

JIMBO   
GROUP

# SUSTAINABILITY REPORT

2019



This sustainability report has been prepared by JUMBO Group Limited (the “Company”) and has been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “Sponsor”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. This sustainability report has not been examined or approved by the SGX-ST.

The SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

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## ABOUT JUMBO

JUMBO Group Limited (“JUMBO”, or the “Company” and together with its subsidiaries and subsidiary entities, the “Group”) is one of Singapore’s leading multi-dining concept F&B establishments. It has a portfolio of six restaurant brands – JUMBO Seafood, NG AH SIO Bak Kut Teh, Zui Teochew Cuisine, Chao Ting, JUMBO Kitchen and XINYAO Hainanese Chicken Rice. It also operates two Tsui Wah Hong Kong-style “Cha Chaan Teng” brand as a franchisee and manages one Singapore Seafood Republic outlet in Singapore.

Fulfilling its philosophy of “Bonding People Through Food”, JUMBO has 38 F&B outlets (including those of its associated companies and those under licensing arrangements) in 15 cities in Asia. It has presence in Singapore, Shanghai, Beijing, Xi’an, Fuzhou, Taipei, Taichung, Hsinchu, Taoyuan, Seoul, Ilsan, Ho Chi Minh, Bangkok, Tokyo and Osaka.

JUMBO also provides catering services for customers in Singapore and sells packaged sauces and spice mixes for some of its signature dishes in its outlets, selected stores, supermarkets, travel agencies and online via the JUMBO eShop. It has a Central Kitchen in Singapore to maintain stringent quality standards and the consistency in the taste of its signature dishes, increase productivity and lower costs. JUMBO’s Research and Development Kitchen facilitates the creation of new dishes and improvement of food preparation processes.

It has received many awards, accolades and notable mentions in prestigious publications for the high quality of food and service offered under its F&B brands. Some of the Group’s recent awards and accolades include the Franchising and Licensing Awards (FLA Awards) 2019 – International Franchisor of the Year, Franchisor of the Year and Customer Service Excellence for JUMBO Seafood, Promising Franchisor of the Year and Customer Service Excellence for NG AH SIO Bak Kut Teh, Excellent Service Award (since 2008), 5S Excellence Award by Restaurant Association of Singapore 2018, Asia Enterprise BRAND Awards 2018 – Gastronomy Excellence BRAND Award, TripAdvisor Certificate of Excellence 2017, Diners’ Choice 2018 – Best Seafood Platinum Winner, SIAS 17th Investors’ Choice Awards 2016 – Winner of Most Transparent Company Award for New Issues and the Singapore Business Awards 2016 – The Enterprise Award.

In 2019, JUMBO Seafood outlet at Gallery was recommended as a “Must-Try Restaurant 2019” by Meituan-Dianping (美团点评) and the brand also attained the Superbrands Award (Singapore’s Choice). The NG AH SIO Bak Kut Teh flagship outlet at Rangoon Road was conferred the “Local Delights Award (新加坡风味)” at the Ctrip Food Awards 美食林2016/2017. JUMBO Seafood East Coast flagship restaurant had also received a recommendation from Wine & Dine’s Singapore Top Restaurants Guide 2018/2019.

## BOARD STATEMENT

The Board of Directors (the “Board”) at JUMBO hereby presents the Sustainability Report for 2019. This is the second year that we publish a Sustainability Report and we are pleased to share with you our continued commitment to sustainable business practices.

The Board recognises the importance of environmental, social and governance (“ESG”) considerations in creating value for our business and our stakeholders. This year, the management team reviewed and reconsidered the material ESG factors chosen for JUMBO and determined that the material ESG factors remain unchanged. The Board has validated this decision and continues to oversee the management of the identified material ESG factors and integration of these sustainability focus areas into JUMBO’s business strategies. In FY2019, as part of our business continuity planning, JUMBO developed a comprehensive set of internal KPIs, including those related to sustainability, using the Balanced Scorecard framework. This exercise allowed various stakeholders to understand how the company can continue to stay relevant in the changing business landscape and what their respective roles are. It also highlighted potential opportunities for collaboration between the various departments and outlets. This process aided us to set clear sustainability-related objectives and management approach.

We are delighted to report that we have achieved all our ESG targets set out in our previous Sustainability Report. The Board is also honoured that JUMBO has been commended by Prime Minister Lee Hsien Loong in the National Day Rally 2019 for our commitment towards nurturing our people. Empowering our people through training and career development continues to be one of our key sustainability focus areas.

The Board would like to thank all who have supported us in our sustainability journey. We look forward to continue sharing our progress with you in our next annual sustainability report.

# SUSTAINABILITY APPROACH

At JUMBO, we embrace the philosophy of “Bonding People through Food”. We strongly believe that sustainability is essential in helping us fulfil this philosophy, by supporting our mission of providing quality food and services.

We have established a sustainability governance structure to monitor and manage sustainability-related issues. At the top, the Board oversees and approves the direction of sustainability management. The Board is supported by the Sustainability Steering Committee, which comprises senior management tasked with developing sustainability strategy, managing overall sustainability performance and reporting to the Board. At the operational level, a Sustainability Task Force implements sustainability practices and monitors sustainability performance across the Group.

In FY2019, we continue to concentrate on the 4 focus areas identified in the previous year. Our achievements for each of the area in FY2019 are illustrated below:



1. **Focusing on Customers:** At JUMBO, customer centricity is an integral part of our business. We endeavour to delight our customers by serving quality food, backed by stringent quality assurance in our operations and along the supply chain, and deliver superior customer engagement experience, by consistently improving our services and addressing customers' needs based on their feedback. We are also committed to safeguard customer privacy by strengthening our information security.
2. **Empowering Our People:** A committed, and competent workforce is the cornerstone to JUMBO's success. We strive to nurture and empower our people by providing ample training and career development opportunities for our people to grow. Cultivating a safe work environment is also a key pillar to ensuring that our employees' mental and physical well-being are being taken care of.
3. **Ensuring Good Governance:** Through strong corporate governance, we seek to prevent corruption and ensure compliance with the regulatory requirements relevant to our operations, including environmental and socioeconomic impacts. We also actively identify and manage our regulatory risks by keeping abreast with new laws and regulations in the various jurisdictions we have presence in.
4. **Contributing to the Community:** We practise good corporate citizenship by actively giving back to the society through corporate social responsibility ("CSR") activities, aiming to make positive social impact via various philanthropic and goodwill projects.

## ABOUT THIS REPORT

This sustainability report covers the sustainability practices and performance of the listed entity, JUMBO Group Limited, JUMBO Seafood outlet at East Coast Park, as well as its central kitchen operations and all its restaurant outlets directly under JUMBO Group of Restaurants Pte Ltd in Singapore, for the period 1st October 2018 to 30th September 2019 (“FY2019”).

This report is aligned with the reporting requirements of SGX Listing Rules 711A and 711B and is prepared with reference to the GRI Standards. The GRI Standards were selected as the reporting framework as they provide guidance on materiality assessment, suggest specific performance disclosures relevant to our business, and are also internationally recognised. This report references the following GRI Standards and topic-specific Disclosures:

- Disclosure 205-3 (a)(b) and (c) from GRI 205: Anti-corruption 2016
- Disclosure 307-1 from GRI 307: Environmental Compliance 2016
- Disclosure 403-9 (a) (i), (ii), (iii) & (iv) from GRI 403: Occupational Health and Safety 2018
- Disclosure 404-2 (a) from GRI 404: Training and Education 2016
- Disclosure 414-1 from GRI 414: Supplier Social Assessment 2016
- Disclosure 418-1 from GRI 418: Customer Privacy 2016
- Disclosure 419-1 from GRI 419: Socioeconomic Compliance 2016

No external assurance has been sought for this report. JUMBO welcomes any feedback to improve our report. Please forward enquiries and feedback to [sustainability@jumbogroup.com.sg](mailto:sustainability@jumbogroup.com.sg).

## STAKEHOLDER ENGAGEMENT

JUMBO values open dialogue and regular communication with our key stakeholders to understand their views and concerns. Effective stakeholder engagement plays an important role in providing us with valuable inputs to improve our sustainability practices and creates long-term value for the business. The following table summarises JUMBO’s key stakeholder groups and our approach in engaging them.

Stakeholder	Key Stakeholder Concerns	Our Responses	Engagement Methods	Frequency
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Food hygiene and safety</li> <li>• Affordable and quality food</li> <li>• Quality of service</li> <li>• Innovative products to suit changing tastes and preferences</li> </ul>	<ul style="list-style-type: none"> <li>• Establish strict protocols on food safety and handling</li> <li>• Conduct internal and external audits on food quality and safety standards</li> <li>• Foster brand loyalty via improving customer satisfaction and engagement</li> <li>• Regular launch of new product offerings and innovative outlet concepts</li> </ul>	<ul style="list-style-type: none"> <li>• Online customer feedback channels, including via JUMBO website's feedback page, email, and google form survey</li> <li>• Social media</li> <li>• Feedback box</li> <li>• Short Message Service (SMS) feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Workplace inclusivity and safety</li> <li>• Fair and competitive compensation</li> <li>• Training and career development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct training programmes to equip staff with necessary skillset and knowledge in food safety and workplace safety</li> <li>• Tailored programmes for leadership development</li> <li>• Conduct performance and career development reviews for staff</li> </ul>	<ul style="list-style-type: none"> <li>• Training and development programmes</li> <li>• Team bonding activities</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
			<ul style="list-style-type: none"> <li>• Performance review sessions</li> </ul>	<ul style="list-style-type: none"> <li>• Twice a year</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Maintaining a positive business partnership</li> <li>• Clear communication of expectations regarding quality and business conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Due diligence assessment on vendors prior to onboarding</li> <li>• Perform reviews and audits on suppliers</li> <li>• Quality of products inspection at point of delivery with prompt communication on quality lapses</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier code of conduct</li> <li>• Vendor evaluation form</li> <li>• Supplier declaration</li> <li>• Supplier survey and feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
<b>Investors / Shareholders</b>	<ul style="list-style-type: none"> <li>• Stable and sustainable growth and profitability</li> <li>• Reasonable returns to shareholders</li> <li>• Preserving balance sheet strength through economic cycles</li> <li>• Strong corporate governance and transparency</li> <li>• Timely disclosures</li> <li>• Accurate and timely dissemination of business updates</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring strong oversight and accountability by an experienced and competent Board and Management team</li> <li>• Adopting a disciplined and measured approach towards business risks and opportunities</li> <li>• Maintaining a healthy corporate governance culture</li> <li>• Ensuring timely disclosure and reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Release of financial results and other relevant disclosures through SGXNet and JUMBO's website</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
			<ul style="list-style-type: none"> <li>• Annual General Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Once a year</li> </ul>
			<ul style="list-style-type: none"> <li>• Investor conferences, face to face meetings with investment community, including shareholders, potential investors and sell-side analysts</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>• Compliance with relevant environmental and socio-economic laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Complying with applicable and current laws, regulations and policies</li> <li>• Maintaining sound risk management systems and processes</li> <li>• Providing regular training for our people</li> <li>• Conducting regular internal and external audits</li> </ul>	<ul style="list-style-type: none"> <li>• Industry networking functions</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
			<ul style="list-style-type: none"> <li>• Annual regulatory audits</li> </ul>	<ul style="list-style-type: none"> <li>• Once a year</li> </ul>
			<ul style="list-style-type: none"> <li>• Inspections on environmental and food safety compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>

## MATERIAL ESG FACTORS

For FY2019, JUMBO conducted a materiality review to identify the ESG factors which are most relevant and important to our business and stakeholders. With minimal changes in our business nature, we concluded that the 7 material factors disclosed in the previous year remain relevant. The material factors are listed in the table below:

Sustainability Focus Area	Material ESG Factors
<b>Focusing on Customers</b>	Product Quality and Safety
	Supply Chain Management
	Customer Engagement
	Information Security
<b>Empowering Our People</b>	Training and Career Development
	Workplace Health and Safety
<b>Ensuring Good Governance</b>	Regulatory Compliance
Sustainability Focus Area	Additional Disclosure
<b>Contributing to the Community</b>	Supporting local communities and CSR activities

## FOCUSING ON CUSTOMERS

JUMBO's commitment to customer satisfaction is critical to our long-term growth and success. Through quality assurance, customer engagement and service enhancements, JUMBO constantly seeks to deliver the best dining experiences to our customers. Below is a list of awards that JUMBO has been honoured with in FY2019, a testament to our strong brand equity attributed to our superior food quality and service:



## Product Quality and Safety

To win customer trust and ensure the continued success of JUMBO, safeguarding the quality and safety of JUMBO's food products are of utmost importance. JUMBO's long-established dedicated Quality Assurance ("QA") department is responsible for building and maintaining a robust quality control system. Stringent QA procedures are in place to ensure that the food we serve to our customers are safe, fresh and of high-quality.

To minimise the risks of food safety hazards, we uphold the highest safety standard in our operations. Food safety management systems adopted across our outlets and central kitchen are in line with internationally recognised standards. Six of our outlets are HACCP certified, with our central kitchen being both HACCP<sup>1</sup> and ISO22000<sup>2</sup> certified.

<sup>1</sup> HACCP (Hazard Analysis and Critical Control Point) is a globally accepted risk assessment tool to identify and control potential hazards at specific points in the food production process.

<sup>2</sup> ISO22000 is an internationally-recognised standard that establishes the requirements for an effective food safety management system.

Employee awareness of product quality and safety is key in supporting our quality assurance objectives. Employees are educated and reminded on protocols and best practices to adopt for pest control, personal hygiene, as well as the prevention of cross contamination and potential food allergies. To ensure product quality and consistency, we also have a central kitchen to semi-process some of our signature dishes for delivery to our outlets.

Frequent internal quality audits are also conducted to ensure that internal protocols are strictly complied with. An external consultant is engaged to perform yearly audits, providing independent checks on our food quality and safety standards. In addition, two outlets are selected for food safety audits by regulators every six months. These audit procedures help identify potential areas for improvement and provide us with opportunities to review our food safety practices. There were no cases of non-compliance reported from the audits in FY2019.

Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>Achieved HACCP certification for 6 outlets and central kitchen and ISO22000 certification for central kitchen</li> <li>Zero suspension by SFA due to non-compliance of its regulations</li> <li>Zero significant incidents<sup>3</sup> of non-compliance concerning the health and safety impacts of products and services</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>Achieve HACCP certification for 8 outlets and central kitchen and ISO22000 certification for central kitchen</li> <li>Zero suspension by SFA due to non-compliance of its regulations</li> <li>Zero significant incidents of non-compliance concerning the health and safety impacts of products and services</li> </ul>

## Supply Chain Management

At JUMBO, we will not compromise on the quality of ingredients that goes into our products. Internal quality control standards have been put in place to carefully select and evaluate JUMBO’s suppliers. To safeguard the well-being of our customers, we are committed to procuring high quality food products from reliable suppliers who take the necessary precautions in supplying us with high quality and safe-for-consumption ingredients.

We have a procurement manual that outlines the principles for purchasing premium quality products at the best prices. The manual highlights the importance of working with reputable and reliable suppliers who are ISO, HACCP or Good Manufacturing Practice (GMP)<sup>4</sup> certified. Where possible, we also purchase products which are more environmentally friendly.

<sup>3</sup>Significant incidents are incidents that result in outlet operations being suspended.

<sup>4</sup>GMP is a system enacted by the US Food and Drug Administration under the authority of the Federal Food, Drug, and Cosmetic Act to ensure products are produced and controlled according to quality standards.

Before engaging new vendors, we evaluate them based on quality, food safety, reliability and cost efficiency using our vendor evaluation form. All suppliers are required to disclose if they have any quality assurance programmes in place, provide relevant licenses and declare if their products contain any additives or allergens.

Annual supplier reviews are conducted for existing vendors to ensure that suppliers maintain high standards throughout the years. Every month, audits will be conducted on 2 suppliers by the QA department in areas related to hygiene, food handling processes, licenses and regulatory compliance. These audits compare actual performance against information obtained from vendor evaluation forms, providing additional assurance that suppliers are in line with JUMBO’s standards on food safety and hygiene.

Regular inspections on the incoming materials are also conducted according to the QA department’s standards and requirements. Should there be any quality or safety issue identified, the products will be rejected at the point of delivery and replacement will be requested from the supplier. If the supplier is deemed to be unsatisfactory based on follow-up inspections, JUMBO will terminate the partnership unless necessary corrective actions are taken immediately.

Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>Reviewed 100% of existing suppliers and screened 100% of new suppliers using vendor evaluation form</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>Continue to assess 100% of existing and new suppliers using vendor evaluation form</li> </ul>

# Customer Engagement

For JUMBO to stay relevant and competitive in the fast-moving F&B industry, it is imperative for us to understand customer concerns and expectations. JUMBO values customer feedback and uses them as learning points for us to tailor our services and products to the ever-changing customer preferences.

For us to improve our products and service standards, the following feedback channels are available for our customers to share their dining experiences with us:

JUMBO Webpage	SMS Feedback	Social Media	Google Forms
<ul style="list-style-type: none"><li>Customers can submit their compliments or complaints via the feedback form available in the "Contact" tab on our webpage</li></ul>	<ul style="list-style-type: none"><li>JUMBO subscribes to an SMS feedback service provided by a third party vendor</li><li>Customers dining at JUMBO Seafood and Zui Teochew Cuisine outlets will receive a short SMS to rate their overall dining experience on a scale of 1 to 4</li></ul>	<ul style="list-style-type: none"><li>Customers may post comments on our Facebook and Instagram pages regarding their dining experience at our outlets</li></ul>	<ul style="list-style-type: none"><li>In 2019, Google forms were added as a new platform to collect customer feedback. In selected outlets, QR codes to the survey forms are placed on the tables for easy accessibility</li></ul>

We aim to increase customer satisfaction and loyalty by enhancing customer experience, through understanding and following up actively on their feedback. Feedback is monitored and analysed by JUMBO's Customer Service department. At the monthly Head of Operations meeting, common feedback will be compiled and shared with key operations personnel. Action plans will be discussed and executed accordingly to address common concerns.

For instance, the senior manager in charge will investigate and update management on their findings for any issues relating to service lapses. Appropriate cases will also be shared with the training department to be used as case studies for training purposes. TripAdvisor reviews are extracted daily and shared with key personnel to keep them abreast with customer feedback and concerns.

Customer complaints are taken seriously. The Group has established an internal complaint handling protocol, which is communicated to all relevant employees. The Customer Service department will classify substantiated complaints received according to the type of issues and follow up with the respective departments in charge. Concerns raised will be highlighted to the outlet managers to call for management action where necessary. Subsequently, the complaint case will be investigated, and corrective actions will be taken. We strive to respond to all complaints within 2 working days following the date of receipt. In the event that more time is required, the Customer Service department will first acknowledge receipt of the complaint before conducting the necessary follow-up actions.

Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>Handled all substantiated complaints according to the internal complaint handling protocol</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>Continue to handle all substantiated complaints according to the internal complaint handling protocol</li> </ul>

## Information Security

Trust is the cornerstone of JUMBO's brand name. We are committed to upholding the trust our customers place in us by protecting and using the personal data they disclosed to us, through reservations or membership registrations, responsibly. Our IT infrastructure is also periodically updated to enhance our information security.

JUMBO has established an internal policy that governs the collection, storage, usage, processing and disclosure of personal data. The policy is reviewed and updated regularly to align with the latest Personal Data and Protection Act (PDPA). Training on information security are provided to all relevant employees to ensure that they are kept informed on the appropriate practices for data collection and handling. Since September 2019, JUMBO has stopped collecting NRIC numbers during restaurant reservations in accordance with the revised PDPA requirements. Customers have also been informed of this change.

To minimise the negative impact of cybersecurity attacks, we consistently review and strengthen our IT security infrastructure. We are prudent in our selection of external IT vendors. Vendors would need to meet our internal quality requirements on IT security before we engage them, including conducting penetration tests to identify any security vulnerabilities and propose solutions to address those vulnerabilities. This procedure minimises the risk of information security lapses or data mishandling by external parties.

In FY2019, there were no cases of data privacy leaks, thefts or loss of customer data.

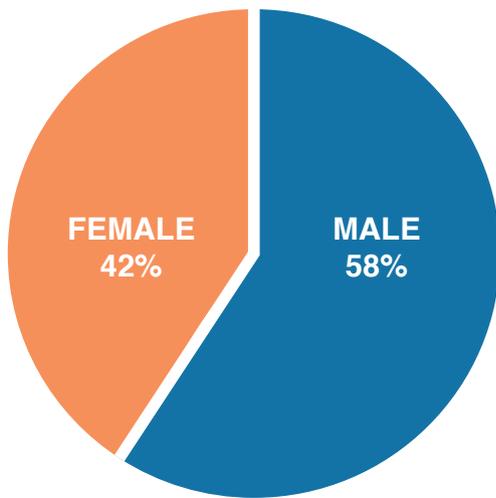
Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>Conducted training on information security for all relevant employees</li> <li>Zero substantiated complaints concerning breaches of customer privacy and loss of customer data</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>Continue to conduct training on information security for all relevant employees</li> <li>Achieve zero substantiated complaints concerning breaches of customer privacy and loss of customer data</li> <li>To replace signature-based detection with the next-generation antivirus for the entire organisation</li> </ul>

# EMPOWERING OUR PEOPLE

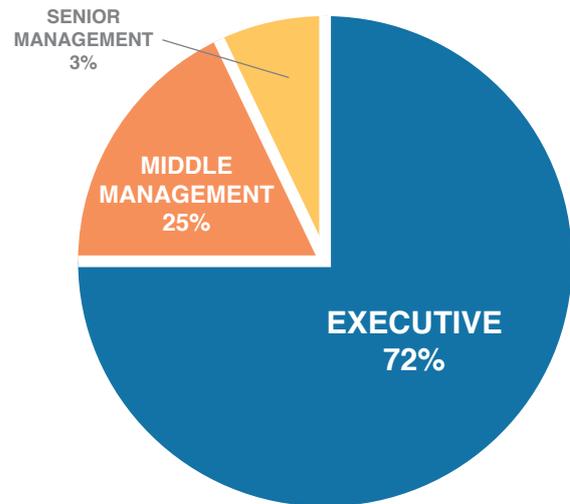
Employees are our most valuable assets. They are the ambassadors for the JUMBO brand and are pivotal to the success and sustainability of JUMBO's business and performance. We are dedicated to providing a safe working environment for our employees and looking after their overall well-being. Through various training and career development programmes, we aspire to groom our talents. In FY2019, we have a net increase of 21 employees. As of 30 September 2019, JUMBO<sup>5</sup> has a total of 677 employees, with an annual new hire rate<sup>6</sup> of 49% and attrition rate<sup>6</sup> of 37% respectively for FY2019. Our annual attrition rate is below the national average of 45%<sup>7</sup> for the same period in the Food & Beverage industry.

## TOTAL NUMBER OF EMPLOYEES AS AT 30 SEPTEMBER 2019

SPLIT BY GENDER

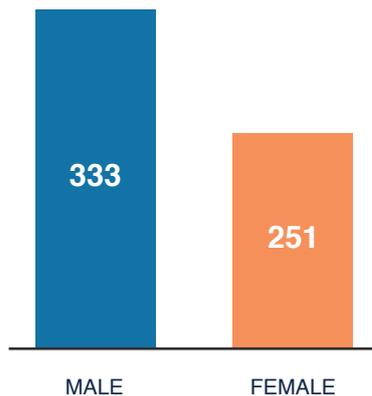


SPLIT BY SENIORITY

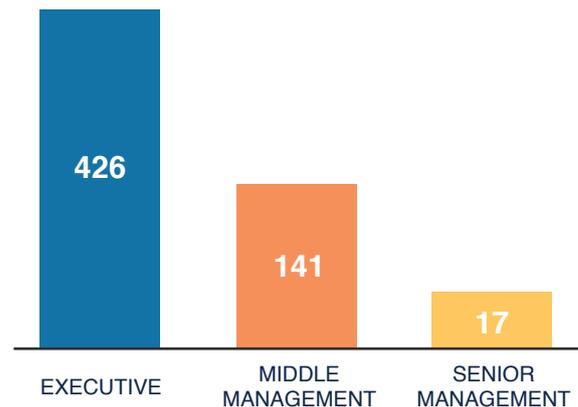


## EMPLOYEES WHO HAVE RECEIVED REGULAR PERFORMANCE REVIEW IN FY 2019

SPLIT BY GENDER



SPLIT BY SENIORITY



For FY2019, we are pleased to achieve 100% completion rate<sup>8</sup> for performance and career development reviews for our employees.

<sup>5</sup> Scope of data includes JUMBO Group Limited, JUMBO Seafood outlet at East Coast Park, as well as its central kitchen operations and all its restaurant outlets under JUMBO Group of Restaurants Pte Ltd in Singapore.

<sup>6</sup> Annual new hire rate and annual attrition rate are computed based on total number of new hires or resignees during the financial year, divided by the average monthly number of employees for the financial year.

<sup>7</sup> Calculated based on average monthly attrition rate of 3.75% from 2018Q4 to 2019Q3.

Source: <https://stats.mom.gov.sg/Pages/LabourTurnoverTimeSeries.aspx>

<sup>8</sup> Employees who had not been confirmed (i.e. still under probation) and resignees who were still serving notice as of 30 September 2019 were not required to undergo performance and career development reviews.

## Training and Career Development

We recognise that developing our employees' potential through training and development programmes throughout their employment cycle is essential, to help build a more efficient, effective and highly motivated team. This in turn will boost JUMBO's service quality and equip us with a competitive edge. A robust human capital development framework also aids in attracting and retaining talents that promotes long-term sustainable growth of our business.

To maximise each employee's potential, we tailor our trainings to every individual and provide good mentorship. Outstanding performers are identified and groomed to be future leaders through ongoing employee performance assessment as well as career development reviews. There is also a structured career progression path for both frontline and back office employees which allows upward mobility for well-performing employees. Some examples of training and career development programmes are illustrated below<sup>9</sup> :

<b>Orientation Programme</b>	All new joiners will undergo an orientation programme to facilitate their onboarding process. The orientation programme imparts JUMBO's core corporate values and sets out professional expectations.
<b>Work Skills Qualifications ("WSQ") courses</b>	A mandatory programme for all kitchen and service staff. The modules are designed to equip new employees with basic knowledge and skillset on food safety and preparation, service etiquettes and workplace health and safety, in accordance with the relevant service standards and requirements.
<b>Conversational English</b>	These basic and intermediate level language courses are designed for staff who are not well-versed in English to improve their basic conversational proficiency and thus improving service quality.
<b>NITEC (National ITE Certificate) in F&amp;B operations</b>	Outstanding employees may be nominated to attend this 24-month traineeship programme, which introduces different aspects of the F&B business and operations to employees. At the end of the course, a NITEC certificate will be issued.
<b>Fast Track Programme</b>	The programme grooms outstanding service and kitchen staff for supervisory positions. For details, please refer to the case study on the next page.
<b>LEAD</b>	LEAD stands for Leading Innovation, Enabling People, Achieving Results, Driving Alignment. The programme aims to equip managers and supervisors with managerial and leadership skills.

<sup>9</sup>For more information on training programmes in JUMBO, please visit JUMBO's website at <https://www.jumbogroup.sg/en/learning-development>.

### ***Case study: Fast Track Programme***

The Fast Track Programme is a special accelerated career programme for outstanding employees. Under JUMBO's bi-annual appraisal and promotion system, it typically takes an entry level employee 2.5 years to be promoted to a Supervisor position. For high performers, this time frame may be considered too long. To better reward and recognise outstanding performance, the Fast Track Programme was first launched for service staff in 2011 and was subsequently rolled out to include kitchen staff.

Every year, high-potential employees are identified based on their skills, attitude, growth mind-set, as well as leadership potential. The selected candidates will be placed on a series of On-Job-Training. There are multiple assessment cycles, in which each candidate goes through a 360-evaluation to appraise their interpersonal, problem solving, planning and leadership skills. The 360 assessment not only motivates the candidates to do their best, but also helps to build good rapport within the team. Through this programme, it usually takes only one year for identified candidates to be promoted from entry level to the position of Assistant Supervisor.

This programme is very well received and has greatly benefitted our staff with faster career progression. In 2019, 19 staff have been enrolled into this programme.

Taking pride in our talent management policies, we are honoured to be featured in the 2019 National Day Rally by Prime Minister Lee Hsien Loong as an exemplary case study for other employers. PM Lee commented that despite being in the F&B industry where turnover rates are traditionally high, JUMBO has managed to make a commendable achievement in retaining talents through a strong emphasis on training and career development. The case study of executive chef Ng Zi Yang, as mentioned by PM Lee, illustrates the success of JUMBO's talent policies.



### ***Case study: Executive Chef Ng Zi Yang***

Executive chef Ng Zi Yang joined JUMBO as an apprentice 12 years ago, at the tender age of 20. He was described as a rebellious youth who was a handful to manage. Under the close guidance of his mentor, Mr Ng Chong Lay, coupled with the courses and trainings that JUMBO provided, his talents were cultivated, allowing him to discover his career aspirations. Benefitting from the training and career opportunities offered by JUMBO, he has since grown into a capable leader. Currently, he manages a total of 6 outlets and is happily married with 2 kids.

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There is much skill and management philosophy that goes into making delicious chilli crabs. Jumbo Group became known for their chilli crabs. With more than 30 years of history, the Jumbo Group is now a listed company and has also expanded overseas. Jumbo's success is due to its emphasis on training for both its management team as well as employees.

–Prime Minister Lee Hsien Loong, National Day Rally Mandarin Speech 2019

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Likewise, JUMBO places great emphasis on grooming future leaders with excellent business foresight. As highlighted by PM Lee, JUMBO was selected as one of the 25 high-growth companies to join the Enterprise Singapore’s Scale-up SG programme. This programme facilitates promising local companies to identify and capture strategic growth opportunities.

Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>Performance and career development reviews for 100% of employees</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>Conduct performance and career development reviews for 100% of employees</li> </ul>

## Workplace Health and Safety

JUMBO strives to cultivate a strong safety culture to protect the well-being of our employees. As required by the Ministry of Manpower’s (“MOM”) Workplace Safety and Health (WSH) Act, as an employer, we must protect the safety and health of our employees by conducting risk assessments to identify hazards and implement effective risk control measures, ensure our work environment is safe, have systems in place for dealing with emergencies, and provide sufficient instruction, training and supervision to our workers.

We have an occupational health and safety (“OHS”) framework in place, which draws references from the WSH Act, to ensure that the Group’s management has adequate oversight of workplace health and safety practices via a robust risk management process. The QA department performs risk assessments, on an ongoing basis, to identify and assess areas of potential risk, manage significant risks by implementing appropriate controls and conduct regular monitoring to ensure that relevant regulations and controls are strictly adhered to. Processes covered under the framework include kitchen operations – from receiving and storage of ingredients to preparation and cooking, service and bar operations, dishwashing and cleaning and maintenance of premises<sup>10</sup>. The QA department also conducts annual risk assessment trainings to share previous injury cases sustained by employees and ways to prevent injuries. This enabled employees to understand relevant risks better and ways to prevent recurrences.

A Human Resources (“HR”) work committee has been established by JUMBO for real-time reporting of OHS incidents. The HR department investigates each reported case and implements corrective and preventive actions accordingly.

<sup>10</sup>Scope of coverage include JUMBO Group Limited, and all its central kitchen operations and restaurant outlets under JUMBO Group of Restaurants Pte Ltd, as well as JUMBO Seafood outlet at East Coast Park.

In FY2019, we had 53 cases of recordable work-related injuries<sup>11</sup>, of which cuts, sprains, bruises and scalds contributed to 74% of the cases. There were zero workplace fatalities<sup>12</sup> or high-consequence work-related injuries<sup>13</sup> for JUMBO’s employees<sup>14</sup>.

Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>Zero workplace fatalities or high-consequence work-related injuries among employees</li> </ul>	<ul style="list-style-type: none"> <li>Yes</li> </ul>	<ul style="list-style-type: none"> <li>Maintain zero workplace fatalities or high-consequence work-related injuries among employees</li> </ul>

## ENSURING GOOD GOVERNANCE

JUMBO is committed to maintaining high standards of corporate governance. We firmly believe that good governance practices are essential to the sustainability of our business and performance.

### Regulatory Compliance

Regulatory compliance is fundamental in protecting our reputation and fostering trust among stakeholders. A good compliance record showcases strong corporate governance and inspires stakeholder confidence. On the other hand, failure to meet regulatory requirements could restrict the Group’s ability to operate and could result in reputational damage or undermine the financial performance of the Group.

As public health is crucial in the F&B industry, the industry is closely monitored by the regulatory bodies. JUMBO recognises the importance of complying with all relevant laws and regulations in the environmental, social and economic aspects. We have strict monitoring policies and processes in place to manage compliance with environmental, food hygiene and safety, anti-corruption and labour practices laws and regulations. Regular training and meetings are provided to employees to keep them updated on new regulatory requirements.

JUMBO has zero tolerance towards any form of bribery and corruption. Employees are required to adhere to the internal code of conduct and every supplier is required to do an anti-corruption declaration. In addition, a whistle-blowing policy has been established for employees to report concerns about possible fraud, bribery and other ethics-related matters. We are pleased that there have been no cases of non-compliance relating to bribery and corruption and we expect to maintain this going forward.

<sup>11</sup>Recordable work-related injuries” is defined as “a workplace or work-related traffic injury that results in at least 24 hours of hospitalisation or 3 days of MC due to a single work-related accident (whether consecutive or not), as per reported to the Ministry of Manpower in Singapore.

<sup>12</sup>Number of workplace deaths, as per reported to the Ministry of Manpower in Singapore (MoM)

<sup>13</sup>Number of workplace or work-related injuries from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, as per reported to MoM

<sup>14</sup>Scope of data include JUMBO Group Limited, and all its central kitchen operations and restaurant outlets under JUMBO Group of Restaurants Pte Ltd, as well as JUMBO Seafood outlet at East Coast Park.

Performance in FY2019	Targets achieved for FY2019?	Targets for FY2020
<ul style="list-style-type: none"> <li>• Zero incidents of confirmed corruption</li> <li>• Zero incidents of non-compliance with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Yes</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain zero incidents of corruption</li> <li>• Maintain zero incidents of non-compliance with laws and regulations</li> </ul>

## CONTRIBUTING TO THE COMMUNITY

At JUMBO, we firmly believe that companies who do well should also strive to do good, which is what drove us to create JUMBO Care, our Corporate Social Responsibility (CSR) programme. We are pleased to announce that in 2019, JUMBO worked with 7 local grassroots organisations and contributed to more than 15 CSR activities.

During the year, JUMBO supported activities and initiatives by NuLife and Cheng Hong Welfare Service Society, through cash donations and sponsorships in-kind. NuLife aims to provide care and counselling services to the local community, which includes suicide intervention, elderly befriender services and single parent support, while Cheng Hong Welfare Service Society provides eldercare programmes, which includes providing pro bono traditional Chinese medicine services and afterlife memorial services.

JUMBO recognises the importance of education and offered sponsorship to various educational causes. Apart from donating to Hwa Chong Junior College, we also offer educational bursaries to four of our employees' children who have done well in school. We believe in providing equal opportunities to all, especially education opportunities to the next generation.

JUMBO is also a supporter of cultural and heritage programmes in Singapore. Singapore's rich and multicultural heritage has garnered international recognition and plays a key role in building our national, community and personal identities. In line with that spirit, JUMBO donated generously to Teochew Poit Ip Huay Kwan and Nam Hwa Opera Limited in support of the cultural and heritage activities conducted by them in 2019.

To play our part in strengthening the network, building and sharing knowledge amongst the Chinese businesses, we participated in various activities held by the Singapore Chinese Chamber of Commerce & Industry, such as the SAF Day Combined Rededication Ceremony and National Day Dinner. In addition, JUMBO has made donations to Joo Chiat Community Club's 2019 National Day activities, the National Day Heartlands Celebration 2019, and the Singapore Badminton Association, in support of local athletes and the nation's efforts towards nurturing future athletes.