS IMPORTANT TO MANAGE OCCUPATIONAL HEALTH

The noise level generated by our paper cutting machines may result in hearing loss of a worker handling these machines if his naked ear is exposed to the noise over a long period. There is also a significant amount of particulate airborne paper fibers that are by-produced in the course of cutting paper. We have a committee that looks into the Occupational Health and Safety (OH&S) of our factory.



Occupational Health: Ear plugs are personal protection equipment for our workers who operate cutting machines.

103-2 | HOW WE MANAGE OCCUPATIONAL HEALTH

POLICY

Workers' welfare is a high priority in our organizational value system. We review our OH&S policy every year during the Environmental Management Review to ensure its suitability and adequacy in the context of all possible changes to our operational, legal, and other obligations. We have an open door policy that serves as a channel for worker to air grievances.

RESOURCES

- All our factory workers are required to wear personal protection equipment such as mouth masks and ear plugs.
- We have provided an eye-wash station for any workers that suffers from eye irritation.

COMMITMENT

- Take effort to identify, assess and control hazards and risks in the workplace
- Establish and communicate an OH&S system involving our employees
- Continually improve our OH&S performance
- Comply with all relevant OH&S laws affecting our industry
- Conduct self-audits to review our policy, objectives, targets, and our performance against these measures
- Make available this policy to any interested parties.

TISSUE PAPER

103-1 | WHY WORKPLACE SAFETY IS IMPORTANT

RESPONSIBILITY

Paper is easily combustible. At our factory, we have a sizable inventory of jumbo paper rolls, work-in-progress as well as finished goods for tissue paper, toilet rolls, kitchen towels and restaurant napkins products. We therefore view the risk management of fire hazards to be of primary importance. We adopt the ISO 14001 Environment Management System to manage this risk.

103-2 | HOW WE MANAGE THE IMPACT OF WORKPLACE SAFETY

POLICY

- All areas within our factory compound are strictly non-smoking, with the exception of an open air space behind the guardhouse that is about 30 meters away from the production and storage building. We made provision for smokers by putting up a clear sign identifying the area that is designated for them.
- Vehicles are only allowed to refill diesel at a designated area about 100 meters away from the production and storage areas. Chemical spillage kits of sand buckets are available at the diesel refill area.
- We have a designated assembly point for headcount check in the event of emergency or fire.

RESOURCES

- ABC dry powder, CO2, fire extinguishers, fire hydrants, hose and hose reels are spread out in the production and storage areas. Floor plans that clearly mark out the locations of our fire-fighting equipment are visibly displayed at different locations in our production and storage areas.
- Speed limit signs are displayed to remind forklift operators not to exceed 5km/hour.
- Exit signs are clearly marked on the floor, as well as on floor plans that are displayed on walls.
- First-aid kits are made easily accessible by workers.



TISSUE PAPER

416 | CUSTOMER HEALTH & SAFETY

103-1 | WHY PRODUCT SAFETY IS IMPORTANT

RESPONSIBILITY

Our products such as tissue paper and napkins are usually used for personal hygiene. If product hygiene systems are not strictly implemented, hazards may arise from the use of our tissue products.



Product Safety: Workers wear face masks and gloves to ensure product sanitary hygiene.

103-2 | HOW WE MANAGE THE IMPACT OF PRODUCT SAFETY

POLICY

- We adopt food safety management systems to assure consumers that our products meet high sanitary standards. For example, we apply HACCP practices for food safety in our packaging line where required, such as for restaurant napkins.
- To minimize pollution, vehicles that call on our premises are not allowed to idle for more than 3 minutes before being required to switch off their engines.

ACTION

- We have 7 plastic packaging suppliers from Malaysia, and one from Indonesia. We also have 3 paper packaging suppliers in Malaysia. All these suppliers have received ISO 9001 Quality Management certifications as well as ISO 14001 Environment Management or Good Manufacturing Practice (GMP) certifications.
- The ink used for printing on customized restaurant serviettes is water-based and has been lab-tested to ensure there is no toxicity. All chemicals are cleared by our purchasing department before being allowed in our factory premises.
- We require our suppliers to send samples of plastic packaging and ink to be lab-tested to ensure there is no toxicity in our raw material supply chain.

308 | SUPPLIER ENVIRONMENTAL ASSESSMENT

103-1 | WHY SUSTAINABLE PAPER PROCUREMENT IS IMPORTANT

RESPONSIBILITY

Most of our raw material is paper, and that is produced from wood. Deforestation, the clearance of forests for conversion of land to a non-forest use, accounts for almost the same carbon emissions as the entire world's transport sector and is a major driver of biodiversity loss.

Many of our customers now require our paper products to be certified by the Forest Stewardship Council (FSC®).

103-2 | HOW WE MANAGE THE IMPACT OF SUSTAINABLE PAPER PROCUREMENT

POLICY

We use only virgin pulp paper procured from FSC® certified suppliers. The certification system allows us to identify, purchase and use wood, paper and other forest products produced from well-managed forests and/or recycled materials. We have adopted its Chain of Custody system.

We have 8 paper roll suppliers – two from China, two from Vietnam, two from Indonesia, one from Taiwan, and one from Malaysia. Most of the material for our packaging boxes are from recycled sources.



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DISCLAIMER

To the best of our knowledge, the Group has not identified any incidence of non-compliance in its activities related to the following aspects during the period under review.

GRI Standard Disclosure

Environmental Compliance	307-1	Environmental laws and regulations
Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
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Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area

Reporting Period GRI 102-50	FY2018
Date of most recent previous report GRI 102-51	May 2018
Reporting cycle GRI 102-52	Annually from 1 January to 31 December
Contact GRI 102-53	Benjamin, benjamin@financialpr.com.sg
GRI application GRI 102-54	This report contains Standard Disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2016).
External assurance policy GRI 102-56	The disclosures in this report are not externally assured.



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