



NURTURING A GREENER FUTURE

SUSTAINABILITY REPORT 2024

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ABOUT THIS REPORT

Sheng Siong publishes its sustainability report annually. This is Sheng Siong's seventh sustainability report, which covers the period 1 January to 31 December 2023, or the same reporting period as our financial report. The previous annual sustainability report was published on 6 April 2023. This sustainability report covers all of the Group's operations in Singapore. Sheng Siong does not have any major operations of significance overseas. Our operations in China have been excluded from the scope of this report as it contributes marginally to our revenue. Sheng Siong (M) Sdn. Bhd, a company owned by Sheng Siong Group registered in Malaysia, has been similarly excluded from this report as it is currently dormant.

Sheng Siong Group has reported in accordance with the GRI Standards for the period of 1 January to 31 December 2023. We selected the GRI Standards to guide our reporting as it is currently the most widely used sustainability reporting standards and we sought to apply the GRI reporting principles. The GRI Content Index can be found in our online report on pages 116-121, which can be accessed from our corporate website. As a publicly listed entity, this report also adheres to the Singapore Exchange (SGX) Listing Rule 711A on preparing an annual sustainability report and describes our sustainability practices with reference to the primary components set out in Listing Rule 711B. In 2022, our sustainability reporting process was subjected to internal review by PricewaterhouseCoopers Risk Services Pte. Ltd., our existing outsourced internal auditor, as part of the FY 2022 Internal Audit Plan, approved by the Audit and Risk Committee. We have not sought external assurance for this report. For any questions or comments, please address them to management@shengsiong.com.sg.

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This report is published on 3 April 2024.



SHENG SIONG GROUP LTD

昇菘集团

SHENG SIONG GROUP LTD
昇菘集团



OUR VISION

To be the preferred retailer in the market, starting from Singapore and expanding further ashore.

从新加坡做起,成为市场首选的零售商,让昇菘迈向国际,生生不息。



OUR MISSION

To create value in a sustainable manner for our customers in a convenient and comfortable shopping environment with good service and quality products at reasonable prices.

以公道的价格、优质的产品及卓越的服务,以可持续的方式创造价值,为顾客提供便捷又舒适的购物环境。



OUR BELIEFS

With morality as our bedrock, we continue our legacy by setting self-expectations to walk the talk and to be good examples for others. With this, we will conquer all odds and ensure the continuity of Sheng Siong.

以道德为基础(自我要求,言行一致),以榜样为传承(走出死亡,永续昇菘)。



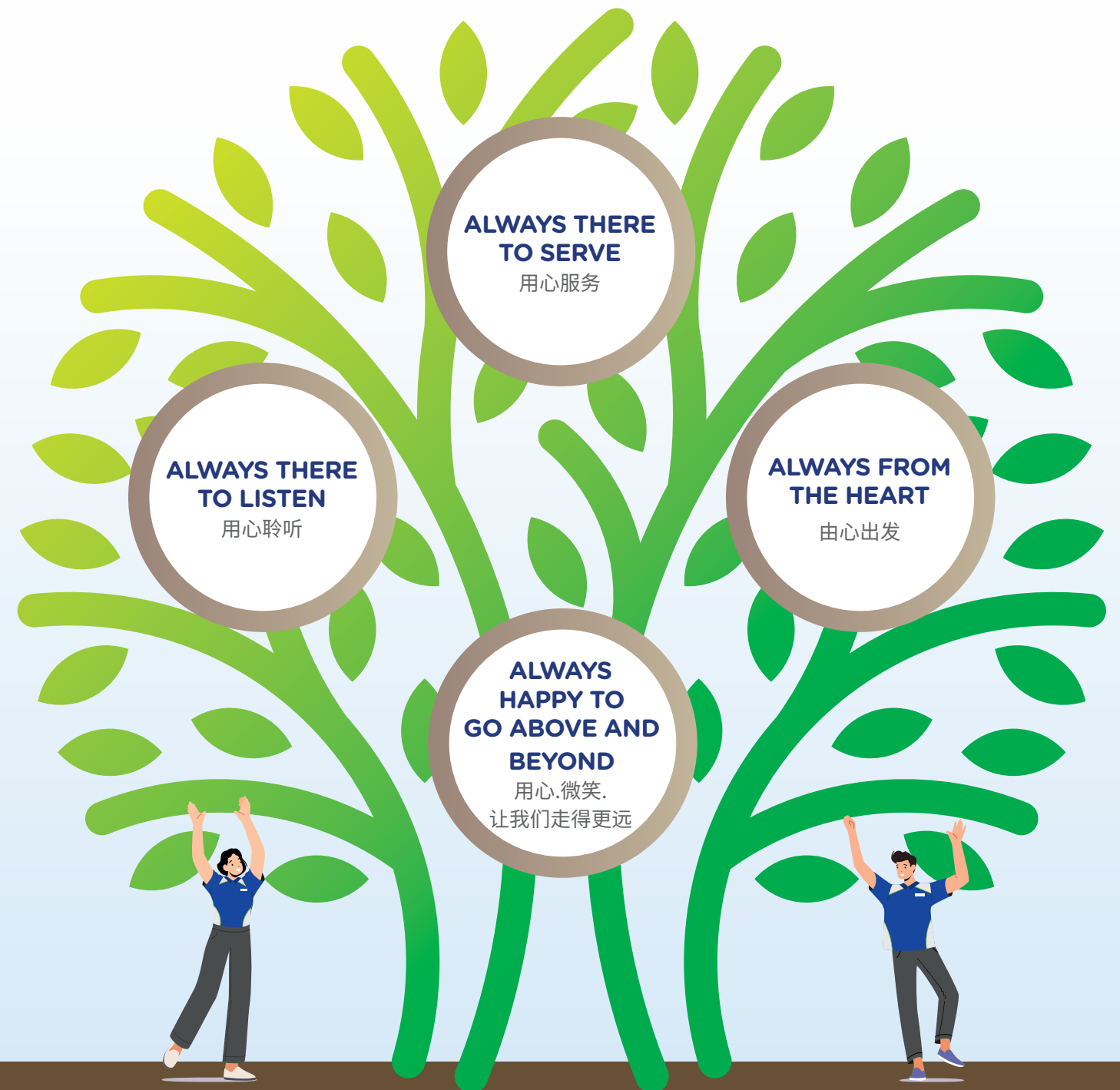
OUR VALUES

Be reasonable, harmonious, responsible and dedicated. Be earnest and efficient at work, with no empty promises and excuses.

合理、和谐、尽责、敬业。认真、快、坚守承诺、决不找借口。

OUR TAGLINE

... ALL FOR YOU!



JOINT MESSAGE FROM THE CHAIRMAN AND THE CEO

JOINT MESSAGE FROM THE CHAIRMAN AND THE CEO



LIM HOCK ENG ^{BBM}
EXECUTIVE CHAIRMAN



LIM HOCK CHEE ^{BBM}
CHIEF EXECUTIVE OFFICER

DEAR STAKEHOLDERS,

2023 marked a year of prudent and gradual progress for Sheng Siong. Despite prevailing supply chain challenges continuing to impact the food retail industry, compounded with rising costs as a result of the ongoing GST increase and other operational expenses, Sheng Siong continues to grow steadily as a business, innovating and finding ways to deliver on our mission to provide high quality products at affordable prices. Beyond our core mission, we acknowledge the importance of improving our sustainability performance, particularly to address the impacts of climate change as they become more pronounced and are prioritised by our stakeholders.

We are happy to share the progress made against our five sustainability pillars as we continue to uphold our commitment to operate as a responsible and sustainable business.

HIGHLIGHTS OF 2023

BUSINESS EXCELLENCE

Sheng Siong prioritises all aspects of Business Excellence. Through identifying operational efficiencies, technology and innovation, and driving partnerships and collaborations, we are able to maximise productivity, enhance the customer experience and positively contribute to our valued stakeholders and the wider food retail sector.

Optimising operational systems for efficiencies

We allocated additional resources to review and improve our operational systems, which encompass warehouse and inventory management, logistics management, human resources, and procurement. With the implementation of an Automated Storage and Retrieval System (ASRS) we significantly improved the efficiency of our consolidated distribution centre.

Nurturing talent in food retail

In 2023, Sheng Siong entered into another MOU with NTUC LearningHub to attract and nurture talent within the food retail sector. In partnership with NTUC, the initiative aims to design an industry-recognised career development pathway with a lifelong learning ecosystem for workers. Sheng Siong aims to not only achieve success as a business but develop and reward hardworking talent and secure the future success of the food retail industry as a whole.

Uplifting capabilities of suppliers

In partnership with SkillsFuture Singapore, the Sheng Siong SkillsFuture Queen Bee Programme aims to support SME suppliers in building up capabilities to accelerate digitalisation. SkillsFuture Singapore has extended the partnership with Sheng Siong for another three years from 2023 to 2025.

In 2023, we also hosted more than 100 SMEs at various sessions including learning journeys, Towkay Workshops and distribution centre tours. These initiatives were designed to guide the SMEs on their digitalisation journey, providing valuable insights and fostering an environment conducive to growth and technological advancement.

CARE FOR OUR CUSTOMERS

Delivering value to our customers is a core tenet of Sheng Siong's business. Beyond ensuring the wellbeing of our customers, we aim to deliver on our tagline "All for You" to maximise customer satisfaction by making high quality goods accessible and going above and beyond to deliver additional value through exceptional customer service both in-store and online, as well as provide diverse and new food options.

Delivering exceptional service

In 2023, our commitment to exceptional customer service as our top priority continues to be recognised by consumers and the industry. Sheng Siong has maintained its top position amongst leading supermarket retailers in Singapore in the Supermarket Sub-Sector of the Customer Satisfaction Index of Singapore (CSISG) in 2022. Similarly, Sheng Siong has received the title of Singapore's Best Customer Service Company for two consecutive years for (Category: Supermarkets) by The Straits Times in 2022 and 2023.

JOINT MESSAGE FROM THE CHAIRMAN AND THE CEO

Ensuring affordability

We continue to do our best in ensuring the affordability of our goods to make daily necessities accessible to all consumers regardless of financial background as well as to support Senior Citizens. In conjunction with the increment of the Goods and Services Tax (GST) from 7% to 8% in 2023 and 8% to 9% in 2024, we provided a 1% discount on all in-store purchases (excluding selected items) for the first quarter of 2023 and 2024, to alleviate rising costs for consumers and enable a smoother transition. We also extended the 4% Special Discount for Senior Citizens (SC) on every Tuesday and Wednesday in 2023.

Promoting healthier choices

As a leading supermarket, we aim to provide a wide variety of products to meet consumer preferences while promoting healthier lifestyles and choices. We continue to increase our healthier choice offerings with nearly 3,000 products bearing the Healthier Choice Symbol (HCS), up from 2800 in 2022, across most food categories. We also look to enhance the nutritional profiles of our house brand products where possible. For example, we started sourcing for organic chestnuts for our Happy Family Roasted Chestnut product, ensuring each procedure from harvesting to roasting meets the highest standards of organic certification by the Japan Agricultural Standard.

CARE FOR OUR EMPLOYEES

Our employees are the driving force behind Sheng Siong's success as an organisation. At every opportunity, we seek to reward their loyalty, hard work and dedication by recognising their efforts, supporting their needs and nurturing their skills and talents.

An employer of choice

In recognition of our efforts to develop and uplift our people, Sheng Siong received the NTUC May Day Awards 2023 – Plaque of Commendation for our support of the Labour Movement and its initiatives including our work attachment partnership and programmes with ITE and NTUC LearningHub. We were also honoured with the SkillsFuture Employer Awards (Gold) 2023 for our commitment to supporting and enhancing our employees' skills development.

Showing our appreciation

In recognition of our employees' loyal service to Sheng Siong, 455 individuals received long service awards in 2023. Notably, 57 employees were recognised for 20 years of service, while 60 employees were honoured for 15 years of commitment, exemplifying Sheng Siong's efforts in making Sheng Siong a great place to work. These long service awards symbolise our gratitude for the steadfast dedication shown by our employees towards the Group.

Supporting our Employees

In 2023, Sheng Siong distributed over S\$460,000 to employees through our staff purchase scheme. This programme helps offset the rising cost of living by allowing employees to purchase groceries at discounted rates.

Through our Annual Education Grant, which aims to alleviate the financial burden of education for our lower-income staff by providing them with financial support for their children's education, we disbursed S\$114,705 to 145 beneficiaries in 2023. Across FY2022/23, the programme would have benefitted 719 of our employees' children with a total sum of \$632,205.

CARE FOR THE COMMUNITY

As a key establishment within local neighbourhoods and a household name, Sheng Siong possesses a great opportunity to engage and give back to the local communities by initiating our own campaigns and supporting causes which resonate with us as an organisation.

Giving back to our community

In 2023, we contributed a total of S\$14,964 to various community initiatives. Beyond financial assistance, we leverage on our organisational resources by offering our retail space, time, effort, and labour to give back to our communities. Over the years, we have developed longstanding partnerships with many impactful NGOs including Extraordinary People Limited, Red Cross, SPD, Heartwarmers Volunteer Group and various Family Service Centres, amongst others, providing support in the form of financial aid, event support and volunteer hours.

Supporting less privileged groups

We aim to support meaningful causes through our self-initiated campaigns and partnerships to raise awareness and engage the community. These include the support of low-income beneficiaries, lifelong learning, water conservation, zero waste as well as fighting cybercrime and scams.

In 2023, we actively supported Singapore's migrant worker community through various initiatives. In collaboration with MOM's Assurance, Care & Engagement (ACE) Group, we launched campaigns to support festive celebrations and International Migrants Day. We also established a scholarship with the Foreign Domestic Worker Association for Social Support and Training (FAST) to equip migrant domestic workers with elder caregiving skills, promoting both cultural appreciation and upskilling opportunities.

CARE FOR THE ENVIRONMENT

Combatting climate change and achieving net zero emissions is a national imperative and agenda for Singapore. We actively support Singapore's environmental goals by doing our part to not only reduce our own emissions but influence our supply chain by encouraging partnerships and collaboration.

Addressing our Scope 3 emissions and decarbonisation roadmap

While we have made strides in managing our direct emissions (Scope 1 & 2), we recognise that the bulk of an organisation's emissions occur throughout the supply chain. Sheng Siong aims to progressively take steps to address our Scope 3 emissions, beginning with developing a comprehensive understanding of our Scope 3 inventory.

Following the assessment of our full carbon inventory, we also seek to develop a robust decarbonisation roadmap to reduce emissions across Scopes 1, 2 and 3 over time with clear milestones to guide our progress.

JOINT MESSAGE FROM THE CHAIRMAN AND THE CEO

Partnerships to decarbonise our supply chain

In partnership with DBS Bank, we embarked on a pivotal initiative to support our suppliers in transitioning to more sustainable practices. Understanding that not all organisations may have the capabilities or resources, we aim to empower our suppliers to further their sustainability journey. This initiative will provide our suppliers with access to resources, expertise, and potentially, financing options to enable them to invest in sustainable solutions, enabling emissions reduction throughout the value chain to benefit the wider industry.

LOOKING AHEAD

As we navigate this uncertain global landscape, Sheng Siong will continue to undertake a strategic and prudent approach to sustainability. In doing so, we ensure our business remains resilient and adaptable to the evolving context and developments, with a thorough understanding of the materiality sustainability topics that can impact Sheng Siong and its stakeholders. Our material topics are reviewed on a yearly basis and the results of our latest materiality review have been reviewed and approved by the Board, who considers these topics in Sheng Siong's business and strategy formulation. The Board will continue to oversee the management and monitoring of the material sustainability topics, as part of their strategic oversight role.

The Board would like to thank all our stakeholders for their support as we persevere through an everchanging context and progress on our sustainability journey. We wish you and your family a prosperous year ahead.

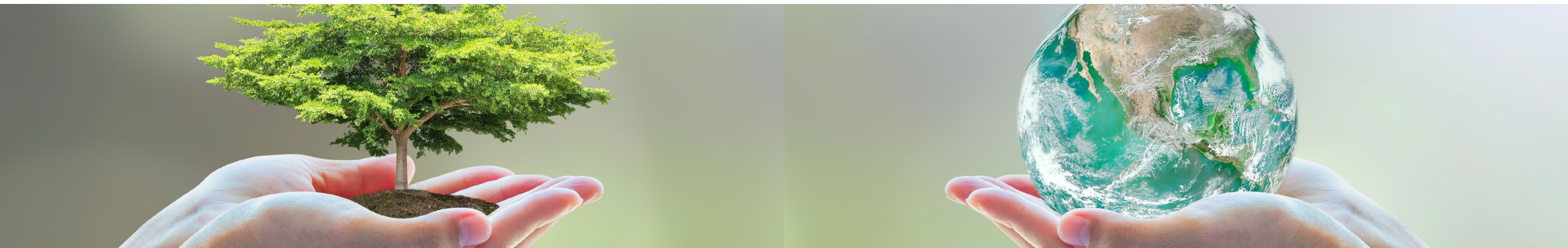
LIM HOCK ENG ^{BBM}
EXECUTIVE CHAIRMAN

LIM HOCK CHEE ^{BBM}
CHIEF EXECUTIVE OFFICER



TCFD REPORT

TCFD REPORT



We strive to be a preferred retailer ensuring that we are able to provide our customers with a consistent and reliable supply of high-quality food products at reasonable prices. In recent years, climate change has presented a significant challenge, disrupting agricultural production and global food supply chains leading to widespread impacts on food security and prices.

By aligning to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), Sheng Siong is committed to understanding the financial impacts of climate change on its business and integrating climate considerations into our decision-making processes and operational strategies. We aim to safeguard the resilience and continuity of our business for our customers and seek to contribute to the collective effort to mitigate climate change where possible.

Building on previous efforts of conducting climate scenario analysis and a qualitative assessment of climate risks and opportunities, Sheng Siong continues to make progress aligned to its developed roadmap to enhance its climate-related disclosures. The following section details our strategy and approach in implementing the TCFD recommendations.



GOVERNANCE

The Board provides oversight and maintains an active role in the management and monitoring of all sustainability matters including all climate-related issues and factoring sustainability considerations including innovation, energy efficiency and renewable energy applications in the decision-making of new capital expenditures and infrastructure. Sustainability has been incorporated into the Board's Annual Performance Evaluation, underscoring the Board's values and commitment to the integration of sustainability across the organisation.

To ensure the integration of sustainability considerations into decision-making and the management of the organisation's overall strategy, the Sustainability Committee was established to govern Sheng Siong's sustainability policies, implementation of measures and initiatives and monitoring of performance against targets. The Committee is led by a member of the Executive Management team and comprises of members from key business functions including operations, human resource, quality assurance, finance, procurement, IT and corporate communications. Together with the Executive Management Team, the Committee regularly reviews the organisation's sustainability management approach on a regular basis and provides recommendations to the Board for evaluation to inform Sheng Siong's sustainability strategy and implement enhanced mitigation measures. The Board meets annually and periodically as necessary to approve recommendations and receive updates on material sustainability issues.

Following the initial identification of climate risks and opportunities in 2022, a review was conducted by the sustainability committee in 2023 to assess the relevance of identified risks and opportunities taking into account the latest sustainability developments and context. The results of the review were presented to and approved by the Board.

STRATEGY

As the impacts of climate change continue to evolve, it is essential for Sheng Siong to understand the potential risks and opportunities impacting our business to ensure steps and adequate measures are taken to ensure the resilience of our operations. In 2022, Sheng Siong conducted a qualitative assessment and climate scenario analysis to identify and assess risks and opportunities the organisation could potentially be exposed to due to climate change.

A review was conducted in 2023 to ensure the results of the earlier assessment remain relevant and to identify emerging risks. As a result of the review, recognising the potential impact climate change can have on Sheng Siong's network of suppliers, distributors and logistics providers, supply chain vulnerabilities was identified as an emerging climate-related risk. Despite exposure to the potential business impacts of the identified climate risks, the organisation's operations remain resilient and mitigation measures adequate to addressing potential risks. Sheng Siong aims to utilise the results of the review to inform decision-making and adopts a proactive approach in implementing enhancements and refinements to the organisation's sustainability strategy.

OVERVIEW OF SCENARIO ANALYSIS

Climate scenario analysis is utilised to stress-test the resilience of the Group's current strategies and operations against climate risks in potential future scenarios. Through scenario analysis, organisations are able to project the potential financial impact of identified climate-related risks and identify potential mitigation options to safeguard Sheng Siong's operations and resilience.

Scenario analysis was conducted across 3 categories: i) Acute (event-driven) and chronic (long-term shifts) physical risks, ii) Transition risks related to transitioning towards a lower-carbon economy and iii) Climate opportunities relating to resource efficiencies and cost savings borne through mitigation and adaptation efforts.

With guidance from the Network for Greening the Financial System (NGFS) and other factors from established sources, climate-related risks and opportunities were identified and stress-tested against two developed climate scenarios to analyse the financial impact associated with climate change. Two scenarios i) Orderly and ii) Hot House World from the NGFS were selected, to consider a range of hypothetical futures, and across three chosen timeframes near-term (present to 2030), medium-term (2031-2040) and long-term (2041-2050). These timeframes were selected to consider varying potential evolutions of climate risks and opportunities over time and aligned to timeframes considered in Sheng Siong's business, strategy and risk management processes.

Key Assumptions	
Orderly	<ul style="list-style-type: none"> Global temperature rise remains below 2°C Ambitious climate policies and technologies are introduced and adopted across nations swiftly to shift towards a net zero economy Physical risks remain low
Hot house world	<ul style="list-style-type: none"> Global temperature rises rapidly above 3°C Climate policy action remains limited Physical risks are likely to increase rapidly

To evaluate and prioritise the identified risks, risks were scored on a 5-scale risk matrix scoring tool based on two factors i) magnitude of the potential impact of risk/opportunity and ii) the likelihood of the risk or opportunity occurring, taking into consideration the assumptions of the scenarios and timeframes.

TCFD REPORT

TCFD REPORT

SCENARIO ANALYSIS RESULTS

The results of the scenario analysis are presented within the table below.

Category	Material Risk and Opportunity Description	Potential Business Impact (Assuming No Mitigation)	Scenarios	Qualitative assessment of risk/opportunity (Assuming No Mitigation)			Mitigation Response
				Near-term (present-2030)	Mid-term (2031-2040)	Long-term (2041-2050)	
Risk	Increasing carbon tax Rising carbon tax levels in Singapore leading to direct and indirect associated costs	Increased operating costs from the usage of electricity and fuel	Orderly	●	●	●	Solar panels have been installed at Sheng Siong's Headquarters. Sheng Siong regularly assesses opportunities to improve energy efficiency and increase the use of renewable energy in existing infrastructure and reviews its incorporation in the consideration of new capital expenditures and infrastructure.
			Hot House World	●	●	●	
	Costs of lower emissions technology and sources Investments required to transition to and implement clean technology and renewables to reduce emissions	Increased capital expenditure and investments required to transition to newer technologies	Orderly	●	●	●	Sheng Siong has established a fleet replacement policy in compliance with local Euro VI standard requirements. We actively invest in and explore feasible opportunities in energy efficiency and renewable energy through rigorous cost-benefit analysis.
			Hot House World	●	●	●	
	Enhanced climate reporting obligations Increasing expectations from stakeholders and regulators to disclose impacts of climate change and mitigation efforts by the business	Increased operating costs to ensure accurate data collection, compliance and capacity building	Orderly	●	●	●	Sheng Siong's disclosure practices comply with current reporting standards mandated by the Singapore Exchange (SGX). We align with best practices such as the TCFD recommendations and will continue to monitor ongoing regulatory developments.
			Hot House World	●	●	●	

Category	Material Risk and Opportunity Description	Potential Business Impact (Assuming No Mitigation)	Scenarios	Qualitative assessment of risk/opportunity (Assuming No Mitigation)			Mitigation Response
				Near-term (present-2030)	Mid-term (2031-2040)	Long-term (2041-2050)	
Risk (Cont'd)	Changing stakeholder expectations Increasing expectations from stakeholders for low carbon products and from investors for businesses to decarbonise	Potential loss of revenue from failure to meet changing preferences and reduction in capital availability from sustainability conscious investors.	Orderly	●	●	●	Sheng Siong engages with stakeholders to ensure stakeholder demands are taken into account and being met. 95% of Sheng Siong's house brand products are either certified under the FSC or PEFC and we invest in renewable energy and energy efficient technologies. We aim to expand our range of sustainable and low carbon products where possible.
			Hot House World	●	●	●	
	Supply chain vulnerabilities The physical effects of climate change lead to knock-on effects on the stability of the food supply chain and food prices. The actions and policies taken to transition to net zero can also lead to rising energy prices and carbon tax borne by suppliers.	Rising cost of production and increased vulnerabilities in the global food supply chain leading to increased operational expenses negatively impacting Sheng Siong's revenue.	Orderly	●	●	●	To manage the potential impacts of a vulnerable and restricted supply chain, Sheng Siong actively diversifies its sources through a wide variety of suppliers to reduce dependency on individual suppliers.
Hot House World	●	●	●				

TCFD REPORT

TCFD REPORT

Category	Material Risk and Opportunity Description	Potential Business Impact (Assuming No Mitigation)	Scenarios	Qualitative assessment of risk/opportunity (Assuming No Mitigation)			Mitigation Response
				Near-term (present-2030)	Mid-term (2031-2040)	Long-term (2041-2050)	
Risk (Cont'd)	Physical Risks Vulnerability to extreme weather conditions including rising temperatures and increased rainfall leading to health and safety risks including heat stress, food spoilage and dangerous work environments	Increased operational costs from a fall in labour productivity (e.g. increased rate of illnesses and workplace accidents) and increased rate of food spoilage.	Orderly	●	●	●	We work closely with a safety consultant to implement measures to hazard-proof our retail stores and warehouses. All employees are required to attend training in workplace safety. We are currently working towards attaining BizSAFE 3 certification to improve Workplace Safety and Sheng Siong's Risk Management processes. To reduce the incidence of food spoilage, we adopt Cold-Chain management.
			Hot House World	●	●	●	
Opportunity	Energy Efficiency Implementation of energy efficiency initiatives (e.g. installation of LED lights, solar panels, efficient HVAC systems)	Increased cost savings from a reduction in use of energy	Orderly	●	●	●	Where feasible, Sheng Siong implements initiatives such as 100% LED lighting systems and deploying renewable energy.
			Hot House World	●	●	●	

Assessment of Risks:

A horizontal scale from Low (green) to High (red) with vertical markers. The 'Monitor' zone covers Low and Low-Med. The 'Manage' zone covers Med and Med-High. The 'Action' zone covers High.



RISK MANAGEMENT

Sheng Siong's Board and Executive Management Team are directly responsible in overseeing the Group's overarching risk management framework and policies including the management of climate-related issues. With risk management being a key priority for the Group, the Risk Management and Business Continuity Committee was established to provide additional oversight on risk management. Sheng Siong has conducted an assessment to identify and prioritise significant physical and transition climate-related risks for all operations in Singapore. Sheng Siong seeks to progress towards integrating the management of climate-related risks into Sheng Siong's wider Enterprise Risk Management (ERM) process and enhance the Group's understanding of potential financial impacts through further financial quantitative assessments. This will enable the Group to adequately assess the need for further mitigation and adaptation measures as necessary.

METRICS AND TARGETS

Sheng Siong actively tracks our Scope 1 and 2 emissions in alignment with the GHG Protocol. The Group also tracks related metrics including overall energy consumption, energy intensity, carbon emissions intensity as well as waste and water use. Sheng Siong has set ongoing targets to ensure the Group reduces energy intensity, water intensity and waste intensity while increasing annual recycling rates year-on-year. Aligned with reporting best practices, in 2023, Sheng Siong has begun assessing its Scope 3 emissions and the development of a longer-term decarbonisation roadmap to guide the implementation of sustainability initiatives and the progressive improvement of our sustainability performance. Sustainability has been incorporated into the Board's Annual Performance Evaluation, underscoring the Board's values and commitment to the integration of sustainability across the organisation.

LEADERSHIP COMMITMENTS TO SUSTAINABILITY

Since its founding in 1985, Sheng Siong has prioritised sustainable value creation for its customers. This commitment is reflected in a focus on excellent service, quality products, and competitive pricing. Sustainability is embedded throughout Sheng Siong's business operations and strategy.

Sheng Siong's approach to sustainability is anchored by five key pillars. Each pillar addresses critical sustainability issues that are essential to the company's long-term success. Collectively, these pillars demonstrate our dedication to creating a positive impact for its business, stakeholders, and the environment.



LEADERSHIP COMMITMENTS TO SUSTAINABILITY

CORPORATE GOVERNANCE

STRONG GOVERNANCE FRAMEWORK FOR SUSTAINABILITY

At Sheng Siong, we recognise the importance of integrating sustainability practices into our core business operations. To ensure effective oversight and continuous improvement, we have established a robust governance framework with clear roles and responsibilities.

The Sheng Siong Board, comprising the Executive Chairman, CEO, Managing Director, Executive Director, and five Independent Directors, serves as the company's highest governing body. Our Board of Directors brings a wealth of experience in business management, accounting, finance, law, real estate, and food safety, significantly contributing to the formulation of effective strategies and risk mitigation practices.

JOINT BOARD AND MANAGEMENT OVERSIGHT

The Board of Directors and the Management team work collaboratively to oversee the Group's risk management framework and sustainability policies. This collaborative approach ensures that sustainability considerations are factored into all strategic and operational decisions, encompassing economic, environmental, and social aspects.

Regular Reviews and Reporting: While the Executive Management meets regularly, the Board reviews our Group's sustainability issues at least once a year and is responsible for reviewing and approving the reported information, including progress on material topics and performance against targets. The Board also receives regular updates on sustainability issues ensuring that it is fully informed and can provide strategic direction on sustainability initiatives.

Annual Review and Board Evaluation: Since 2021, sustainability performance has been incorporated as part of the annual Board performance evaluation¹. This further emphasises the importance of sustainability within the organisation's leadership.

Internal Review of Sustainability Reporting: In 2022, our sustainability reporting process was subjected to internal review by PricewaterhouseCoopers Risk Services Pte. Ltd., our existing outsourced internal auditor, as part of the FY2022 Internal Audit Plan, approved by the Audit and Risk Committee.

ENHANCING BOARD KNOWLEDGE

We believe in continuous learning and development for our Board members. The Board underwent mandatory training on sustainability in 2022, as part of the Singapore Exchange (SGX) requirement. Furthermore, we are committed to ongoing efforts to enhance the Board's knowledge and expertise through targeted briefings and workshops tailored to specific sustainability topics.

ENGAGING WITH STAKEHOLDERS

We recognise the importance of open communication and collaboration with our stakeholders. We maintain regular communication channels to keep stakeholders informed of our sustainability efforts. Additionally, we conduct periodic materiality assessments to identify the most significant sustainability topics for our business and our stakeholders.

DEDICATED MANAGEMENT COMMITTEES

To further strengthen our sustainability focus, we have established dedicated committees to provide oversight and management of our sustainability issues.

Business Excellence Committee (established 2015): This committee, reporting to the CEO, plays a crucial role in driving innovation, business excellence, and effective risk management, all of which are critical aspects of a sustainable business model.

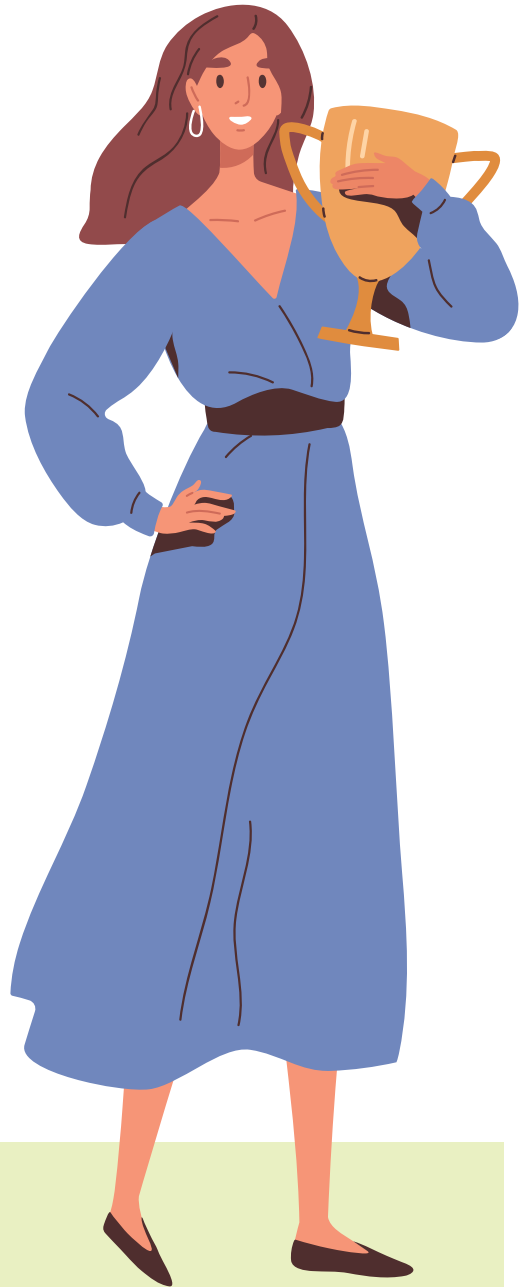
Risk Management Committee (established 2018): This committee, also reporting to the CEO, provides focused oversight on risk management practices and business continuity planning. A strong risk management framework is vital for mitigating potential environmental, social, and governance (ESG) risks.

Sustainability Committee (established 2017): Led by our Executive Director, Lin Ruiwen, this committee plays a central role in overseeing our material sustainability topics. The committee's core responsibilities include:

- Developing and implementing comprehensive sustainability policies aligned with best practices and industry standards.
- Championing and driving forward impactful sustainability projects within the Group.
- Regularly reviewing the effectiveness of our sustainability management approach to ensure continuous improvement.
- Monitoring overall performance against established sustainability targets and reporting progress to the Board and stakeholders.

¹ Please refer to Sheng Siong's Annual Report 2023, page 44 [Principle 5]

LEADERSHIP COMMITMENTS TO SUSTAINABILITY



The committee comprises members from senior management of key business functions such as operations, human resources, quality assurance, finance, procurement, IT and corporate communications. As champions of sustainability within the Group, members of the Sustainability Committee meet regularly to monitor Sheng Siong's progress on key sustainability initiatives and performance targets, as well as identify and discuss emerging ESG risks that might impact our business. The Committee then develops and recommends improvement strategies related to material sustainability topics to the CEO and Board of Directors. The Committee collaborates with relevant departments across the Group to implement approved strategies and actions that enhance our overall sustainability performance.

By fostering a strong governance framework, dedicated committees, and continuous stakeholder engagement, Sheng Siong is committed to achieving long-term sustainability and creating lasting value for all stakeholders.

Sheng Siong's Sustainability Committee	
1. Lin Ruiwen	Executive Director
2. Leong Weng Fong	Director <i>Purchasing & Promotions</i>
3. Chow Kee Min	Director <i>Marketing & House Brand</i>
4. Woo Chee Kit	Chief Information Officer <i>Information Technology</i>
5. Fan Hongbo	Financial Controller
6. Tan Siok Tin	General Manager <i>Information Technology</i>
7. Wong Heng San	Deputy General Manager <i>International Business Development</i>
8. Nigel Lin Junlin	Executive Assistant to CEO <i>Purchasing, Finance & HR</i>
9. Lin Yuansheng	Executive Assistant to CEO <i>Warehouse & Logistics</i>
10. Lin Zikai	Executive Assistant to CEO <i>Marketing & Retail Operations</i> <i>ShengSiong Online</i>
11. Tham Wei Chong	Senior Area Manager <i>Retail Operations</i>
12. Kent Lim	Senior Manager <i>Human Resources</i>
13. Hoong Yuqin	Manager <i>Quality Assurance</i>
14. Teo Zhuan Xin	Manager <i>Board Secretary cum Corporate Communications</i>
15. Yong Hui Min	Manager <i>Internal Control and Compliance</i>
16. Chng Yi Ming	Assistant Manager <i>Business Development</i>

LEADERSHIP COMMITMENTS TO SUSTAINABILITY

BOARD STATEMENT

"The Board regularly reviews the material environmental, social and governance (ESG) factors facing Sheng Siong and considers them when formulating the company's strategy. The Board also provides oversight to ensure these factors are managed and monitored."

Sheng Siong Board of Directors

BUSINESS VALUES AND ETHICS

Our core values are the foundation of our company culture and guide employee behaviour. These values were established through years of engagement with key stakeholders, reflecting our commitment to fulfilling our mission of serving customer needs and creating sustainable value.

EIGHT CORE VALUES DRIVE PERFORMANCE

The eight core values we uphold are:

- 合理 Reasonableness: We approach situations with fairness and sound judgment.
- 和谐 Harmony: We foster a collaborative and respectful work environment.
- 尽责 Responsibility: We take ownership of our actions and commitments.
- 敬业 Dedication: We are passionate about our work and committed to achieving excellence.
- 认真 Earnestness: We are sincere and genuine in our interactions.
- 快 Efficiency: We strive for optimal results through effective resource management.
- 坚守承诺 Promise-Keeping: We honour our commitments and deliver on our promises.
- 绝不找借口 Result-Oriented: We are focused on achieving measurable results and avoiding excuses.

These values guide employees to avoid empty promises and excuses, fostering a culture of accountability and transparency.

STRONG ETHICAL FOUNDATION: RISK-BASED POLICY FRAMEWORK

Our core values translate into a high standard of business ethics. We maintain close collaboration with regulators to ensure ongoing compliance with all relevant regulations. This collaborative approach strengthens our relationships with stakeholders and builds trust in our business practices.

Our key corporate policies² for responsible business conduct include the following:

- Anti-Corruption Policy
- Board Diversity Policy
- Conflict of Interest Policy
- Employee Handbook and Human Resource Policy
- Investment Policy
- Personal Data Protection (PDP) Policy
- Procurement Policy
- Whistle-Blowing Policy
- Workplace Harassment and Grievance Policy

Sheng Siong has established a comprehensive policy framework as part of our risk management approach. These policies, periodically reviewed through internal audits and reviews, guide responsible business practices and are approved by the Executive Directors. Exceptions include the Whistle-Blowing Policy and Board Diversity Policy, which require Board approval.

Our policy commitments stipulate conducting due diligence and are also guided by the United Nations Global Compact (UNGC)'s principles on Human Rights and Labour. All employees can access these policies on the company intranet.

² Our key corporate policies are not publicly available except for the Personal Data Protection (PDP) Policy policy which can be accessed at <https://corporate.shengsiong.com.sg/privacy/> and <https://corporate.shengsiong.com.sg/pdpa/>.

LEADERSHIP COMMITMENTS TO SUSTAINABILITY

COMMITMENT TO ETHICAL CONDUCT

Sheng Siong strives to promote the values of trust, transparency, integrity and reliability in our relationships with our stakeholders. As part of our commitment to respect human rights, fair employment practices and progressive human resource management, our Code of Conduct and Employee Handbook are developed in compliance with Singapore's Employment Act and the Tripartite Guidelines on Fair Employment Practices (TGFEPP), ensuring that we uphold meritocratic principles, eliminate workplace discrimination and affirm our employees' right to join a registered labour union. We are adopters of the following tripartite standards:

- Tripartite Standard on Grievance Handling (GH)
- Tripartite Standard on Recruitment Practices (RP)
- Tripartite Standard on Age-friendly Workplace Practices (AFW)

Sheng Siong is also a recipient of the Progressive Wage Mark which recognises firms that pay progressive wages to lower-wage workers, and the NS Mark which recognises businesses that have declared their support for National Servicemen to better balance their family, work and National Service commitments.

The Employee Handbook, available in English and Chinese on the company's intranet, outlines our core values and expected employee behaviour. Regular communication reinforces these values and the Code of Conduct to staff, suppliers, and vendors. Our management team also conducts regular reviews of these documents.

STRONG ORGANISATIONAL CULTURE

Our commitment to ethical behaviour extends to our strong organisational culture, emphasising unwavering moral principles - "With morality as our bedrock, we continue our legacy by setting self-expectations to walk the talk and be good examples for others. With this, we will conquer all odds and ensure the continuity of Sheng Siong".

This focus on "walking the talk" and leading by example fosters a foundation for overcoming challenges and ensuring Sheng Siong's continuity.

HIGH STANDARDS OF CORPORATE GOVERNANCE

Sheng Siong is dedicated to achieving high standards of corporate governance, detailed in our Annual Report with specific references to the SGX's Code of Corporate Governance 2018. The Board of Directors is obligated to disclose any conflicts of interest, and key employees participate in annual conflict of interest declarations. Our policies on conflicts of interest and anti-corruption guide our employees in the proper conduct of day-to-day business and the appropriate trading relationships with suppliers. Suppliers are required to sign a Master Agreement outlining terms, conditions, and expected ethical behaviour.

In light of recent industry trends regarding corruption in the retail sector, we conducted a targeted anti-corruption workshop specifically for our procurement team. This proactive initiative aimed to raise awareness of the various forms that corruption can take place and equip our team with the knowledge and skills to avoid such situations.

As at 31st December 2023, a total of 3,149 (92%) employees including the four Executive Directors have been trained on Anti-Corruption, Conflict of Interest, and Whistle-Blowing procedures. 118 (99%) of our employees who are of managerial roles and above have attended the mandated training. All our Board Directors and employees have also been informed of the three policies. All new employees will be mandated to be trained in this area.



WHISTLE-BLOWING AND GRIEVANCE MECHANISMS

All Board members and employees are informed of our Whistle-Blowing Policy, which allows for confidential reporting of concerns without fear of reprisal. The Board's Audit and Risk Committee oversees this programme. We emphasise transparency and accessibility, providing multiple channels for reporting concerns, including direct contact with senior management and the Human Resources Department. The personal contact information of our senior management, including that of our CEO's, can be found outside our store for ease of accessibility. No critical concerns were raised to the Board during the year under review.

For grievances arising during operations, Sheng Siong is committed to addressing any negative impacts and cooperating with relevant parties for remediation. Stakeholders can submit grievances directly through phone, email, written letters, or online feedback forms. Regular stakeholder engagement and media monitoring ensure we remain responsive to feedback, including suggestions on improving grievance mechanisms.

We are committed to maintaining a robust and accessible whistle-blowing programme. Regular reviews are conducted by key employees and Human Resource personnel to ensure the effectiveness and user-friendliness of the procedure for both employees and stakeholders.

To further enhance the programme, we encourage feedback through various channels. Employees can provide comments by writing directly to the Company Secretary or Audit and Risk Committee, contacting senior management, or reaching out to the Human Resources Department.

RECOGNITION FOR STRONG GOVERNANCE

Our unwavering commitment to high governance standards is reflected in our inclusion in SGX Fast Track, allowing for Sheng Siong to receive and submit prioritised reviews and submission of corporate actions. Since joining SGX Fast Track in 2019, we have maintained a strong compliance record. Demonstrating our commitment to strong governance and transparency, Sheng Siong achieved a significant improvement in the 2023 Singapore Governance and Transparency Index, rising from 142nd place in 2022 to 88th place, and is the winner of the SIAS Investors' Choice Awards 2023, Most Transparent Company Award (Consumer Staples).



STAKEHOLDER ENGAGEMENT AND MATERIALITY

STAKEHOLDER ENGAGEMENT AND MATERIALITY

STAKEHOLDER ENGAGEMENT

Effective stakeholder engagement is essential for sustainable business success. To ensure sustainable value creation, we have tailored our engagement approach to meet the specific needs of our key stakeholders. This allows us to gain valuable insights into their perspectives and expectations, while effectively communicating our progress on managing material topics.

Through a comprehensive internal mapping exercise, we have identified seven key stakeholder groups. These groups represent those most significantly impacted by our business operations, as well as those with significant influence or a vested interest in our success.

TABLE 1: IMPACT & SIGNIFICANCE OF KEY STAKEHOLDER GROUPS

Stakeholders	Impact & Significance
Customers	Our customers are the foundation of our business success. We strive to stay relevant and responsive to our customers' evolving needs by providing a convenient and comfortable shopping environment with good service and quality products at reasonable prices.
Employees	Our employees' performance is critical to the success of our business. Their health, safety, well-being, and competencies are all fundamental to our operational effectiveness. We develop our employees' potential by promoting close, transparent, and direct communication between employees and higher-level management, allowing us to harness new synergies that drive innovation, productivity, and organisational excellence.
Suppliers	Sheng Siong works closely with partners across our value chain to expand our product range, ensure compliance with industry-wide product safety standards, enhance our food and service quality, and reduce sustainability-related risks.
Government Agencies	Besides regulatory compliance, we partner with key government agencies to jointly raise industry standards for food and product safety, food security and other sustainability practices, as well as workplace safety and health standards.
NGOs & Voluntary Welfare Organisations	Our business activities have economic, environmental, and social impacts on the communities where we operate. Therefore, it is critical that we give back to our community and work with industry associations, educational/research institutions as well as not-for-profit organisations to promote sustainability along the Group's value chain. Possible activities range from influencing consumer behaviour to raising industry standards.
Media	News and information outlets are one of the main sources of information for our stakeholders and the public. We aim to engage with members of the media to understand societal expectations of the food retail value chain and positively influence consumer behaviour.
Shareholders/ Investors	Our investors play a vital role in the success and growth of our Group. The investment community serves as a vital feedback loop for us to formulate and improve our growth strategies. We strive to maximise shareholder returns, observe good corporate governance, and improve levels of transparency through timely financial and sustainability reporting.

TABLE 2: STAKEHOLDER ENGAGEMENT ACTIVITY MATRIX

Stakeholders	Mode And Frequency Of Engagement	Issues & Concerns	Sheng Siong's Efforts and Achievements
Customers	<ul style="list-style-type: none"> Customer feedback forms (in-store and online) Customer service hotline and email Social Media Market research groups such as NielsenIQ 	<ul style="list-style-type: none"> Competitive product pricing, affordability, and value for money Product safety and quality Providing healthier food Availability of high-quality fresh food and premium brands Customer service and customer experience considerations, such as: <ul style="list-style-type: none"> All-in-one store, well-stocked and well-displayed store Ease of finding products Store accessibility Fast and helpful cashier service Range and variety of products, new products Store hygiene and cleanliness Long opening hours Loyalty programme 	<ul style="list-style-type: none"> Opened new stores in HDB estates, especially in estates where we do not have a presence Maintained ISO 22000:2018 certification system for Food Safety Management Maintained Cold Chain Management for fresh and frozen food Ensured products offered complied with local regulations Shortened cashier queues by adopting innovations such as Self-Checkout, Hybrid Self-Checkout, Unified POS and other cashless payment methods Continued to refresh and renovate older stores Voted as The Straits Times, Singapore's Best Customer Service 2023/24 (Supermarkets) Continued to roll out "Recycling" cash withdrawal machine called "\$TM" across our stores. Other than bank cards, it also accepts PayNow. \$TM is available at 63 stores out of 69 stores Expanded our range of house brand products with a focus on quality and improved nutrition Extended 4% special discount to senior citizens every Tuesday and Wednesday for another year Introduced 1% counter-inflation discount in the first quarter of 2023 and 2024 to offset GST increment Offered more quality fresh produce at affordable prices Hosted "The Sheng Siong Show" since 2007, engaging customers with entertaining games and fun competitions Partnered banks and financial institutions such as POSB, UOB, Bank of China and Diners Club to offer attractive credit card rebates to customers 52 stores out of 69 are open 24-hours Launched the SS Connect mobile application in 2018 to better connect with customers

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Stakeholders	Mode And Frequency Of Engagement	Issues & Concerns	Sheng Siong's Efforts and Achievements
Employees	<ul style="list-style-type: none"> Regular staff meetings and dialogue sessions Internal communication via digital channels and print format Orientation programmes for new employees Staff engagement events such as Family Day, Annual Chinese New Year Dinner, 7th Lunar Month Festival Grievance and whistle-blowing procedures 	<ul style="list-style-type: none"> Competitive rewards and employee recognition Occupational health, safety, and well-being Opportunities for career progression Learning and development opportunities Job stability Good leadership 	<ul style="list-style-type: none"> Implemented a performance-sharing scheme Aligned our remuneration and promotion practices with employee performance Maintained a whistle-blowing policy to address any fraudulent or unfair practices Conducted regular meetings and follow-ups on workplace and fire safety Conducted regular inspections of workplace and fire safety Offered flexible work arrangements for employees in need Signed MOU with NTUC LearningHub in May 2023 to design an industry-recognised career development plan for workers Adopted "Made for Families" brand mark Adopted "NS Mark" to show support for employees who are National Servicemen to better balance their family, work, and National Service Commitments Accredited "Progressive Wage Mark" for paying progressive wages to lower-wage workers Adopted Tripartite Standards for (1) Grievance Handling, (2) Recruitment Practices, and (3) Age-friendly Workplace Practices Recipient of the NTUC May Day Awards 2023 – Plaque of Commendation for supporting the Labour Movement and its initiatives Recipient of the SkillsFuture Employer Awards (Gold) 2023 for supporting employees' skills development Founders continued to disburse education grants to the children of our lower-waged employees
Suppliers	<ul style="list-style-type: none"> Regular business review sessions Supplier visits Annual meetings with key suppliers 	<ul style="list-style-type: none"> Fair trading agreements Short credit terms Punctual payment for supplies Stable, long-term business relations 	<ul style="list-style-type: none"> Enhanced the Suppliers' Portal to streamline business administration, communication, and payment Ensured a whistle-blowing policy is in place to address any fraudulent or unfair practices Collaborated with SkillsFuture Singapore on the Sheng Siong Queen Bee Programme to help suppliers develop digital capabilities, identify skill gaps, and curate training

STAKEHOLDER ENGAGEMENT AND MATERIALITY

Stakeholders	Mode And Frequency Of Engagement	Issues & Concerns	Sheng Siong's Efforts and Achievements
Government agencies	<ul style="list-style-type: none"> Regular update meetings Participation in dialogue sessions and engagement meetings 	<ul style="list-style-type: none"> Sustainable sourcing Food safety and security Fair and affordable prices Health and nutrition Fair employment, capabilities building, skills development 	<ul style="list-style-type: none"> Diversified sources of supply Offered sustainably sourced and plant-based products Maintained ISO 22000:2018 certification system for Food Safety Management Adopted Cold Chain Management Implemented 'Reduce, Reuse, Recycle' approach towards environmental protection Implemented food waste management initiatives
NGOs & Voluntary Welfare Organisations (VWOs)	<ul style="list-style-type: none"> Engagement meetings with NGOs & VWOs Participation in projects and/or volunteer activities Philanthropy and in-kind sponsorships 	<ul style="list-style-type: none"> Compliance with industry standards and hygiene practices Uplift industry standards Management of negative environmental impacts such as food wastage and packaging waste 	<ul style="list-style-type: none"> Member of Packaging Partnership Programme (PPP) since 2020 Complied with NEA's Mandatory Waste Reporting, and Mandatory Packaging Reporting in 2021 and 2022 respectively Designated all stores as E-waste collection points under the national E-waste Management System since 01 July 2021 Facilitated and implemented Nutri-grade labelling for pre-packaged drinks since 30 December 2022. Implemented Disposable Carrier Bag Charge across all stores since 03 July 2023 pursuant to the Singapore's Resource Sustainability Act's Disposable Carrier Bag Charge (DCBC) Regulations.
Media	<ul style="list-style-type: none"> Media relations engagement Media monitoring 	<ul style="list-style-type: none"> Helping communities in need 	<ul style="list-style-type: none"> Participated in workgroup discussions such as Deposit Return Scheme for Beverage Containers, Alliance for Action (AfA) on Local Produce Demand Offtake & Consumer Education, Jobs and Skills Development etc. Supported campaigns like "Say Yes to Waste Less", "Bring Your Own Bag", Anti-Scam, and Lower Sodium Conducted learning journeys for various institutions Supported various charitable organisations such as Heartwarmers, RedCross, SPD, President's Challenge, and MINDs
Shareholders / Investors	<ul style="list-style-type: none"> Regular investor relations meetings 	<ul style="list-style-type: none"> Financial performance Dividend payout Sound business strategies Risk management Governance and transparency Business continuity Sustainability 	<ul style="list-style-type: none"> Reiterated commitment to business excellence and profitability Provided regular business updates quarterly Ensured consistent dividend distribution Reported sustainability progress through an annual sustainability reporting exercise Developed a talent management programme for succession planning Ranked 88th in 2023 Singapore Governance and Transparency Index (142nd in 2022) Winner of the SIAS Investors' Choice Awards 2023, Most Transparent Company Award (Consumer Staples).

MATERIALITY ASSESSMENT AND TOPIC BOUNDARIES

As a responsible and key supermarket retailer in Singapore, Sheng Siong is committed to sustainability and creating a positive impact on our society and the environment. To understand and prioritise the key issues and topics of greatest significance to Sheng Siong's business, it is essential to conduct regular materiality assessments and reviews. In 2018, a materiality assessment was conducted to identify key sustainability topics, vital to the long-term success of our business. The materiality assessment was conducted in a 3-stage assessment process, in consultation with Sheng Siong's primary internal and external stakeholders.



MATERIALITY ASSESSMENT AND TOPIC BOUNDARIES

To ensure our assessment remains relevant and takes into account emerging sustainability developments, we conduct annual materiality reviews researching wider shifts in the sustainability context including latest industry and market trends, as well as regulatory developments on an international and national level. Aligning to best practices, the review seeks to understand sustainability topics utilising a double materiality lens accounting for impacts from both a i) Financial and ii) Impact materiality lens, which assess a topics' impact on the organisation's financial value and its impact on the environment and society respectively.

This ensures Sheng Siong remains aware of the potential impacts of emerging sustainability topics and takes the necessary steps and measures to actively manage them.

In 2023, supermarkets continue to face a volatile and challenging environment. The Group's approach must remain dynamic and vigilant to adapt to an environment characterised by an increasingly vulnerable supply chain with frequent disruptions, ongoing geopolitical instability and an increasing emphasis on responsible business practices.

A review of the overall industry landscape and emerging trends in the food retail sector was conducted to understand its impact on Sheng Siong's sustainability strategy and validate Sheng Siong's existing list of sustainability topics and to take into account any significant shifts. A workshop was then conducted with the Sustainability Committee and key representatives from departments to share findings and validate the review's results. During the workshop, participants were also surveyed on the relative importance of sustainability topics to account for internal perspectives on the impacts of wider trends on the organisation.

Through the review, Sheng Siong's existing list of material topics were found to be relevant with several key topics emerging as increasingly important topics to be prioritised by the organisation:

ENERGY, GREENHOUSE GAS (GHG) EMISSIONS AND WATER USE

- Stakeholders have identified the management of Energy, Greenhouse Gas Emissions and Water Use as a top priority moving forward rising significantly in importance. This is due to the potential financial impact it can have on both Sheng Siong and downstream consumers through rising energy prices impacting the Group's ability to provide Affordable Food.
- Sheng Siong has taken proactive steps to ensure the operational efficiency of its operations and facilities to ensure it does its part in addressing resource use and maximising efficiencies.

SUSTAINABLE SUPPLY CHAIN MANAGEMENT

- Due to the increased frequency of supply chain disruptions resulting from climate change, proper management of a sustainable supply chain has become increasingly salient to Sheng Siong. This could have downstream impacts on customers through other salient topics such as Affordable Food and Sheng Siong's ability to achieve Customer Satisfaction.
- Proper supply chain management also has several wide ranging direct and indirect implications. Through the supply chain, Sheng Siong's activities could have downstream impacts on the lives of people and communities, highlighting the importance of human rights and proper risk management.

AFFORDABLE FOOD

- The prioritisation of Affordable Food remains key topic for Sheng Siong. Sheng Siong's ability to provide Affordable Food has been implicated by wider contextual trends. Nonetheless Sheng Siong has implemented robust processes to ensure it is able to consistently provide affordable and quality products to its consumers through supplier diversification and developing and maintaining strong relationships with Sheng Siong's partners.

The prioritisation of the Group's materiality topics has been adjusted to reflect the results of the materiality review. Building on ongoing efforts, Sheng Siong will continuously assess the management of all sustainability topics and review the need to implement initiatives to progress and enhance our sustainability performance on these topics moving forward. The results of our latest materiality review have been reviewed and approved by the Board.

MATERIALITY ASSESSMENT AND TOPIC BOUNDARIES

Ranking	Pillar	Material Issues	Definition	Where in our value chain the impacts occur		
				Suppliers	Storage & distribution centre, food processing facilities, retail and online stores	Customers
Priority	Care for our Customers	Food and Product Safety	Ensuring food and products are safe for consumption and use, and comply with the relevant standards and certifications.	✓	✓	✓
	Care for our Customers	Customer Satisfaction	Focusing on customer care and service and improving the customer experience at all our retail outlets and online store.		✓	✓
	Business Excellence	Sustainable Supply Chain Management	Ensuring the responsible and sustainable sourcing of goods and services, including the management of human rights risks in the supply chain, and supply chain resiliency. This also entails maintaining strong relationships with our diverse suppliers and integrating locally made products as part of our food supply.	✓	✓	✓
	Business Excellence	Governance and Ethics	Conducting our business activities with integrity, maintaining the highest ethical standards and good governance, and complying with the relevant regulations.	✓	✓	✓
Important	Care for our Customers	Affordable Food	Keeping our products and produce affordable and competitively priced.	✓	✓	✓
	Care for our Employees	Occupational Health, Safety and Well-being	Safeguarding and protecting the health, safety and well-being of our employees. This includes continued focus on maintaining a safe environment for our employees and customers.	✓	✓	✓
	Care for our Employees	Employee Engagement and Development	Attracting, retaining and developing our employees. This includes maintaining a fair remuneration system and recognising employee contributions.		✓	✓
	Care for our Customers	Providing Healthier Choices	Enabling our customers to lead healthier lives. This includes providing healthier food options and improving the nutritional standards of our house brand products.	✓	✓	✓

MATERIALITY ASSESSMENT AND TOPIC BOUNDARIES

Ranking	Pillar	Material Issues	Definition	Where in our value chain the impacts occur		
				Suppliers	Storage & distribution centre, food processing facilities, retail and online stores	Customers
Important	Business Excellence	Productivity and Efficiency	Improving business processes and operational efficiencies, adopting new methods and innovative technologies where feasible.	✓	✓	✓
	Care for our Customers	Responsible Marketing and Product Labelling	Providing accurate and sufficient product information and ensure responsible marketing practices to help customers make informed purchasing decisions.	✓	✓	✓
	Care for the Environment	Energy, Greenhouse Gas (GHG) Emissions and Water Use	Improving water and energy usage efficiency within our operations and reducing our GHG emissions.	✓	✓	✓
	Care for the Environment	Waste and Packaging	Driving the 3Rs (Reuse, Reduce and Recycle) approach towards waste and packaging, including food waste.	✓	✓	✓
Moderate	Care for our Employees	Inclusive Workplace	Committing to the principles of equality and non-discrimination, and respecting labour rights.		✓	
	Care for the Community	Contribution to the Community	Giving back to the local communities where we operate through community initiatives and philanthropic activities.		✓	✓
	Care for our Customers	Customer Privacy and Cyber Security	Protecting customers' rights to privacy and safeguarding important information from the growing risk of cyber threats.	✓	✓	✓
	Business Excellence	Risk Management	Identifying and managing material risks, and ensuring business continuity, succession and backup plans are in place.	✓	✓	✓
	Business Excellence	Economic Contributions to Society	Generating and distributing economic value to our stakeholders, providing a clear understanding of the direct monetary contribution to the local economy by the company.	✓	✓	✓

SHENG SIONG AND THE SUSTAINABLE DEVELOPMENT GOALS

Sheng Siong recognises the importance of contributing to a sustainable future. While our actions over the years have inherently aligned with some sustainability goals, we believe it is important to communicate our commitment towards supporting the United Nations' Sustainable Development Goals (SDGs).

Established in 2015, the SDGs serve as a global framework for addressing critical challenges facing the planet and its people. The 17 goals and 169 targets provide a roadmap for achieving peace, prosperity, and a more sustainable future for all.

FOCUSING OUR EFFORTS FOR MAXIMUM IMPACT

Through a comprehensive review, we have identified four SDGs where our business can make the most significant contribution. These goals are closely aligned with the five pillars of our sustainability journey. By focusing our efforts on these specific areas, we can maximise our impact and contribute meaningfully to the achievement of the SDGs. These four goals and the relevant targets will continue to guide our sustainability strategy and reporting.



SHENG SIONG AND THE SUSTAINABLE DEVELOPMENT GOALS

SHENG SIONG'S APPROACH TO SUPPORT THE SDGs

2
ZERO HUNGER

CARE FOR OUR CUSTOMERS

- Providing healthier choices
- Providing affordable food
- Ensuring food and product safety

CARE FOR THE COMMUNITY

- Contributing to the community through community initiatives and philanthropic activities

8
DECENT WORK AND ECONOMIC GROWTH

BUSINESS EXCELLENCE

- Improve economic contributions to society
- Improve productivity and efficiency

CARE FOR OUR EMPLOYEES

- Enhance occupational health, safety and well-being
- Build an inclusive workplace

12
RESPONSIBLE CONSUMPTION AND PRODUCTION

BUSINESS EXCELLENCE

- Enhance sustainable supply chain management

CARE FOR THE ENVIRONMENT

- Manage waste and packaging

17
PARTNERSHIPS FOR THE GOALS

CARE FOR SUSTAINABILITY

- Build partnerships for sustainable development


OUR MANAGEMENT APPROACH: EVALUATION, PROGRESS AND TARGETS

OUR MANAGEMENT APPROACH: EVALUATION, PROGRESS AND TARGETS

The table below provides an overview of our management approach for each material issue based on the GRI standards 3-3. Where applicable, we have included chapter references to where relevant content can be found in the fifth column. To measure our ongoing sustainability performance and drive continuous improvement, we have developed a set of targets related to our material sustainability issues. Our Board of Directors reviewed and approved these targets to ensure they remain relevant and measurable. Our progress against these targets is reviewed and reported on an annual basis.

Legend: Progress Tracking

- ● ● New target
- ● ● Target achieved
- ● ● On track to meet target
- ● ● Not on track, requires review



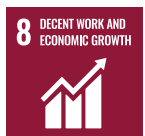
Pillar	Material Topic	Why is this material?	Management Approach (Refer to chapter indicated)	Evaluation of the Management Approach (Refer to chapter indicated, or otherwise explained here)	On-going Target	Short-term Target (1-2 years)	Mid-term Target (3-5 years)	FY2023 Progress
 <p>Business Excellence</p>	1. Governance and Ethics	<p>As a responsible business, it is critical that we uphold good standards of corporate governance and business ethics in order to achieve our business objectives, build trust and maintain good reputation among our stakeholders, and drive performance improvement. It also increases the accountability of our company.</p> <p>With good corporate governance and high ethical standards, Sheng Siong can continue to have a positive impact on both employees and consumers as a business.</p> <p>Non-compliance or adverse incidents can have financial ramifications in the form of penalties and litigation.</p>	<ul style="list-style-type: none"> • Leadership Commitments to Sustainability • Annual Report 2023 		• Maintain zero incidents of corruption			● ● ●
					• Maintain zero cases of legal actions for anti-competitive behaviour			● ● ●
					• Continue to ensure all our board members and employees are informed of our anti-corruption policy			● ● ●
					• Continue to ensure all our suppliers are informed of our anti-corruption and anti-competition policies			● ● ●
					• Provide training and education on anti-corruption for all our employees			● ● ●
	2. Risk Management	<p>The ability to identify, assess, and manage risks is fundamental to weatherproofing our business and helping us make better decisions for the future.</p> <p>Robust risk management ensures Sheng Siong's continued economic viability as a business so it can continue to contribute to society through providing its goods and services, as well as through employment and taxes.</p> <p>Not adhering to adequate risk management processes could lead to negative financial impacts through legal actions from legislators as well as a loss in reputation.</p>	<ul style="list-style-type: none"> • Leadership Commitments to Sustainability • Materiality Assessment • TCFD • Annual Report 2023 	<ul style="list-style-type: none"> • Leadership Commitments to Sustainability • Materiality Assessment • TCFD • Annual Report 2023 	<ul style="list-style-type: none"> • Annual review of material topics (including the risks and opportunities facing Sheng Siong) • Annual Review of climate-related risks and opportunities 			<ul style="list-style-type: none"> • As at 31st Dec 2023, 3,149 (92% of our total workforce) employees have completed in-house training on anti-corruption. Training will be progressively conducted.

OUR MANAGEMENT APPROACH:
EVALUATION, PROGRESS AND TARGETS

OUR MANAGEMENT APPROACH:
EVALUATION, PROGRESS AND TARGETS

Legend: Progress Tracking

- ● ● New target
- ● ● Target achieved
- ● ● On track to meet target
- ● ● Not on track, requires review




Pillar	Material Topic	Why is this material?	Management Approach (Refer to chapter indicated)	Evaluation of the Management Approach (Refer to chapter indicated, or otherwise explained here)	On-going Target	Short-term Target (1-2 years)	Mid-term Target (3-5 years)	FY2023 Progress
 Business Excellence	3. Economic Contributions to Society 	The ability to generate economic contributions for our stakeholders and society is a crucial component to ensure business longevity and social development, such as direct monetary contributions to the local economy through our business, employees and stock value. This is necessary for Sheng Siong to maintain its standing as a business and gain continued support from stakeholders.	<ul style="list-style-type: none"> • Business Excellence • Care for our Employees • Care for the Community 	<ul style="list-style-type: none"> • Our Board of Directors meet regularly to discuss and evaluate the business performance of the Group and formulate growth strategies. We measure our financial performance against targets set. • Our sustainability report is used to evaluate our contributions towards the community and our lower salaried employees. 	<ul style="list-style-type: none"> • Continuously strive for excellence in our performance. 			<ul style="list-style-type: none"> ● ● ● • Sheng Siong won the SIAS Investors' Choice Awards 2023 - Most Transparent Company Award, Winner, Consumer Staples Category • Sheng Siong was conferred a winner in the F&B segment for the Billion Dollar Club by The Edge Singapore
	4. Productivity and Efficiency 	Managing productivity and efficiency can help the company better utilise its resources and better contribute to society as a business, especially in Singapore, where manpower shortages are intensified by an aging population and tightened foreign labour policies. Sheng Siong's business can also have positive financial impacts through cost reductions achieved through efficient use of resources and growth in productivity improvements.	<ul style="list-style-type: none"> • Joint Statement • Business Excellence 	<ul style="list-style-type: none"> • When new technologies or business processes are adopted, we evaluate productivity based on performance indicators such as man-hours saved, the number of errors reduced, and/or higher output levels. We also evaluate our financial results to concretely assess whether these innovations have improved our productivity. 	<ul style="list-style-type: none"> • Work closely with key partners to develop and adopt new processes and technology to improve business capabilities. 			<ul style="list-style-type: none"> ● ● ● • Sheng Siong was awarded the SkillsFuture Employer Award (Gold) 2023 which recognises employers who have invested significantly in their employees' skills development; and who have provided exceptional support for the national SkillsFuture movement.

OUR MANAGEMENT APPROACH:
EVALUATION, PROGRESS AND TARGETS

OUR MANAGEMENT APPROACH:
EVALUATION, PROGRESS AND TARGETS

Legend: Progress Tracking

- ● ● New target
- ● ● Target achieved
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 <p>Business Excellence</p>	5. Sustainable Supply Chain Management 	<p>Building strong and enduring relationships with our suppliers is essential to the success of our business. With increasing challenges brought about by issues such as climate change, resource conservation and labour practices, Sheng Siong has a role to play in positively influencing how goods and services are produced and supplied in a sustainable manner through our supply chain, to address the impacts of climate change, resource constraints and labour practices.</p> <p>As consumers become increasingly aware of sustainable practices, ensuring a sustainable supply chain could have a positive impact on the business by developing a positive reputation amongst consumers and improving Sheng Siong's supply chain resiliency.</p>	<ul style="list-style-type: none"> Business Excellence Care for the Community 	<ul style="list-style-type: none"> We actively engage with the government, NGOs and VWOs to discuss Sheng Siong's role in sustainable sourcing. Our aim is to continue keeping our products and fresh food affordable while exploring ways to move forward in our sustainable sourcing journey. 			<ul style="list-style-type: none"> 100% of new suppliers screened for social/environmental criteria by 2026. 	<ul style="list-style-type: none"> Dialogues with suppliers indicate a low level of readiness among suppliers. We have partnered with DBS Bank to uplift and support suppliers to build capabilities in sustainability and decarbonisation.
						<ul style="list-style-type: none"> Review and enhance purchasing policies to include sustainability criteria by 2022/2023. 		<ul style="list-style-type: none"> We are in the midst of reviewing and developing a more comprehensive Supplier Code of Conduct to supplement our trading agreements in addressing the importance of ESG. Target to complete by 2024.
					<ul style="list-style-type: none"> Organise at least one event each year to provide education, raise awareness, and promote uptake of sustainability products and local produce among consumers. 		<ul style="list-style-type: none"> Participated in Alliance for Action (AfA) on Local Produce Demand Offtake and Consumer Education (DOCE) 	
 <p>Care for Our Customers</p>	6. Customer Satisfaction	<p>Customers are the foundation of our business, and therefore, it is imperative to ensure that we manage their needs and concerns properly as well as provide better service and experience within stores and online.</p> <p>As a key supermarket retailer in Singapore, we provide our customers with the assurance of a stable and quality supply of daily essentials.</p> <p>A failure to maintain or improve customer satisfaction can result in a loss of revenue if customers switch retailers and affect the brand reputation. Conversely, high customer satisfaction can improve customer retention, and boost reputation and revenue.</p>	<ul style="list-style-type: none"> Care for our Customers 	<ul style="list-style-type: none"> Our operations and service team monitor feedback from consumers across different channels, such as email, in-store feedback forms, service hotline, social media platforms, etc. We strive to respond to feedback within one working day, and address the issues raised within seven working days. The contact numbers of our senior management are also made available on the notice board of every store to improve accessibility for our customers, enabling us to address stakeholders' concerns directly. 	<ul style="list-style-type: none"> We seek to improve our customer satisfaction score (CSISG) year-on-year by providing excellent service, meeting the evolving needs of our customers, and keeping our prices competitive and affordable. 			<ul style="list-style-type: none"> CSISG Score, research conducted by SMU is discontinued. Sheng Siong was conferred Singapore's Best Customer Service 2023/24 Company (Category: Supermarkets) by The Straits Times.

OUR MANAGEMENT APPROACH:
EVALUATION, PROGRESS AND TARGETS

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 Care for Our Customers	7. Providing Healthier Choices 	With increasing awareness and concern about leading a healthy lifestyle in Singapore, we believe we have a role to play by providing healthier and more nutritious options for our customers, to increase their well-being and that of the wider society. As consumer demand for healthier food options rises, this also poses an opportunity for Sheng Siong to capture market share by offering these products.	<ul style="list-style-type: none"> Care for our Customers 	<ul style="list-style-type: none"> We take the opportunity to review nutritional improvements of our products by paying close attention to market trends and observations. 	<ul style="list-style-type: none"> To continuously increase the number of house brand products carrying HCS (Healthier Choice Symbol). 			<ul style="list-style-type: none"> ● ● ● 126 house brand products carrying HCS in 2023 vs 124 in 2022. Nearly 3,000 HCS products, up from 2,800 in 2022.
					<ul style="list-style-type: none"> Ensure 100% of new house brand products are assessed for health and safety improvements. 			<ul style="list-style-type: none"> ● ● ● Health & safety improvements taken into consideration during the formulation of new products.
					<ul style="list-style-type: none"> Conduct at least two education/marketing events annually to raise awareness on healthy eating. 			<ul style="list-style-type: none"> ● ● ●
	8. Affordable Food 	Keeping essential products and produce affordable has a positive impact on society, as it enables access to daily essentials. This is especially so in an inflationary environment, which might be caused by rising production costs, supply disruptions, etc. As a responsible business, we do not conduct or encourage profiteering or anti-competitive practices. Maintaining affordability helps Sheng Siong to remain competitive in the retail industry and retain customers.	<ul style="list-style-type: none"> Care for our Customers Care for the Community 	<ul style="list-style-type: none"> We conduct market research regularly to ensure our products are affordable and competitively priced. We practise diversification in our sourcing and procurement strategy to ensure the availability of a sustainable supply of food and products at a stable price. 	<ul style="list-style-type: none"> Extend special discount to senior citizens at least once a week for another year. 			<ul style="list-style-type: none"> ● ● ● Senior Citizen's 4% discount on every Tuesday and Wednesday extended until 31 Dec 2024. Additional 1% counter-inflation discount from 1/1/23 till 31/3/23.
<ul style="list-style-type: none"> Maintain house brand products to be cheaper than comparable brands and continue to expand range of house brand products. 							<ul style="list-style-type: none"> ● ● ● 	

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 Care for Our Customers	9. Customer Privacy and Cyber Security	The increase in the adoption of digitalisation and the rise of e-payments, e-commerce, and online services, has led to an increase in the possession of customer data. Customers who have entrusted their personal data to us expect that their information is protected and not misused. Data leaks may lead to negative customer sentiment and negative impacts to Sheng Siong's reputation, and consequently revenue loss due to a perceived lack of data protection. Sheng Siong may also face fines and legal action if necessary precautions are not taken. As we continue to digitalise our operations, it is critical to safeguard our information technology systems against these cyber threats.	<ul style="list-style-type: none"> Business Excellence Care for our Customers 	<ul style="list-style-type: none"> Our IT policy comprises of a regular risk assessment that allows us to monitor and establish safeguards within our systems to prevent breaches. We have also established a business continuity plan (BCP) which focuses on the recovery of technology facilities and platforms, such as critical applications, databases, servers or other infrastructure required for the viability of the business. We review our policy and BCP regularly to ensure they remain relevant. 	<ul style="list-style-type: none"> Ensure all of our employees are aware of and understand our Group's personal data protection (PDP) policy. 			<ul style="list-style-type: none"> ● ● ● Target achieved The policy is accessible on the company's intranet, also emphasised in the employee's contract and handbook.
					<ul style="list-style-type: none"> Maintain zero substantiated complaints received concerning breaches of customer privacy or loss of customers' data. 			<ul style="list-style-type: none"> ● ● ● Target achieved
					<ul style="list-style-type: none"> Organise at least one event to promote cyber security among employees/consumers annually. 			<ul style="list-style-type: none"> ● ● ● ● New target NEW TARGET
		10. Food and Product Safety	Food and product safety can have significant impacts on society and consumers. Safeguarding food and product safety is a basic founding principle of our business and is essential to our success. We recognise our responsibility as the final gatekeeper in the supply chain to safeguard the health, safety and well-being of our customers. Building a strong and trusting relationship with our customers encourages them to shop with Sheng Siong. On the other hand, violations of food and product safety can have significant impacts on Sheng Siong such as reputational damage and reduced demand resulting in loss of revenue. It may also be subject to legal action and fines by the relevant authorities, or incur financial losses associated with product recalls or lost inventory.	<ul style="list-style-type: none"> Care for our Customers 	<ul style="list-style-type: none"> We monitor our performance in food and product safety through certification assessments such as HACCP and ISO 22000:2018 Food Safety Management System. An in-house Quality Assurance Programme is in place to ensure that our products meet stringent quality standards, and our stores and processing facilities meet hygiene, sanitation, and processing standards in order to comply with regulations. Any non-compliance may warrant a warning or fine from the regulatory authorities and is informed through this report. 	<ul style="list-style-type: none"> Reduce number of incidents of non-compliance concerning the health and safety impacts of products and services compared to previous year. 		
					<ul style="list-style-type: none"> Continue to be certified by ISO 22000:2018 for food safety management. 			<ul style="list-style-type: none"> ● ● ● Target achieved

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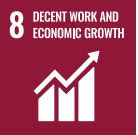
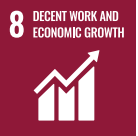


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 Care for Our Customers	11. Responsible Marketing and Product Labelling	The process of building trust and loyalty with consumers also includes providing accurate and sufficient product and marketing information for shoppers to make informed choices. Failure to be responsible in marketing and product labelling may lead to potential fines or litigation due to non-compliance or adverse incidents concerning end consumers. This can lead to a loss in reputation and consumers opting not to purchase from Sheng Siong. On the contrary, by adapting to consumer demands for increased labelling transparency to help them make better purchasing decisions can have a positive impact on brand, reputation, and revenue growth.	<ul style="list-style-type: none"> Care for our Customers 	<ul style="list-style-type: none"> We require all our suppliers to comply with the Singapore Sale of Food Act which includes food labelling requirements. Any non-compliance may warrant a warning or fine from the regulatory authorities and is informed through this report. 	<ul style="list-style-type: none"> Reduce number of incidents of non-compliance concerning product and service information and labelling compared to previous year. 			
	 Care for our Employees	12. Employee Engagement and Development	The engagement and development of our employees is critical to the success of our business. We want to ensure that employees are compensated fairly and also create a positive impact by providing opportunities for growth and development for staff. Good employee engagement and development practices also enable Sheng Siong to attract and retain employees in order to maintain adequate and capable manpower to support the growth of the business.	<ul style="list-style-type: none"> Care for our Employees 	<ul style="list-style-type: none"> We closely monitor our employee turnover rate, training hours, and turnout to company events. Employee engagement surveys are also conducted from time-to-time to gather satisfaction level and feedback. 	<ul style="list-style-type: none"> Maintain employee annual turnover rate below 40%. 		
						<ul style="list-style-type: none"> Review and set up training plans and career roadmap by 2024/2025, and continue to roll out training modules via the in-house training portal. 		 <ul style="list-style-type: none"> Sheng Siong has entered an MOU with NTUC LearningHub on Retail Continuing Education & Training (May 2023), which aims to attract and groom talent for a career path in retail and develop a learning roadmap.

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 Care for our Employees	13. Inclusive Workplace 	An open and inclusive work culture motivates our employees to perform to the best of their ability as it allows them to feel safe and respected, and comfortable in the workplace. Diversity in the workplace also allows employees to contribute different perspectives, promoting creativity and innovation in the process. When employees can perform well within the workplace, it enhances productivity while strengthening Sheng Siong's reputation as a business and employer.	<ul style="list-style-type: none"> Care for our Employees 	<ul style="list-style-type: none"> Disclosures in our sustainability report are used to evaluate the results of our diversity practices. 	<ul style="list-style-type: none"> Maintain zero incidence of discrimination. 			<ul style="list-style-type: none"> ● ● ● Sheng Siong has pledged to adopt the Tripartite Standards on: <ul style="list-style-type: none"> Grievance Handling (GH) Recruitment Practices (RP) Age-friendly Workplace Practices (AFW)
	14. Occupational Health, Safety and Well-being 	Employees are key assets at Sheng Siong and we have a duty of care to them to provide a safe environment to work in where safety measures are upheld. This will also ensure that our customer's health and safety are protected when they shop in our stores. The inability to ensure the safety and health of employees would be financially costly and have negative reputational repercussions for Sheng Siong. Safety incidents involving customers could also result in drop in store visits as customers avoid high risk areas.	<ul style="list-style-type: none"> Care for our Employees 	<ul style="list-style-type: none"> Our WSH committees meet regularly to discuss and review related issues and statistics. Suggestions for improvements are then reported to the management for their review and endorsement. 	<ul style="list-style-type: none"> Improve the rate of recordable work-related injuries as compared to the previous year 			<ul style="list-style-type: none"> ● ● ●
					<ul style="list-style-type: none"> Improve the rate of recordable customer injuries as compared to the previous year 	<ul style="list-style-type: none"> Attain BizSAFE Level 3 certification by 2024/2025. 		<ul style="list-style-type: none"> ● ● ● NEW TARGET
					<ul style="list-style-type: none"> Improve the rate of recordable motor accidents as compared to the previous year 			<ul style="list-style-type: none"> ● ● ●
 Care for the Community	15. Contribution to the Community 	As a member of the communities where we operate, it is important for Sheng Siong to lend a hand to the less fortunate and champion causes that are essential for sustainable development. We keep the well-being of our communities in mind when organising our business activities by implementing measures that minimise pollution and promote safety and community spirit. Efforts to contribute to the community also have a positive impact on Sheng Siong as a business, enhancing our reputation and goodwill with our stakeholders.	<ul style="list-style-type: none"> Business Excellence Care for our Employees Care for the Community 	<ul style="list-style-type: none"> Our sustainability report is used to report on our philanthropic activities and contributions towards community initiatives. Our operations and service team regularly monitor feedback from consumers about possible disturbances, and address the feedback immediately. We may receive warnings or fines from regulators if these issues are not resolved. 	<ul style="list-style-type: none"> Support community initiatives and make charitable donations and sponsorships to the local community. 			<ul style="list-style-type: none"> ● ● ●
					<ul style="list-style-type: none"> Founders commit to support the annual Education Grant for children of our lower salaried employees. 			<ul style="list-style-type: none"> ● ● ●
					<ul style="list-style-type: none"> Reduce number of feedback and non-compliance incidents related to community disturbances year-on-year. 			<ul style="list-style-type: none"> ● ● ●

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 Care for the Environment	16. Energy, Greenhouse Gas (GHG) Emissions and Water Use	Resource conservation is not only important for the preservation of our natural environment, but is also essential to the viability of our business as it enables us to lower costs and create greater value for our stakeholders. We also have a role to play in the fight against climate change and contribute to Singapore's net zero ambitions.	• Care for the Environment	• We monitor and measure the usage of our resources. This data is then reported in our sustainability report. By improving the quality of our disclosures, we strive to strengthen our performance in resource conservation by formulating strategies in line with business and stakeholder priorities.	• Reduce energy intensity year-on-year			●●● • Our energy intensity is marginally higher in 2023 due to new stores opening.
					• Reduce water intensity year-on-year			●●●
					• Reduce GHG emission intensity year-on-year			●●● NEW TARGET • GHG Emission intensity has been climbing since 2021 primarily due to larger amount of refrigerant top-ups. • Active monitoring of refrigerant top-ups • Exploring use of low-GWP refrigerant equipments for new stores or for replacements.
						• Prepare for Scope 3 emissions reporting and develop decarbonisation roadmap by 2025/26		●●● NEW TARGET • Listed companies are mandated to report Scope 3 from FY2026 onwards (in 2027), and obtain external assurance for Scope 1 & 2 emissions from FY2027 (in 2028).

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 Care for the Environment	17. Waste and Packaging 	<p>Waste is a by-product of our business activities which can have negative impacts on our environment if not managed properly.</p> <p>As a responsible business, Sheng Siong is committed to reducing the amount of waste generated and supporting a circular economy through our 3R (reduce, reuse, recycle) initiatives and measures such as imposing carrier bag charges.</p> <p>Sheng Siong can cut down on procurement of disposable carrier bags, and the costs of production spent on packaging materials for house brand products. Effective food waste management can also present financial opportunities to reduce costs associated with inventory loss.</p>	<ul style="list-style-type: none"> Care for the Environment 	<ul style="list-style-type: none"> We monitor and measure our waste streams. This data is then reported in our sustainability report. By improving the quality of our disclosures, we strive to strengthen our performance in waste management by formulating strategies in line with business and stakeholder priorities. 	<ul style="list-style-type: none"> Increase annual recycling rate year-on-year. 			<ul style="list-style-type: none"> Our recycling rate is marginally lower in 2023 due to the discontinuation of a food waste recycling programme. We have since partnered a new off-taker to resume food waste diversion through composting.
					<ul style="list-style-type: none"> Reduce waste intensity year-on-year. 			<ul style="list-style-type: none"> Target achieved
					<ul style="list-style-type: none"> Organise at least one event each year to advocate for waste reduction among consumers. 			<ul style="list-style-type: none"> Target achieved
						<ul style="list-style-type: none"> Implement carrier bag charge by mid-2023 according to regulatory requirements, and reduce usage by 20% against 2021 baseline (measured according to NEA's Mandatory Packaging Reporting Framework) by 2024. 		<ul style="list-style-type: none"> Target achieved
						<ul style="list-style-type: none"> Reduce total packaging by 10% against 2021 baseline (measured according to NEA's Mandatory Packaging Reporting Framework) by 2024. 		<ul style="list-style-type: none"> On track to meet target
	<ul style="list-style-type: none"> Work with stakeholders to implement Beverage Container Return Scheme by 2025. 		<ul style="list-style-type: none"> On track to meet target 					



BUSINESS EXCELLENCE

DRIVING GROWTH WITH
INNOVATION AND
PARTNERSHIPS

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS



INNOVATION FOR GROWTH: EMBRACING TECHNOLOGY TO ENHANCE CUSTOMER EXPERIENCE AND OPERATIONAL EXCELLENCE

At Sheng Siong, we recognise that innovation and technology are fundamental drivers of our success. Despite ongoing manpower challenges, we remain committed to staying ahead of the curve. We achieve this by:

Implementing new processes and technologies: These solutions enhance productivity, enrich the customer experience, and ultimately lead to exceptional performance.

Building partnerships: Collaborations allow us to access expertise and accelerate the development and adoption of new technologies, further strengthening our business capabilities.

We believe that strengthening our business processes and technologies is fundamental to our goal of expanding our presence in Singapore and overseas markets.

We are pleased to share some of our recent initiatives in adopting new technologies and enhancing existing ones. While many of these efforts are still ongoing, we remain dedicated to continually improving and refining them.

CONTINUOUS IMPROVEMENT THROUGH DIGITAL TRANSFORMATION

We believe innovation does not always require radical change. Instead, we focus on:

Meticulous process improvement: We conduct regular reviews of administrative and operational workflows to identify areas for digitisation or improvement. This includes functions like HR, customer relationship management, accounting, procurement, checkout processes, logistics, and inventory management. In 2023, we allocated additional resources to review and improve our operational systems, which encompass warehouse and inventory management, logistics management, human resources, and procurement.

Ongoing employee development: To support our digital transformation, we created an online training platform offering easily accessible and engaging bite-sized training modules. We are committed to expanding these programmes to promote continuous learning and skill development.

Streamlined communication and workflows: We enhanced our supplier portal with new features that improve communication and simplify administrative procedures, allowing staff to focus on supervisory roles. Additionally, we have integrated key business functions into the Sheng Siong Enterprise App, enabling mobile access for employees.

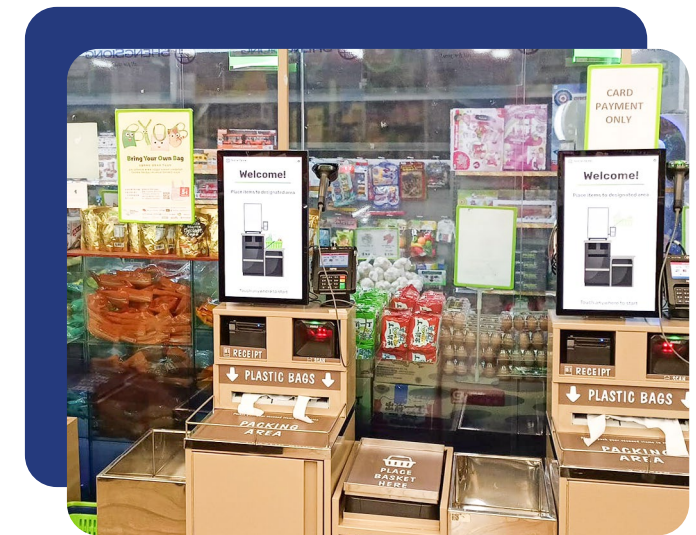
The future of work demands agility. By adopting digital solutions early, we will be well-positioned to adapt to a more mobile work environment and unlock significant productivity and efficiency gains. Continued investment in digital technologies is key to achieving operational excellence.

INVESTING IN STRATEGIC TECHNOLOGIES

Warehouse Management and Logistics: We significantly improved efficiency with the implementation of an Automated Storage and Retrieval System (ASRS) at our Distribution Centre. This system increases storage capacity, reduces reliance on manual labour, optimises floor space, minimises errors, and enhances inventory control. We have also revamped logistics planning for better route planning and real-time traffic monitoring.

Data Analytics: Data analytics is crucial for informed decision-making. We continuously enhance our capabilities to optimise processes in areas like manpower planning, crowd control, theft prevention, workplace safety, product promotions, category management, and inventory management. Data security remains a top priority.

Sheng Siong Online: Our online grocery platform, the ShengSiong SG APP, offers over 7,000 products including fresh produce. We are continuously investing in upgrades, optimising our operating systems for smoother deliveries and improved inventory management.



▲ Full self-checkout systems in-built with plastic bag dispensers were rolled out in our stores.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS



Productivity Enhancement/
Job Re-design

MS MAAS LEE NA BINTE ZOLKIFLI, 48
Cashier

When I first joined Sheng Siong in 2018, we were using the Hybrid Self-Checkout (HSCO) System. It was a bit different from what other retailers were using, but having previously worked as a retail cashier elsewhere, I grew to appreciate its benefits. The HSCO relieves pressure from our work by eliminating the need to handle cash and manage cash float. We help customers to scan and bag, while customers make payment at the kiosks.

Hence, when the full Self-Checkout System (SCO) was deployed at my store, it transformed payment efficiency and convenience to a new level. Customers can check out easily on their own. With this change, our role was redesigned to focus on helping customers when they have issues making payments. One cashier can now oversee five to six self-checkout kiosks.

Despite the changes in my role, being someone who loves to mingle with customers, I find that I have more time to serve and interact with customers.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

CONNECTING WITH CUSTOMERS: DIGITAL TOOLS AND IN-STORE ENHANCEMENTS

SS Connect APP: We launched the SS Connect APP to improve customer communication and engagement. It features in-store promotion alerts, an autofill function for lucky draws, e-receipts, purchase history records, and a store locator. Collaborations with corporate partners allow for e-voucher redemption, providing greater flexibility for corporate gifting. We envision SS Connect as a valuable shopping assistant and will continue to develop new features and functionalities.

Self-Checkout Systems: Since 2015, we have successfully implemented Hybrid Self-Checkout Systems (HSCO) in 67 stores. With HSCO, our staff scans and bags the items for our customers, who then proceed to make payment at a kiosk, thereby reducing customer wait times by over 30 seconds. This system also allows cashiers to take on expanded roles, developing their skill sets. Since 2022, we have been progressively expanding full self-checkout counters in suitable stores. This caters to our tech-savvy customers who prefer a faster, more self-service experience and helps avoid congestion at traditional staffed checkouts. Customers with a few items can quickly and easily complete their checkout independently, where one staff member efficiently oversees multiple stations, while customers with larger trolleys can still opt for staffed hybrid self-checkout counters. This approach not only empowers customer choice but also improves overall checkout efficiency compared to traditional cashier-operated counters.

Simple Teller Machines (\$TM): To enhance convenience for customers and the community, we offer Singapore's first cash withdrawal machines that recycle cashflow from our stores at 62 locations. Customers can withdraw cash from their bank accounts using their OCBC or UOB debit cards or top up their Singtel Dash Wallets. Residents also can withdraw cash using PayNow, with participating banks like POSB, DBS, OCBC, UOB, Citibank, Standard Chartered, Bank of China, Maybank, and more. These machines not only improve customer experience but also reduce cash handling costs and improve overall productivity. Additionally, they provide a crucial service in areas where Automated Teller Machines ("ATM") are not readily available.



Green Harvest's journey began with a vision to revolutionise local farming in Singapore. Understanding the pressing need for sustainable agriculture and the challenges of traditional farming methods, Green Harvest embarked on the ambitious project of establishing Southeast Asia's largest hydroponics glass greenhouse. The idea stemmed from Green Harvest's commitment to harnessing cutting-edge technology to produce high-quality, locally grown vegetables year-round, despite Singapore's limited land resources.

Hydroponics farming, like any agricultural endeavour, presents its own set of challenges. However, through continuous research, development, and collaboration with industry partners, Green Harvest have overcome many of these hurdles to deliver fresh, nutritious produce to valued customers such as Sheng Siong.

Image Credit (For pictures): Green Harvest



BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS



MR DAVE HUANG
Business Development Director, Green Harvest

Green Harvest's partnership with Sheng Siong marks a significant milestone in our journey to bring locally grown hydroponic vegetables to consumers across Singapore. Our vegetables first graced Sheng Siong's shelves in May 2023, a testament to our shared commitment to promoting sustainable and locally sourced produce. We chose to collaborate with Sheng Siong due to its reputation as a leading supermarket chain dedicated to offering fresh, high-quality products to its customers.

Sheng Siong's unwavering support has been instrumental in our growth trajectory. Their commitment to promoting local agriculture has provided us with a platform to showcase our produce to a wider audience. At Sheng Siong, customers can find a variety of our hydroponically grown vegetables, including lettuce, xiao bai cai, nai bai, and more. Together, we strive to nurture a sustainable food ecosystem that benefits both consumers and the environment.

Looking ahead, we remain steadfast in our commitment to innovation, sustainability, and community engagement, aspiring to not only lead in hydroponics farming in Singapore but also drive positive change in local agriculture.

Our next steps involve exploring emerging technologies and techniques to enhance resource utilisation and reduce environmental impact. We are also focused on knowledge-sharing and promoting industry best practices. Ultimately, our goal is to empower consumers to make informed choices about their food while promoting a greener, more sustainable future for Singapore and beyond.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

SECURING OUR DIGITAL FUTURE: PROTECTING INFRASTRUCTURE AND INTELLECTUAL PROPERTY

As we embrace digital transformation, the importance of safeguarding our digital infrastructure and intellectual property becomes paramount. We recognise the heightened risk of cyber threats and have implemented a comprehensive security strategy.

This strategy includes:

Proactive Monitoring and Prevention: We have established internal protocols to continuously monitor for and prevent data breaches. This ensures the security of our systems and protects sensitive information.

Business Continuity Planning: To minimise downtime and ensure operational resilience, we have developed a business continuity plan which outlines the steps to recover critical technology infrastructure in the event of system failures, allowing for a swift return to normal operations.

Data Security and Confidentiality: We are committed to data protection. In addition to standard data protection and confidentiality policies applicable to all employees, key personnel are required to sign a data protection and non-disclosure agreement (NDA). This agreement reinforces employee confidentiality obligations regarding company information and documents, and provides clear guidelines for preventing data breaches and upholding data privacy.

We remain vigilant in the face of evolving cyber threats. By continuously monitoring emerging trends and proactively adapting our security measures, we strive to ensure the ongoing protection of our digital assets.



PARTNERSHIPS FOR EXCELLENCE

Partnerships are the cornerstone of Sheng Siong's approach to business excellence. By fostering strong collaborations, Sheng Siong empowers not only itself but also its entire supply chain and future workforce. A prime example is our participation in the SkillsFuture Queen Bee project since 2020 as an anchor company to support the development of Small-Medium Enterprises (SMEs) within our value chain and business networks through upskilling and capabilities building. Partnerships also create valuable opportunities for knowledge exchange. Sheng Siong's sharing of its own digital transformation journey, inspires innovation within its network and facilitates identification of new areas for collaboration and improvement. This translates directly to Sheng Siong's own success through smoother operations and higher productivity.



Suppliers visited our Distribution Centre to gain insights into our digitalisation journey.

Looking beyond immediate benefits, we also recognise the importance of a sustainable future and a skilled workforce. More recently, we have announced our partnership with DBS targeting to engage up to 1000 of our suppliers, in helping them transition to more sustainable business operations over the next two years. Our partnership with Infocomm Media Development Authority (IMDA) to encourage its suppliers to go green and be more environmentally responsible via the adoption of e-invoicing method InvoiceNow demonstrates Sheng Siong's commitment to environmental responsibility throughout the supply chain.

Additionally, Sheng Siong signed a Memorandum of Understanding (MOU) with the Institute of Technical Education (ITE) in 2018 to formalise a partnership for student and staff development. This collaboration includes internships, staff attachments, and industry projects, fostering a pipeline of future talent. We further extended this commitment by partnering with ITE and other major supermarket chains to develop a Work-Study Diploma in E-Commerce & Retail (Supermarket Management). This programme allows students and existing employees to update their skills and build careers in the food retail industry. In 2023, Sheng Siong entered into another MOU with NTUC LearningHub to attract and nurture talent, designing an industry-recognised career development pathway with a lifelong learning ecosystem for workers. These initiatives demonstrate Sheng Siong's dedication to not only its own success but also the future success of the food retail industry as a whole.

Image Credit: IMDA



BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS



Internship Programme

MR ASHTON PHUA, 21
ITE College Central Graduate (Games Art and Design)

I was surprised at first, being a Games Art and Design student, I never would have expected that working for a retail company was one of the options for a design internship. Despite initial reservations about the distance and reporting schedule, I decided to give this a shot and was determined to make the most of it.

During my internship at Sheng Siong, I gained valuable insights into discipline, particularly in managing my schedule effectively. With a diverse range of tasks, I sharpened my time-management skills to navigate through the hectic routine efficiently. Engaging in various assignments also deepened my understanding of the software tools used during my internship.

Additionally, the constructive feedback from my supervisor guided me through the nuances of workplace etiquette, which further enriched my professional growth. These lessons shaped my growth as a budding designer, giving me the confidence to carry forward the skills learnt as I graduate to further study.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

BUILDING A MORE RESILIENT AND SUSTAINABLE SUPPLY CHAIN

NAVIGATING A COMPLEX SUPPLY ECOSYSTEM TO MEET CUSTOMER NEEDS

Singapore's reliance on imports to ensure its national food security highlights the intricate nature of our supply chain, involving a network of farmers, manufacturers, distributors, and international partners. Ensuring a diverse supplier network while offering customers a consistently stable and affordable product range is an ongoing challenge. This complexity extends to Environmental, Social, and Governance (ESG) criteria, making it difficult to screen and select suppliers based on these factors without potentially impacting product availability or cost.

Customer satisfaction is paramount to Sheng Siong. Above all, we understand that a secure and reliable food supply is essential for our communities. We achieve this resilience through a multi-pronged approach:

Building Strong Supplier Relationships: We invest in building long-term relationships with our suppliers, fostering trust and open communication.

Diversified Sourcing: We source food from multiple regions around the world to mitigate against potential disruptions caused by weather events, geopolitical instability, or other unforeseen circumstances.

Locally-Grown Produce: Whenever possible, we incorporate locally-grown produce into our product range. This not only supports local farmers but also reduces our wider carbon footprint by minimising transportation distances.

Direct Sourcing Strategy: We have implemented a direct sourcing strategy. This approach allows us to maintain greater control over quality and safety standards, while also offering our customers competitive prices.

BUILDING RESILIENCE THROUGH TRANSPARENCY AND COLLABORATION

Sheng Siong is committed to responsible sourcing practices. We actively collaborate with suppliers who demonstrate strong business ethics and a commitment to sustainability. This collaborative approach includes:

Regular Dialogues: We maintain open communication channels with key suppliers to foster trust and address any concerns.

On-Site Visits: Our procurement team conducts visits to supplier facilities, including farms, factories, and offices. This allows us to witness their operations first-hand and ensure adherence to our standards for quality, safety, and ethical labour practices.

Adherence to Regulations: We require all suppliers to comply with Singapore's regulations on food safety, product labelling, and intellectual property rights as part of our purchasing agreements. This ensures the integrity and quality of the products we offer to our customers.

We are constantly seeking ways to improve our supplier selection process. We draw inspiration from initiatives like Enterprise Singapore's Enterprise Sustainability Programme to support local companies, especially SMEs, to build capabilities and integrate sustainability into their businesses. In early 2024, we announced our partnership with DBS Bank to help suppliers adopt more sustainable practices throughout their operations, minimising their environmental footprint. We recognise our ability to influence our supply chain and are committed to doing so positively within reasonable means.

In 2022, we organised a Sustainable Procurement Workshop to equip our procurement team with the knowledge necessary to integrate ESG criteria into our sourcing strategies. While the workshop yielded valuable insights for aligning our policies with sustainability goals, a key challenge identified was the varying levels of preparedness among suppliers for ESG screening. Moving forward, we are committed to developing strategies to address this gap and build a more sustainable supply chain ecosystem.

SUPPORTING OUR SUPPLIERS

In 2023, we collaborated with over 1,200 local and international suppliers, where approximately 75% of them are locally registered companies and represent about 84% of our total purchase value¹. We actively support our suppliers through various initiatives:

Enhanced Communication: Our supplier portal streamlines communication and simplifies administrative procedures, allowing for a smoother and more efficient collaboration.

Bulk Handling: We have implemented bulk handling solutions for our local suppliers, which improves efficiency, reduces logistical costs, and carbon emissions.

Sheng Siong SkillsFuture Queen Bee Programme: Since 2020, we have partnered with SkillsFuture Singapore to offer the Sheng Siong SkillsFuture Queen Bee Programme. This programme aims to support SME suppliers build up capabilities to accelerate digitalisation. SkillsFuture Singapore has extended the partnership with Sheng Siong for another three years from 2023 to 2025. Through this partnership, we will continue to engage the companies to understand their business needs, and identify skills gaps and training programmes to address these needs. Over 70 SMEs have participated in the programme to date.

SME Workshops and Events: We regularly host workshops and events designed to guide SMEs on digitalisation strategies, sustainable business practices, and growth opportunities. In 2023, we have hosted more than 100 SMEs at our various sessions which cover a diverse range of events such as learning journeys, Towkay Workshops and distribution centre tours. These initiatives were designed to guide the SMEs on their digitalisation journey, providing valuable insights and fostering an environment conducive to growth and technological advancement.

Green Practices Partnership: We collaborate with the Infocomm Media Development Authority (IMDA) to encourage our suppliers to adopt environmentally friendly practices. This includes promoting the adoption of e-invoicing through InvoiceNow, which not only facilitates faster payments but also eliminates paper waste. We also collaborate with DBS Bank to target engaging 1,000 suppliers over two years to transition to more sustainable practices.

As we progress on our sustainability journey, we aim to share our experiences and inspire our partners and suppliers.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

SUPPORTING LOCAL FARMS: BALANCING AFFORDABILITY AND SUSTAINABILITY

The Singapore government has set a goal to produce 30% of the country's nutritional needs domestically by 2030 in order to strengthen national food security as a response to the effects of climate change. According to the Singapore Food Agency (SFA), about 3.9%² of vegetables consumed in Singapore were grown locally in 2022. These include leafy greens such as bok choy, choy sum, lettuce, kale and bayam (spinach) and other produce like mushrooms, including premium varieties such as pink oyster and black fungus. The local fish farms produced about 7.6% of the fish consumed, focusing on freshwater fish such as tilapia, catfish, and carp, as well as marine fish such as barramundi and sea bass. On the other hand, local egg farms produced around 28.9% of the eggs consumed locally.

As part of our commitment to enhancing food security, we have continued to support local farmers by carrying and promoting their products in our stores through several initiatives:

Elevating Local Produce: We participate in the Singapore Food Agency's "Support Local Produce" campaign since 2020. By displaying campaign materials in our stores, promoting it on social media, and featuring a dedicated category on our e-commerce platform, Sheng Siong Online, we make it easier for customers to discover and support locally-grown products.

Building Partnerships: We forge strong relationships with local farms like ComCorp, Green Harvest, and Blu Current, enabling us to expand our range of locally-sourced fresh produce to 78 SKUs in 2023. These partnerships not only benefit consumers by offering a wider selection but also contribute to the sustainability and resilience of Singapore's food system.

Regular Dialogues: In 2023, we participated in the Alliance for Action³ (AfA) on Local Produce Demand Offtake & Consumer Education, actively engaging in dialogues with various stakeholders to explore ways to increase the demand for local produce.

While we are committed to promoting local produce, we recognise that higher prices can sometimes deter customers. We believe that by increasing awareness and encouraging venture capital investment in local farms, these products can become more affordable and accessible over time. This will ensure a thriving local agricultural sector that contributes significantly to Singapore's "30 by 30" goal.

¹ As we refine our data collection, we have updated our methodology to categorise our suppliers by the actual country of business registration instead of trading currencies.

² Source: https://www.sfa.gov.sg/docs/default-source/publication/sg-food-statistics/sfa_sgfs_2022_infographic.pdf

³ Alliance for Actions (AfA) are industry-led coalitions, working in partnership with the Government, to prototype ideas in areas of opportunity for Singapore or address a common challenge.



BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

SUSTAINABLE SOURCING FOR A RESPONSIBLE FUTURE

We recognise that securing a sustainable future demands our proactive engagement in advocating for sustainable practices across the production and distribution of goods and services. Given pressing concerns like climate change, resource preservation, biodiversity conservation, and ethical labour practices, we are dedicated to fostering sustainability and resilience across our value chain. To achieve this goal, we will:

Diversify Our Sourcing Network: Source across multiple regions to mitigate risks associated with overdependence on any single source, ensuring a stable and consistent supply of goods for our customers.

Developing Sustainable Purchasing Policies: Enhance our purchasing policies that integrate ESG considerations. This ensures that sustainability principles are embedded throughout our sourcing decisions.

Strive for Affordability and Sustainability: Balance affordability with sustainability goals. Carefully curate our range of products to meet customer needs while promoting responsible sourcing practices. We believe that offering a range of sustainable options at competitive prices is key to achieving long-term success.

Promoting awareness of sustainability among consumers plays a pivotal role in influencing behavioural shifts. As we endeavour to introduce and carry a broader array of sustainable products, including plant-based, RSP0-certified, and reduced packaging-certified items, it is crucial to note that consumer demand primarily fuels the uptake of these products. Operating within store formats typically ranging between 5,000 to 10,000 square feet, our primary focus remains on offering essential products and convenience to our shoppers. Sheng Siong has consistently leveraged our strengths in the supply of fresh fruits and vegetables and offers a wide selection of vegetarian products. Therefore, it is essential to curate a well-balanced product mix to ensure our business thrives, especially within the constraints of limited retail space. Consequently, we will persist in monitoring and expanding our product range to foster consumer interest in sustainable offerings while fulfilling our customers' fundamental requirements.

To demonstrate our commitment to sustainable sourcing, 95% of our house brand paper products are either certified under the Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC). We also carry cage-free eggs and a selection of sustainable seafood as shown in the table below.

OUR SELECTION OF SUSTAINABLE SEAFOOD

Seafood Type	Certification
Fresh Norwegian Salmon	GLOBAL G.A. P, Global Sustainable Seafood Initiative (GSSI)
Frozen Norwegian Mackerel	Marine Stewardship Council (MSC)
Live Abalone	Aquaculture Stewardship Council (ASC)
Live Oysters	Origin Green Sustainability Programme
Frozen Shrimp Paste	Best Aquaculture Practices (BAP)
Frozen Golden Pompano	Best Aquaculture Practices (BAP)
Frozen Toothfish (Dissotichus Elegionides)	Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR)

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS



COMMUNICATION AND TRAINING ON ANTI-CORRUPTION AND ANTI-COMPETITION

At Sheng Siong, we uphold a strict zero-tolerance stance against any form of corruption or collusion. We thoroughly assess all our operations to identify and mitigate potential corruption-related risks such as any instances of fraud, bribery, or collusion by employees, third parties, or during processes such as procurement, receiving, storage, distribution, and payment. Such risks entail severe consequences for our Group. Additionally, we extend our corruption-related risk assessment to our human resource management processes.

Our Group's policies regarding conflicts of interest and anti-corruption are accessible to all employees via the company's intranet. We have also provided employees with guidelines to clarify their responsibilities and to identify, address, and prevent potential instances of corruption. Furthermore, we require key personnel in sensitive positions to declare any conflicts of interest annually. Once a conflict of interest is declared, the personnel concerned must sign an agreement with the company acknowledging that their job responsibilities may be reassigned, and they should refrain from making or influencing any significant business decisions.

We have ensured that all our Board of Directors and current employees are informed about the anti-corruption policy. As at 31st December 2023, 3,145 employees, excluding executive directors, representing 92% of our workforce, have completed the in-house training on anti-corruption. Training is being progressively administered, and all new hires will be mandated to undergo training in this domain.

Informed of anti-corruption policies and procedures	Total No.	Percentage
Board of Directors	9	100%
Employees (excluding Executive Directors)	3420	100%

Received training on anti-corruption policies and procedures	Total No.	Percentage
Board of Directors	4	44%*
Employees (excluding Executive Directors)	3145	92%
<i>Non-managerial</i>	3031	92%
<i>Managerial</i>	114	99%

* Although the 5 Independent Directors did not receive training, the Group's anti-corruption policy has been presented to them for review and acknowledgement.

Recognising the importance of ethical and fair business dealings with our suppliers, we strive to enhance transparency in our interactions. Our anti-corruption policies have been communicated to all our suppliers through our purchase agreements. To address any fraudulent or unfair practices, our whistle-blowing channel is made available to all suppliers, providing them with direct access to our senior management. Our senior management also meets key suppliers annually for business discussions.

In 2023, we had zero incidents of corruption and zero cases of actions from the Competition Commission of Singapore for anti-competitive behaviour.



BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

STRIVING FOR IMPROVEMENT

At Sheng Siong, we embrace a culture of continuous learning from both our mistakes and successes. When mistakes occur, we prioritise understanding the root cause, and ensure that they were not made with malicious intent. Through thorough investigations and process reviews, we transform errors into learning opportunities. We then share these learnings openly and implement corrective measures to prevent similar issues in the future.

	2019	2020	2021	2022	2023	Corrective Actions & Management Approach
No. of Cases of Legal Actions for Corruption						
Corruption	0	0	0	0	0	-
No. of Cases of Legal Actions for Anti-Competitive Behaviour						
Anti-Competitive Behaviour	0	0	0	0	0	-
No. of Incidents of Non-Compliance with Environmental Law and Regulations						
Mosquito Breeding	0	0	0	*4 ⁴ 2 warnings ⁴	*6	<ul style="list-style-type: none"> Immediately cleaned-up mosquito breeding area. Increased frequency of regular inspections, especially during rainy seasons. Improved training and awareness on mosquito breeding problems.
Pest Infestation	0	*1	*1	0	0	<ul style="list-style-type: none"> Immediately cleaned-up affected area. Increased frequency of regular inspections.
Waste Disposal	0	0	*2	0	1 warning	<ul style="list-style-type: none"> Improved training and awareness on waste disposal procedure.

⁴ The disclosure in 2022 should have been 4 non-significant monetary fines and 2 warnings instead of none due to surfacing of new data.

	2019	2020	2021	2022	2023	Corrective Actions & Management Approach
No. of Incidents of Non-Compliance with Laws and Regulations in the Social and Economic Area						
Fire Safety	*5	1 – The Group was fined a total of S\$5,100.00 for non-compliance of the Fire Safety Act (Cap. 109A) at Blk 539 Bedok North branch. A fire broke out on 25 January 2020.	*5	*3 1 warning ⁵	0	<ul style="list-style-type: none"> The offence has been corrected to comply with the fire safety regulations Improved the training of our employees in fire safety.
Obstruction and misuse of common spaces	*5	*10	*8	*11	*2	<ul style="list-style-type: none"> Spaces were reverted to their original purpose of use.
Employment related	*1	*2 1 - The Group was fined S\$2,000.00 for failing to ensure that the residential address of a foreign employee was updated in the Ministry of Manpower's register.	*1 1 - The Group was fined S\$4,000.00 for failing to ensure that the residential addresses of foreign employees were updated in the Ministry of Manpower's register.	*3 2 - The Group was fined S\$6,000.00 for failing to ensure that the residential addresses of foreign employees were updated in the Ministry of Manpower's register. 3 warnings	*1	<ul style="list-style-type: none"> In 2023, the offence committed was related to the company failing to ensure that the residential address of a foreign employee being updated in the MOM's register and has been corrected immediately with the employee updating his correct residential address. Further steps have been taken to check on the accommodation of our foreign employees.

⁵ The disclosure in 2022 should have been 1 warning instead of none due to surfacing of new data.

BUSINESS EXCELLENCE
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	2019	2020	2021	2022	2023	Corrective Actions & Management Approach
Workplace Health & Safety	*1 3 warnings	*1	0	1 - The Group was fined S\$3,000.00 for non-compliance concerning workplace safety.	0	<ul style="list-style-type: none"> Improved the training of our employees in workplace health & safety.
No. of Incidents of Discrimination	0	0	0	0	0	-
Others	2 <ul style="list-style-type: none"> The Group was fined S\$2,500.00 for operating without Temporary Occupation Permit at Blk 539 Bedok North branch. The Group was fined S\$2,000.00 for failure to renew the permit to operate a lift located within Blk 539 Bedok North branch, although the lift has been regularly serviced. 	0	0	*1 - The Group was fined for unauthorised use/change of use of place.	1 warning - The Group was warned for defacing a common property.	<ul style="list-style-type: none"> The offences have been corrected.

	2019	2020	2021	2022	2023	Corrective Actions & Management Approach
No. of Incidents of Non-Compliance with Laws and Regulations concerning Products & Services						
Health and Safety Impacts of Products and Services	*2 4 warnings	*5 2 warnings 1 internal finding	*2 3 warnings	*1 2 warnings	*1	<ul style="list-style-type: none"> Enhanced Internal Quality Assurance Programme
Product and Service Information and Labelling	2 warnings	*2 2 warnings	2 warnings	*1 1 warning	*1 3 warnings	<ul style="list-style-type: none"> Improved product label checks. Reviewed and improved product weighing procedures.
Marketing Communications	0	0	0	0	0	-
Substantiated Complaints concerning Breaches of Customer Privacy and Losses of Customer Data	0	0	0	1 - A complaint was received concerning a breach of customer's privacy resulting from the disclosure of a CCTV video of an incident causing customer's injury at Blk 105 Canberra branch.	0	<ul style="list-style-type: none"> Took steps to increase awareness of our privacy policy among our employees and implemented stronger procedures to safeguard data privacy protection.

* No significant monetary fine was imposed. Significant monetary fines are defined as being greater than \$1,000 per incident.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

EXTERNAL INITIATIVES

At Sheng Siong, we place utmost importance on upholding the highest standards for food and product quality and management systems. These standards are in line with our core values and meet the expectations of our customers and other stakeholders. We strive to improve ourselves continuously as a retailer, employer, and organisation. We endorse or subscribe to the following external initiatives:

- Singapore Code of Corporate Governance (2018)
- ISO 22000:2018 Food Safety Management System
- Singapore Standard for Cold Chain Management of Chilled and Frozen Foods:
 - Part 1: General Requirements SS 668 : Part 1 : 2020
 - Part 2: Code of practice for meat SS 668 : Part 2 : 2020
 - Part 3: Code of practice for vegetables and fruits SS 668 : Part 3 : 2020
 - Part 4: Code of practice for fish SS 668 : Part 4 : 2020
- Singapore Standard Code of practice for food storage in warehouses – Ambient / air-conditioned SS 629: 2017
- Singapore Standard Code of practice for food waste management for food retail, wholesale and distribution establishments SS 640 : 2018
- Tripartite Guidelines on Fair Employment Practices (TGFEF)
- Tripartite Standards for Grievance Handling
- Tripartite Standards for Recruitment Practices
- Tripartite Standards for Age-friendly Workplace Practices
- Forest Stewardship Council (FSC)

COMMUNITY DEVELOPMENT COUNCIL (CDC) VOUCHERS SCHEME

To alleviate the impact of the additional Goods & Service Tax (GST) on Singaporean households, the government is providing support by issuing CDC vouchers that can be used at participating supermarkets, such as Sheng Siong. Our Point-of-Sales (POS) system has been integrated to accept these vouchers, ensuring a seamless shopping experience for customers.

PACKAGING PARTNERSHIP PROGRAMME (PPP)

Sheng Siong joined the Singapore Packaging Agreement (SPA) in 2018, which is a collaborative effort by the government, industry, and NGOs to minimise packaging waste in Singapore. Our exceptional contribution towards reducing packaging waste was acknowledged with the Excellence Award (MNC and LLE) by SPA in 2019. When the SPA ended, we continued our commitment by joining the Packaging Partnership Programme (PPP) launched by the National Environment Agency (NEA) and the Singapore Manufacturing Federation (SMF) in October 2020.

CLIMATE ACTION SG: CLIMATE FRIENDLY HOUSEHOLDS PROGRAMME

The 2018 "Switch and Save – Use LED" (SSUL) campaign for 1 & 2-room HDB flats paved the way for the broader "Climate Friendly Households Programme" (CFHP) launched in 2020. This programme provided e-vouchers to residents in 1, 2, and 3-room flats for energy and water-efficient appliances. Now, enhanced in 2024, all eligible HDB households can benefit from the programme, receiving \$300 vouchers to purchase a wider range of energy and water-efficient products from participating retailers like Sheng Siong until the end of 2027.



SINGAPORE HEALTHIER CHOICE SYMBOL PROGRAMME

Since 2017, Sheng Siong has significantly expanded its healthier product offerings. The number of our house brand products carrying the Healthier Choice Symbol (HCS) has grown to 126 items encompassing essentials like brown rice, cooking oil, red cargo rice vermicelli, baked beans, sardines in tomato sauce, wholemeal bread products, instant oatmeal, baked nuts, peanut butter, tuna chunks in olive oil and frozen vegetables. Healthier options such as green tea, chocolate, and coconut water are some of the latest additions to our product line-up. In 2023, we offer close to 3,000 products carrying the HCS. We also actively support the Health Promotions Board's (HPB) Eat, Drink, Shop Healthy Programme, to encourage consumers to purchase products that are healthier. Sheng Siong is also an advocate for lower sodium consumption.

DIGITAL FOR LIFE (IMDA)

Equipping our employees with digital skills is a strategic priority in our tech-driven environment. In 2019, we pledged our commitment to support our employees in acquiring digital skills and encourage our stakeholders to use our digital services by participating in the Digital Participation Pledge initiated by the Infocomm Media Development Authority (IMDA). We continue to actively support the Digital for Life programme, which aims to foster a culture of lifelong digital learning among Singaporeans.

SUSTAINABLE EMPLOYMENT PLEDGE

In 2019, we joined the Singapore Business Federation in pledging our commitment towards sustainable employment by treating our employees with fairness, dignity and respect, and by supporting them to unlock their potential.



The Made for Families initiative was launched by the National Population and Talent Division in the Strategy Group, Prime Minister's Office, to assure families in Singapore of support from the government and community at large. We have adopted the brand mark and pledged to uphold its principles. As an employer, we are committed to implementing pro-family measures to support our employees in balancing their work and family obligations. As a business, we pledge to provide family-friendly products and services, including promotions and programmes.

BUSINESS EXCELLENCE DRIVING GROWTH WITH INNOVATION AND PARTNERSHIPS

NS MARK ACCREDITATION

We have pledged and signed the declaration of support for National Service and Total Defence 2022-2027. The NS Mark is a national-level accreditation scheme that recognises businesses and organisations with policies and human resource practices that support National Service and Total Defence.



PROGRESSIVE WAGE MARK

We have been accredited the "Progressive Wage Mark" for supporting and paying progressive wages to lower-wage workers.



MEMBERSHIP OF ASSOCIATIONS

- Food Drinks & Allied Workers Union (FDAWU): We are a member of the FDAWU which represents employees in accommodation, food manufacturing, food retail and food services. We serve as a council member of the Executive Council and also on one of the committees to oversee programmes and coordinate activities for union members.
- Singapore Chinese Chamber of Commerce and Industry (SCCCI): Besides being a corporate member of the SCCCI, our CEO Mr Lim Hock Chee has also been serving as a Council Member since 2010. In 2022, he was elected as the vice-president of the 61st Council for a 3-year term.
- Singapore Business Federation (SBF): We are a member of the SBF which is the local business chamber championing the interests of the Singapore business community in the areas of trade, investment and industrial relations.
- China-ASEAN Multimodal Transport Alliance (CAMTA): We are a member of the CAMTA which is an international industry organisation aimed at facilitating and promoting communication and collaboration in various fields with China, ASEAN, Central Asia, and other countries in the Asia-Pacific region along on the New International Land-Sea Trade Corridor.
- Enterprise Singapore Society: We are a member of the Enterprise Singapore Society which aims to foster interactions and encourage dialogues to create opportunities for business, learning and societal impact among alumni, Enterprise Singapore and Industry Leaders.

**CARE FOR
OUR CUSTOMERS**
DRIVING GROWTH WITH
INNOVATION AND
PARTNERSHIPS



CARE FOR OUR CUSTOMERS A RESPONSIBLE RETAILER



In customer satisfaction among supermarket retailers in Singapore (2023)

CHAMPIONING CUSTOMER SATISFACTION

ENSURING CONSUMER WELL-BEING

Sheng Siong prioritises the health and safety of our customers, acting as the final safeguard within the supply chain. We pledge to provide our customers with high-quality products and services, and affordable prices. We are dedicated to providing accurate and adequate product and marketing information to empower informed purchasing decisions. Our commitment to our customers also includes protecting the privacy of their personal information.

BEING A RELIABLE PARTNER IN TIMES OF NEED

The COVID-19 pandemic highlighted the importance of supply chain resilience. During this period, Sheng Siong effectively navigated disruptions, working closely with various stakeholders and suppliers to secure alternative solutions and maintain a steady flow of essential goods. In a world fraught with geopolitical tensions and grappling with the impacts of climate change, the threat of supply chain disruptions remains a pressing concern. This includes challenges such as export restrictions on commodities like palm oil, fresh chicken, eggs, and, more recently, rice, onions, and pork. Building a strong and diverse network of suppliers, and taking a proactive approach will ensure our customers continued access to the products they need most.

DELIVERING EXCEPTIONAL CUSTOMER SERVICE

Our customers are at the heart of our business. Customer satisfaction remains paramount to our success. We prioritise understanding and addressing evolving customer needs through in-store and online engagement channels. Our commitment to exceptional service is reflected in our consecutive awards for "Singapore's Best Customer Service Company (Supermarkets)" by The Straits Times in 2022 and 2023¹. This recognition underscores the dedication of our workforce. Their diligent efforts enabled us to keep 26 of our stores operational during the two-day Chinese New Year holiday, and 52 out of 69 stores running on a 24-hour operating cycle (as at the end 2023). Notably, in 2023, 468 employees were acknowledged for their exceptional customer service contributions.



¹ The Customer Satisfaction Index of Singapore (CSISG) which was used to monitor our progress in customer satisfaction has been discontinued.

CARE FOR OUR CUSTOMERS A RESPONSIBLE RETAILER

MEETING DIVERSE CUSTOMER NEEDS

Sheng Siong recognises the importance of catering to diverse customer preferences. We offer a robust selection of products across our physical stores and online platform, ShengSiong Online. ShengSiong Online provides a convenient alternative for grocery shopping, featuring streamlined inventory management and optimised last-mile delivery services. We continuously analyse customer data and feedback to enhance product offerings across both platforms, ensuring we meet the evolving needs of all our customers.

FOSTERING CUSTOMER RELATIONSHIPS

Effective communication is crucial for understanding our customers' needs. We utilise a variety of channels, including in-store interactions and a growing social media presence (over 150,000 followers on Facebook). Apart from social media, customers can also reach out to us via email, phone calls and the online feedback form on our website. These platforms facilitate open communication, allowing us to connect with customers, understand their preferences, and offer exceptional after-sales care. To further gauge customer sentiment, we actively monitor our complaint-to-compliment ratio. The overall ratio has increased from 2.66 in 2022 to 3.40 in 2023, due to increased feedback for our e-commerce segment. If we exclude the e-commerce segment, the ratio has increased from 1.09 to 1.32, as fewer compliments were received. Nonetheless, we remain dedicated to addressing all concerns. This commitment ensures we uphold our "All for You" philosophy and maintain the trust of our valued customers.

BUILDING ON A LEGACY OF TRUST

Sheng Siong strives to be a trusted partner for all our customers. We uphold our core values of integrity and sincerity in everything we do. This commitment translates to delivering a consistently high-quality product range at competitive prices, all supported by exceptional service.



▲ Sheng Siong hosted a visit for Minister of State Low Yen Ling and CASE President Melvin Yong, when we listed our house brand grocery products on Price Kaki app.



MR MELVIN YONG
CASE President

Transparency is a core tenet for sustainability, and the Consumers Association of Singapore (CASE) is happy to have partnered with Sheng Siong to promote price transparency and help consumers make more informed purchasing decisions.



Sheng Siong was one of the first major supermarket chains to voluntarily list its products on CASE's Price Kaki mobile application in 2019. Today, Sheng Siong contributes the data of some 3,000 products on Price Kaki, which is used by over 150,000 users to compare prices of daily essentials and groceries.

Sheng Siong has constantly demonstrated its commitment to consumer-friendly practices and initiatives. CASE is heartened by Sheng Siong's efforts over the years to help consumers cushion the impact of rising prices by absorbing the increase of GST from January to March 2024, and by extending its senior citizens' discounts programme till the end of 2024.

CASE applauds Sheng Siong on its sustainability efforts and looks forward to working closely with Sheng Siong to improve price transparency and to expand the availability of unit pricing.

CARE FOR OUR CUSTOMERS
A RESPONSIBLE RETAILER

COUNTER-INFLATION DISCOUNT ON ALL ITEMS*

1 Jan to 31 Mar 2023
1% off on everything* to help relieve the pressure from the GST hike.
A little gesture...all for you!

SHENGSIONG
... all for you!

* Except for alcohol, tobacco, vouchers, lottery and infant milk powder (Stage 1 and Stage 2) products. No wholesale traders or vendors allowed. Promotion only available in stores.

Do Our Best to Ease Your Burden of Inflation

From Jan to December 2023, Singaporeans and PRs aged 60 and above can enjoy the discount on every Tuesday & Wednesday.

Simply make a purchase at any Sheng Siong Supermarket every Tuesday and Wednesday. Present your Pioneer Generation Card, Merdeka Generation Card or NRIC to the cashier upon payment and be entitled to a 4% special discount within a spending limit of \$200 per receipt for eligible customers.

SHENGSIONG
... all for you!

Note: (1) Excluding Infant Formulae, milk powder, Tobacco & Alcohol, Private Clubs and Sheng Siong Shopping Vouchers. (2) The discount is available to Singapore Citizens and Permanent Residents only. (3) We reserve the rights to alter any terms and conditions without prior notice.

ENSURING AFFORDABILITY AND ENHANCING CUSTOMER EXPERIENCE IN 2023

NAVIGATING INFLATIONARY PRESSURES

In response to rising inflation, Sheng Siong remains committed to providing affordable daily necessities for our customers. We actively collaborate with government agencies like the Committee Against Profiteering (CAP) to monitor and prevent excessive price hikes in essential goods. Mr. Lim Hock Chee, our CEO, is a member of the CAP, demonstrating our leadership in advocating for fair pricing practices.

SUPPORTING CUSTOMERS THROUGH PRICE INITIATIVES

We implemented various initiatives to help customers manage rising costs:

Increased Senior Citizen Discount: Raised the Senior Citizen discount from 3% to 4% on Tuesdays and Wednesdays, since 5th July 2022.

Regular Promotions and Discounts: Offered regular promotions and discounts on products, along with cash rebates through partnerships with banks.

Counter-Inflation Discount: Provided a 1% discount on all in-store purchases (excluding selected items) for the first quarter of 2023 and 2024, in conjunction with the increment of the Goods and Services Tax (GST) from 7% to 8% in 2023 and 8% to 9% in 2024.

Price Transparency Collaboration: Pledged to list all Sheng Siong's house brand grocery products on the Price Kaki APP, developed by the Consumers Association of Singapore (CASE) with the support of the Ministry of Trade and Industry (MTI), promoting informed purchasing decisions.

Offering Value Through House Brand Products: Our extensive range of over 1,650 house brand products across 24 labels provides high-quality, healthy alternatives at competitive prices. Compared to national brands, our house brand products offer savings of 5%-20%.

Supporting Government Initiatives: We actively participate in government initiatives to alleviate the impact of GST hikes. Our Point-of-Sales system is integrated to accept Community Development Council (CDC) vouchers distributed by the government, facilitating a seamless shopping experience.

Diversifying Sourcing Strategies: We diversify our food sources and conduct regular market research to optimise our pricing across a basket of essential goods.

GROWING MARKET SHARE THROUGH CUSTOMER FOCUS

Despite increased competition, our market share in the supermarket/hypermarket segment continues to grow. This success reflects our commitment to customer satisfaction. In 2023, we implemented several initiatives to enhance customer experience, including:

- Extended the 4% Special Discount for Senior Citizens (SC) on every Tuesday and Wednesday in 2023. The SC discount was raised from 3% to 4% in July 2022.
- Offered 1% Counter-Inflation discount on all in-store purchases, except for alcohol, tobacco, vouchers, lottery, and infant milk powder (Stage 1 and 2) products, from January to March 2023.
- Rolled out Self-Checkout kiosks in one-third of our stores.
- Roll-out of Hybrid Self-Checkout systems that shorten customers' queue time, to all new stores
- Roll-out of Cash Withdrawal Machines known as "\$TM" to provide our customers with convenient and value-added services to all new stores
- Continued to reward customers for their loyalty through the Sheng Siong Mega Promotion Campaign (The Sheng Siong Show)
- Continued to reward customers for their loyalty through the Sheng Siong Hari Raya Grand Lucky Draw Campaign
- Committed to offer family-friendly products and services by adopting the Made for Families brand mark. This includes offering promotions and programmes such as Baby Fairs.



- Improved procedures and increased awareness among employees to ensure the safety of customers in our stores
- Conducted two promotion events to raise awareness on healthy eating

CARE FOR OUR CUSTOMERS
A RESPONSIBLE RETAILER

CHAMPIONING HEALTH, SAFETY, AND WELLNESS

Sheng Siong is committed to promoting healthy lifestyles for our customers. We actively work to improve the nutritional profile of our house brand products and support national health initiatives, such as HPB's Healthier Choice Symbol (HCS) programme to help consumers make informed and healthier choices in their grocery shopping.

EXPANDING HEALTHIER CHOICE OPTIONS

As consumer demand for healthier products grows, we offer nearly 3,000 products with the Healthier Choice Symbol (HCS) as of 2023, up from 2,800 in 2022. Our range of HCS products now includes a variety of food categories, such as canned seafood and vegetables, frozen mixed vegetables, rice, plant-based protein like tofu, cooking oil, ready-to-eat snacks, nuts, instant beverages, canned tuna, and condiments.



Happy Family Roasted Chestnut, 2021



Happy Family Organic Roasted Chestnut, 2023

ENHANCED EXISTING PRODUCTS

We continuously assess and improve existing formulas. For example, the Happy Family Roasted Chestnut was introduced in 2021. The sourcing of chestnuts transitioned to organic in 2023, ensuring they are grown without harmful chemicals and pesticides, retaining their natural sweetness and integrity. Each procedure from harvesting to roasting meets the highest standards of organic certification. The Happy Family Organic Roasted Chestnut not only obtained the HCS, but also holds certification by the Japan Agricultural Standard for organic products.



CARE FOR OUR CUSTOMERS A RESPONSIBLE RETAILER

INTRODUCED NEW OPTIONS

100% of our new house brand items are assessed for potential health and safety enhancements, beginning at the product development stage. In 2023, we introduced the Heritage Farm Organic Coconut Water, made from 100% natural green coconuts. It carries the USDA ORGANIC certification and is free of preservatives, colouring and concentrates. We also launched the Heritage Farm Organic Green Tea cultivated using eco-friendly agricultural methods in Korea. Each leaf is nurtured to maturity at its natural pace, ideal temperature, and soil conditions, without using pesticides. The product is certified organic by MAFRA KOREA (Ministry of Agriculture, Food and Rural Affairs). We are committed to providing our consumers with natural, authentic and healthy products.



Heritage Farm Organic Coconut Water



Heritage Farm Organic Green Tea

COLLABORATIONS FOR A HEALTHIER SINGAPORE

Eat, Drink, Shop Healthy Challenge: Since 2017, we partnered with HPB to encourage healthier shopping through HCS products and reward programmes. By purchasing HCS products, customers scan the QR code on their receipts to receive Healthpoints, which they can then exchange for grocery shopping vouchers. We are committed to partnering with our suppliers to broaden the variety and assortment of healthier choice items available.

War on Salt: Over the years, Singaporeans' salt intake has risen, surpassing the World Health Organisation's daily recommended salt intake. The HPB launched a public education campaign in October 2022, urging consumers to reduce their sodium consumption by about 15% over the next five years. We support HPB's campaign by taking the lead to offer affordable salt substitutes and raising awareness through our social media platforms.



Customers taking a go at the Wheel of Sure Wins at the HPB's roadshow.



Nutri-Grade Labelling: The Ministry of Health (MOH) and HPB have launched the Nutri-Grade labelling scheme for pre-packaged drinks since 2022. The labelling is mandatory for pre-packaged beverages rated "C" and "D," with those graded as "D" subject to advertising restrictions due to their higher sugar and saturated fat content. With the updated labelling regulations, opportunities arise for us to assess, formulate, and reformulate our pre-packed beverages to reduce sugar content. One example is reformulating our Heritage Farm 3-in-1 White Coffee (Original/Hazelnut) to improve the Nutri-Grade rating from "D" to "C".

ENSURING FOOD SAFETY AND FRESHNESS

Cold Chain Management: Effective cold chain management is vital for preserving the safety, freshness, shelf life, and overall quality—encompassing nutritional value and sensory attributes—of fresh produce while minimising food waste caused by spoilage throughout the supply chain. Since 2011, our company has employed cold chain management strategies, encompassing critical stages in the supply chain like transportation, distribution, and storage at our distribution centre and retail outlets.

Food Safety Management Systems: We have obtained and maintained our ISO 22000 certification for Food Safety Management Systems since 2016, which includes the processing facility where we handle seafood, meat, vegetables, repackaged dried food, frozen food, and fruits. To ensure hygiene and cleanliness, we have implemented an internal grading system in our stores. We also established a self-test assessment as part of our Quality Assurance Programme to check and review products susceptible to food safety issues. We routinely send samples of our products and fresh produce to an external laboratory for testing of their microbial, chemical, and pesticide residue levels.

Improved Packaging: We take necessary steps to improve the packaging of our products to ensure safety and maintain quality and freshness. For example, we are first among supermarkets to use vacuum skin packaging for meat and seafood products which protects food better and keeps them fresh longer. We have also enhanced our packaging approach by transitioning from conventional sealed packaging to vacuum packaging for our house brand rice products. This change not only extends the shelf life of the rice but also ensures its quality by protecting it from external factors. Furthermore, vacuum packaging helps prevent weevil infestation, ensuring that our customers consistently enjoy fresh rice.



Vacuum-packed Rice

By prioritising health across product development, partnerships, and safety practices, Sheng Siong empowers customers to make informed choices and lead healthier lives.

CERTIFICATIONS

- ISO 22000:2018 Food Safety Management System certified since 2021

NON-COMPLIANCE

In 2023, we had one incident relating to food safety that was raised by the authorities. Whenever such incidents arise, our suppliers are immediately informed, and the products are recalled and disposed of. We have received one non-significant monetary fine from relevant authorities*.

We also received three warnings and one non-significant* monetary fine for non-compliance concerning product and service information and labelling. There have been no cases of non-compliance concerning marketing communications that have resulted in a fine, penalty or warning.

We have since taken action to investigate these incidents and prevent potential lapses in the future.

RESPECTING CUSTOMER PRIVACY



We hold two seasons of our weekly "Sheng Siong Show" annually, during which customers can participate and win prizes by submitting their receipts at our retail outlets. To ensure the protection of our customers' personal data, we shred receipts containing their personal information every two weeks. A video of the disposal process is available at <https://corporate.shengsiong.com.sg/the-sheng-siong-show/>.

As a responsible organisation, Sheng Siong complies with the Personal Data Protection Act (PDPA) 2012 to safeguard our customers' personal data. For transparency, we implemented a Personal Data Privacy Policy to disclose our personal data management practices to our stakeholders. This policy can be accessed at <https://corporate.shengsiong.com.sg/privacy/>.

Our IT Policy outlines a set of procedures covering various aspects of the management of our IT system to protect our information technology assets. We regularly conduct risk assessments as part of our IT Policy to monitor and establish safeguards within our systems to prevent breaches. Internal audit review of our IT systems and network security is also conducted regularly in order to identify any possible gaps in our systems.

During the year, we did not receive any substantiated complaint concerning the breach of customer privacy.

* Significant monetary fines are defined as being greater than \$1,000 per incident.



**CARE FOR
OUR EMPLOYEES**
A RESPONSIBLE
EMPLOYER

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

BUILDING AN INCLUSIVE WORKPLACE

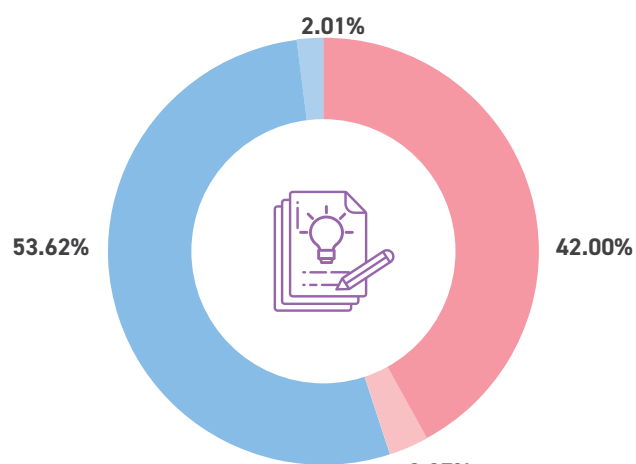
At Sheng Siong, we value and recognise the contributions of our colleagues regardless of gender, age, race, religion, nationality or disability. Guided by the Tripartite Guidelines on Fair Employment Practices (TGFEPP), we treat our employees equally and without discrimination. Apart from providing an inclusive, safe and conducive working environment, we believe in empowering our colleagues by creating an innovative and ownership-driven culture.

As at 31st December 2023, Sheng Siong has a workforce of 3,424 employees, with no significant fluctuations. Most of our employees are engaged on a full-time, permanent basis in Singapore. 99% of our managerial employees are Singapore Citizens or Permanent Residents.



DISTRIBUTION OF SHENG SIONG EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER

As at 31st December 2023



Male#

- Permanent 1,836 people
- Temporary 69 people

Female#

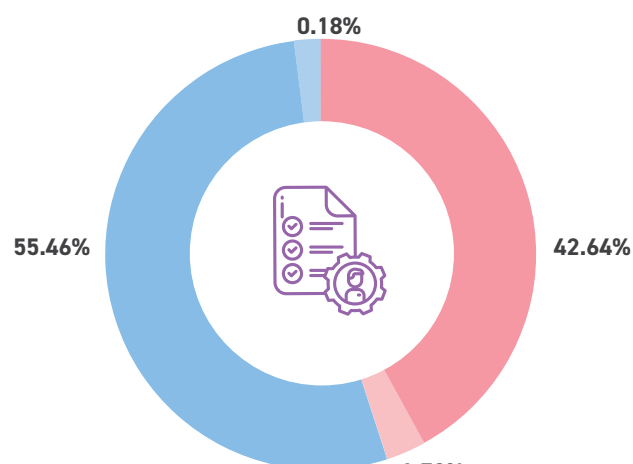
- Permanent 1,438 people
- Temporary 81 people

Total#

- Permanent 3,274 people
- Temporary 150 people

DISTRIBUTION OF SHENG SIONG EMPLOYEES BY EMPLOYMENT TYPE AND GENDER

As at 31st December 2023



Male#

- Full-Time 1,899 people
- Part-Time 6 people

Female#

- Full-Time 1,460 people
- Part-Time 59 people

Total#

- Full-Time 3,359 people
- Part-Time 65 people

Employee numbers are reported based on headcount at the end of the reporting period.

As at 31st December 2023, there are 97 non-guaranteed hours employees of whom 16 are female and 81 are male. These employees are remunerated based on piece rate.

We had 16 workers who were not employees as at 31st December 2023. They include interns, trainees from MINDS, sub-contracted delivery drivers and workshop workers. There were no significant fluctuations in the number of workers who were not employees as compared to 2022.



MR TAGAN CHUA, 43
Software Engineer

I have been working at Sheng Siong for almost 8 years. It has been my longest stint compared to my previous jobs.

When I was 3 years old, I lost my hearing from a high fever, and although I can hear sounds with the help of hearing aids, I cannot make out any words --- just wordless echoes. Growing up, I faced some challenges due to my hearing, like being looked down or ignored. However, I have grown accustomed to it over time and did not dwell on it much. Instead, I see it as an opportunity to learn, persevere and become stronger.

The company has been very supportive and working here has been truly wonderful. I count myself fortunate to have incredibly kind and generous bosses. Our workplace vibe is welcoming and comfortable, and my colleagues are very friendly. As a father of a young child, I enjoyed the paternity benefits provided which allowed me to bond with my child during those early months. While I have not met with specific challenges at work, I do have a great desire to keep myself updated on the latest technology in IT so I can develop better web applications for the company.

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

EMBRACING DIVERSITY

Sheng Siong fosters direct communication and transparency through a flat corporate structure. We cultivate close relationships and mutual trust between employees and top-level management by nurturing frequent and open communication through both direct and indirect channels. We remain accessible to all employees by upholding an open-door policy.

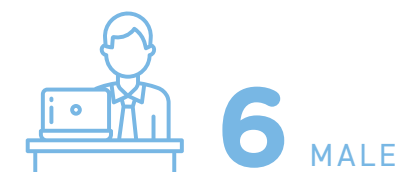
Our employees are informed and trained on our whistle-blowing policy to address instances of discrimination if encountered. This policy ensures the safety of whistle-blowers against victimisation and retaliation. Additionally, proper procedures are in place to handle employee misconduct and complaints of abusive, fraudulent, or unethical behaviour.

There were no incidents relating to discrimination in the year under review.

COMPOSITION OF BOARD OF DIRECTORS

(as at 31st December 2023)

Composition of Board by Gender:



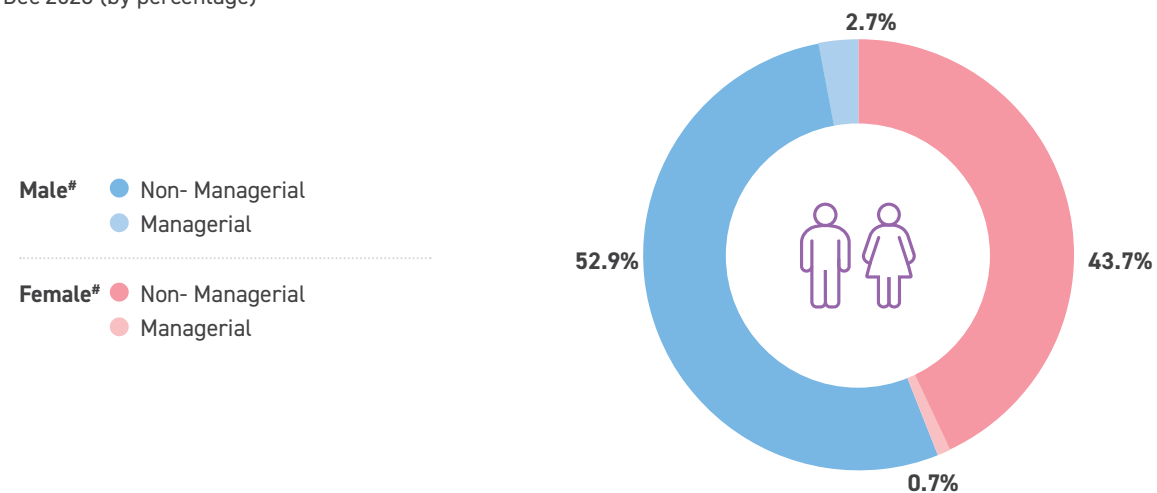
Composition of Board, by Age Group:



CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

PERCENTAGE OF EMPLOYEES PER EMPLOYEE CATEGORY (MANAGERIAL/NON-MANAGERIAL)¹, BY GENDER

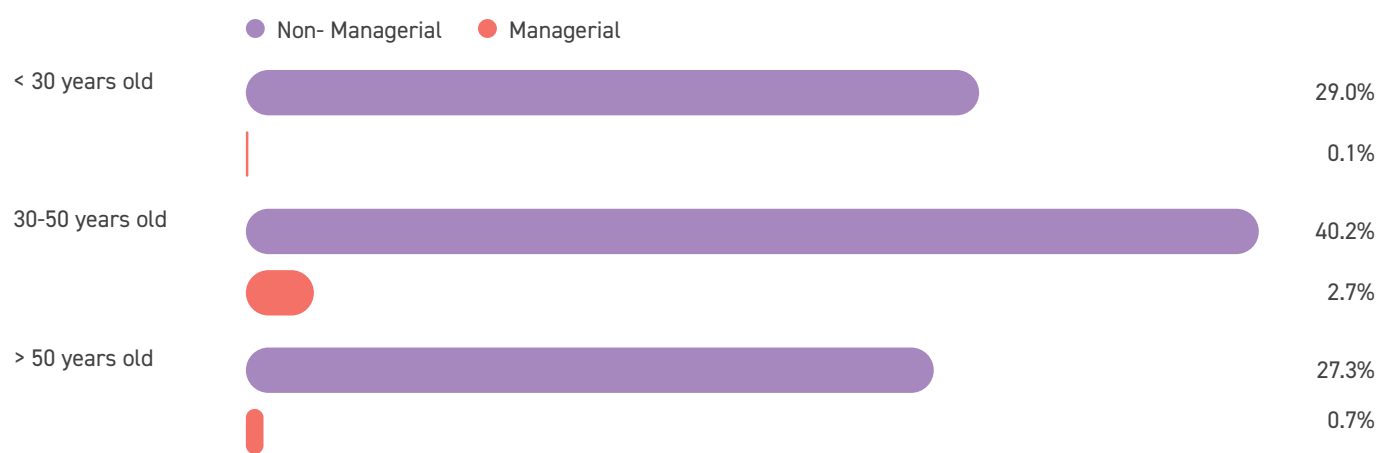
As at 31st Dec 2023 (by percentage)



¹ The managerial category is made up of staff from the rank of "assistant manager" and above.

PERCENTAGE OF EMPLOYEES PER EMPLOYEE CATEGORY (MANAGERIAL/NON-MANAGERIAL)¹, BY AGE GROUP

As at 31st Dec 2023 (by percentage)



¹ The managerial category is made up of staff from the rank of "assistant manager" and above.



Sheng Siong upholds the principles of transparency and equal treatment in its remuneration and promotion practices. There is no disparity in pay scale and career opportunities for reasons arising from gender, religion, and race in each employee category.

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

UPHOLDING A FAIR REMUNERATION POLICY

Sheng Siong takes pride in offering a fair, competitive, and appealing remuneration package designed to attract and retain talents. Details regarding the development of our remuneration policies can be found in our Annual Report 2023. Stakeholders are encouraged to provide feedback on remuneration by communicating directly with our management, while Union members can share their perspectives through their respective unions.

The remuneration policies for members of the highest governance body and senior executives are designed to correspond with the organisation's objectives and financial performance. Presently, the compensation for our directors is not linked to ESG performance.



Starting from 1st September 2022, Sheng Siong is obligated to adhere to the Progressive Wage Model (PWM) requirements for lower-wage retail workers. Developed by the Tripartite Cluster for the Retail Industry, the PWM mandates specific training criteria for retail workers and ensures that they receive progressive wages commensurate with their skills and productivity levels. Sheng Siong has complied with these requirements and is progressively fulfilling the training criteria. As a recognition of our proactive approach in implementing progressive wages for lower-wage workers ahead of schedule, we have been accredited with the Progressive Wage Mark (PWM).

RESPECTING EMPLOYEE RIGHTS

Sheng Siong respects employee rights in compliance with the Singapore Employment Act. In the event of contract termination, employees in non-managerial roles who have served for a minimum of two years are given at least two weeks' notice period or two weeks' salary in lieu of notice. Employees in non-managerial roles who have served a minimum of five years and employees in managerial roles are given at least one month's notice or one month's salary in lieu of notice.

Any change to employment arrangements such as work shifts and work locations are made after consultation with an affected employee. Agreements are made only after taking employees' feedback into consideration.

89.2% of our employees are covered by collective bargaining agreements. The notice period and provisions for consultation and negotiation are specified in the collective agreements and are binding for three years. Both parties may negotiate a new collective agreement three months before the current agreement expires. Working conditions and terms of employment for employees not covered by collective bargaining agreements are also based on collective bargaining agreements that cover the other employees.

In 2023, we have also adopted the Tripartite Standards for Grievance Handling, Recruitment Practices, and Age-friendly Workplace Practices.



CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

REWARDING WORK EFFORT AND EXCELLENCE

The contribution of our employees is vital to the success of our business. We deeply value their hard work, dedication, and commitment, and ensure that they receive fair compensation in return. Sheng Siong has committed to a profit-sharing scheme as recognition of our employees' contributions and to motivate them further for their outstanding performance. This scheme complements our standard remuneration package, which includes salary, medical benefits, annual leave, and other benefits.

We also reward our employees based on the following merits:

- Long service
- Innovation
- Making recommendations for new products
- Service Excellence
- Reporting theft - Everyone is an effective "security officer"
- Workplace safety



MR HOON HOCK KWEE, 40
Store Manager

It has been a rewarding two decades with Sheng Siong. I joined Sheng Siong with my friends at 19, and was the only one who stayed on. Starting as a stacker, I progressed up the rungs to become a store executive overseeing a department. It was 10 years before I got promoted to store manager.

There have been ups and downs in my career, but the thought of throwing in the towel never crossed my mind. In my early years, I picked up the skills to order and keep stock; being in charge of a store taught me how to deal with human issues. At Sheng Siong, our work mantra is simple: Just work hard and keep going. Whatever comes our way, we just have to push forward, doing what we do best.

It has been a fruitful journey and Sheng Siong has given me everything - a roof over my head, a means to support my family - and I could not be more grateful.



CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

TOTAL NUMBER AND RATE OF NEW HIRES, BY AGE GROUP AND GENDER IN FY2022 AND FY2023

● Male ● Female



2023

< 30 years old



30-50 years old



> 50 years old

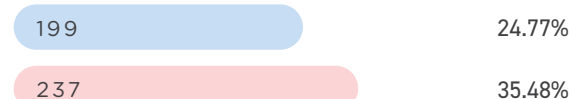


2022

< 30 years old



30-50 years old

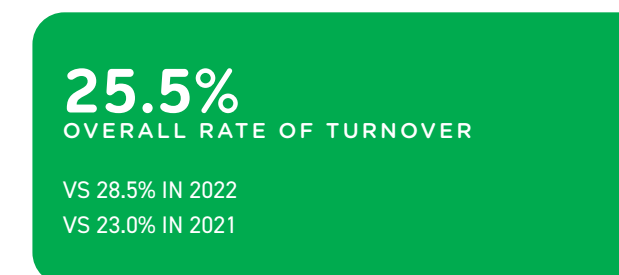


> 50 years old



TOTAL NUMBER AND RATE OF EMPLOYEE TURNOVER, BY AGE GROUP AND GENDER IN FY2022 AND FY2023

● Male ● Female



2023

< 30 years old



30-50 years old

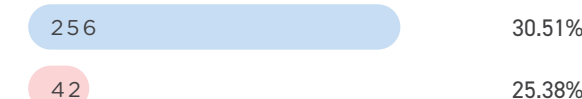


> 50 years old

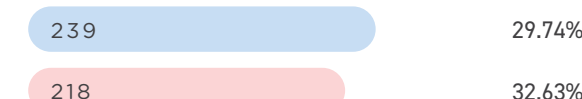


2022

< 30 years old



30-50 years old



> 50 years old



CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

EMPOWERING GROWTH: STAFF TRAINING AND CAREER DEVELOPMENT

At Sheng Siong, we place a strong emphasis on training, empowering, and enhancing employees' knowledge and skill sets. While structured classroom training is valuable, our experience in retail has shown the effectiveness of on-the-job training. Therefore, on-the-job training remains central to our approach, as it fosters bonding among colleagues through role modelling and experience, resulting in greater team cohesiveness and operational effectiveness.

In 2022, we launched our online Staff Training Central platform to further improve accessibility to formal training. Through this platform, our employees can conveniently access training materials on their personal mobile devices. Training content is tailored to specific job roles, ensuring targeted and effective knowledge transfer. Additionally, we regularly assess employees' skills and performance and share learning points through our communication channels. Our daily staff briefings and monthly meetings with store managers and department heads serve as key channels for disseminating bite-sized training content.

We are committed to enhancing our employees' potential through continuous learning and upskilling. Our employee upgrading courses include, but are not limited to, the following:

- Management Trainee Programme
- Ongoing Product Knowledge Workshops
- First-Aid
- Workplace & Fire Safety
- Food Safety & Hygiene
- Cyber Security & Awareness
- Supply Chain Management
- Sustainability

Since 2018, we have established partnerships with educational institutions such as the Institute of Technical Education (ITE) to foster talent development through internships, staff attachments, and industry projects. We have also collaborated with ITE and other major supermarket chains to develop a Work-Study Diploma in E-Commerce & Retail (Supermarket Management), enabling students and existing employees to update their skills and build careers in the food retail industry. In May 2023, we signed a Memorandum of Understanding (MOU) with NTUC LearningHub to design an industry-recognised career development plan for workers.



In recognition of our efforts, Sheng Siong received the NTUC May Day Awards 2023 – Plaque of Commendation for our support of the Labour Movement and its initiatives. Additionally, we were honoured with the SkillsFuture Employer Awards (Gold) 2023 for our dedication to enhancing our employees' skills development.

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

AVERAGE TRAINING HOURS* PER EMPLOYEE, BY GENDER



AVERAGE TRAINING HOURS* PER EMPLOYEE, BY EMPLOYEE CATEGORY



* On-the-job training hours are not included.

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

PRIORITISING WORKPLACE SAFETY AND HEALTH

Our Workplace Safety and Health (WSH) management system is developed based on our risk assessment and covers all our employees, business activities and locations. A workplace risk assessment was last conducted in 2023 and will be progressively updated. We established a Workplace Safety and Health Committee in accordance with the Singapore Workplace Safety and Health Act, ensuring our full compliance with relevant legislation. We also developed an Emergency Response Plan (ERP) and established a Company Emergency Response Team (CERT) in compliance with the Fire Safety Act.

Each WSH Committee:

- Meets on a monthly basis to discuss matters related to WSH and fire safety.
- Conducts monthly workplace inspections and provides reports documenting the observations and recommendations on remedial actions required.
- Investigates and reports on accidents to recommend follow-up actions.
- Promotes WSH among colleagues.
- Collects feedback on WSH related issues from employees.
- Conducts regular WSH related training and staff briefings.

Since 2015, we have been working closely with a professional WSH consultant to advise on related issues and are working towards attaining BizSAFE Level 3 certification by 2024/2025. We also hold regular review meetings with our insurance brokerage firm, who provides advice on risk management.

Based on an analysis conducted in 2023, the most common causes of our workplace injuries include:

Types of Injuries	Percentage %
Cut or laceration	40.9
Hit by/against objects	27.7
Slip/Fall	17.5
Over-exertions	10.9
Others	3.0

As a food retail business, cuts or lacerations are more common due to the nature of our work involving the cutting and processing of fresh meat and seafood. Our employees may also get hit by or hit against objects due to frequent lifting and replenishment of goods, and manoeuvring of equipment like roll cages, trolleys, forklifts, and electric pallet jacks.

SAFETY PERFORMANCE IN 2023

	2022	2023
No. and rate of work-related fatalities	0	0
No. of high-consequence work-related injuries (excluding fatalities) ¹	2	1
Rate. of high-consequence work-related injuries (excluding fatalities) ²	0.05	0.02
No. of recordable work-related injuries (excluding fatalities)	134	136
Rate. of recordable work-related injuries (excluding fatalities) ³	3.23	3.20

- 1 High-consequence injuries refer to work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.
- 2 Calculated as number of high-consequence work-related injuries per 200,000 hours worked
- 3 Calculated as number of work-related injuries per 200,000 hours worked

	2021	2022	2023
No. of accidents involving customers per million transactions	7.23 ⁴	6.17	4.98
No. of motor accidents per 100 delivery trips	0.014	0.009	0.012

- 4 In last year's report, the no. of accidents involving customers per million transactions was recorded as 6.94 in 2020 and 8.09 in 2021 when it should be recorded as 5.82 in 2020 and 7.23 in 2021 instead. The restatement is due to an update of the methodology utilised to calculate accidents.

Ensuring the safety of our employees remains a top priority across all areas of operation, spanning from our warehousing and distribution centre to our retail stores. To mitigate workplace injuries, we provide mandatory personal protective equipment (PPE) like gloves, shoes, and vests to our warehouse, distribution centre, and store employees. We further equip them with safety knowledge through online training and regular briefings.

We are dedicated to continuously enhancing workplace safety standards. Employees are encouraged to report any potential Workplace Safety and Health (WSH) hazards through our whistle-blowing channels, ensuring prompt corrective actions. Our whistle-blowing procedure guarantees anonymity and protection against retaliation, fostering a culture of safety and accountability.

Customer safety is paramount. Employees are trained to keep shopping areas free from clutter to prevent tripping or falling. Collaborating closely with our WSH Consultant, we remain committed to hazard-proofing our retail areas and providing comprehensive safety training to our colleagues to maintain a safe shopping environment.

Sheng Siong's safety focus does not stop at our employees. The small percentage of sub-contractors in our supply chain are also required to comply with our WSH policies. We maintain open communication channels between Sheng Siong management and sub-contractors' leadership to facilitate feedback and collaboration. Overall, Sheng Siong is dedicated to fostering a safe and healthy environment for everyone involved in our operations.

NON-COMPLIANCE

In 2023, the Group received three non-significant monetary fines. Two fines were related to obstruction and misuse of common spaces, while one was due to failure to promptly update the residential address of a foreign employee in the MOM's register. All offences have been corrected immediately and safeguards put in place to mitigate potential future lapses.

Continual improvement in workplace safety is a key focus area, involving the proactive identification of gaps in our risk management procedures, particularly regarding the safe utilisation of equipment. We collaborate closely with our partners and consultants to provide comprehensive training to our employees and conduct regular audits to ensure strict adherence to safety protocols. Furthermore, insights from previous incidents are shared with employees during briefings to reinforce adherence to established safety procedures.

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

ENHANCING WORKPLACE SAFETY TRAINING AND EDUCATION

Given our reliance on heavy machinery, we prioritise operator competency. Certified professionals are engaged to provide training on the usage of forklifts, first aid, fire safety, risk assessments, and emergency response. These training sessions are fully funded by the company and conducted during working hours. New employees undergo mandatory in-house training and familiarisation with electric pallet jacks, guided by experienced senior staff until they demonstrate proficiency to operate independently.

In addition to formal training, we conduct at least two in-house refresher training sessions annually on the operation of forklifts and electronic power jacks at our distribution center.

Our WSH committee convenes monthly to receive updates from our contracted consultant and deliberate on safety risks, gaps, and issues. This committee provides feedback to management on potential improvements or additional training needs.

Furthermore, we have established a group communication channel to disseminate regular safety reminders, share best practices regarding workplace safety, and facilitate learning from any accidents that occur within the Group.

Training on Visual Merchandising Presentation



▲ Store staff attending the WSQ Visual Merchandising Presentation course conducted by NTUC Learning Hub.

CARE FOR OUR EMPLOYEES A RESPONSIBLE EMPLOYER

IMPROVING HEALTHCARE SUPPORT

Our employees are entitled to reimbursements for medical consultation fees charged by government polyclinics and hospitals. In addition, Sheng Siong provides financial assistance to employees experiencing financial hardships and chronic medical conditions on a case-by-case basis.

We are also proud to be able to provide nutritious and well-balanced meals to all employees at our distribution centre and stores daily. Vegetables, fruits and healthier alternatives such as brown rice are incorporated into the daily meals to promote a healthy diet. Our founders also distribute healthcare devices such as electronic toothbrushes and massage pads to encourage preventive care and overall well-being among our employees.

We continuously seek partnerships and collaborations to support the wellbeing of our workforce. In 2023, we collaborated with the Health Promotion Board's (HPB) Health Chats @ Hawker Centres & Health in the Heartlands programme to deliver educational health talks covering various topics. Recent initiatives focused on mental wellness (stress management), healthy eating habits, and chronic disease management. These programme address major non-work-related health risks and empower employees to make informed decisions about their health. We successfully engaged 258 employees across 7 outlets from September to October in 2023.



Store employees engaged in the HPB Heartlands programme to learn more about various health topics relevant to them.

RECOGNISING EMPLOYEE DEDICATION

In recognition of our employees' services, 455 individuals received long service awards in 2023. Notably, 57 employees were recognised for 20 years of service, while 60 employees were honoured for 15 years of commitment. These long service awards symbolise our gratitude for the steadfast dedication exhibited by our employees towards the Group.

SUPPORTING EMPLOYEE WELL-BEING

Sheng Siong recognises that employee well-being extends beyond just a pay check. We are committed to supporting our staff financially and personally through a variety of initiatives.

EASING THE FINANCIAL BURDEN:

In 2023, Sheng Siong distributed over S\$460,000 to employees through our staff purchase scheme. Launched in 2017, this programme helps offset the rising cost of living by allowing employees to purchase groceries at discounted rates.



Store operations team enjoying a day outing on their Family Day.

PROMOTING WORK-LIFE BALANCE AND FAMILY SUPPORT:

Sheng Siong fosters a work environment that allows employees to thrive both professionally and personally. We offer a range of programmes to promote work-life balance and a strong family culture:

Annual Family Day: This festive event brings employees and their families together for fun and connection.

Family Care Leave: We understand that caring for loved ones is important. Sheng Siong provides family care leave to support employees during these times.

Marriage and New-born Support: Milestones like marriage and childbirth are celebrated with special leave, congratulatory gifts for weddings or honeymoons, and new-born care packages for female employees and the wives of our male employees.

Bereavement Support: During times of loss, Sheng Siong offers bereavement contributions to support employees who have lost loved ones.

Flexible Work Arrangements: We acknowledge the importance of flexibility. Our employees can take advantage of half-day leave options and discuss flexible work-time arrangements as needed.

By offering these comprehensive well-being initiatives, Sheng Siong demonstrates its commitment to investing in our employees and creating a positive and supportive work environment.

SUSTAINABLE EMPLOYMENT PLEDGE

As employers, we recognise our duty to treat our employees with fairness, dignity and respect. We pledged our commitment to sustainable employment when we joined the Singapore Business Federation in 2019, ensuring that we take purposeful and meaningful steps towards better employee welfare. We aim to improve continuously so as to create a fulfilling and meaningful career for our employees.



MR QUEK MONG LIM, 60
Storekeeper

The SkillsFuture Workforce Skills Qualifications (WSQ) Visual Merchandising Course I attended helped me understand how to improve in my daily responsibilities. Beyond simply stocking products on shelves, I learnt how to enhance the merchandise presentation to attract customers to walk into our store and pick up the product.

Having served at Sheng Siong for more than 30 years, I have witnessed first-hand our transformations and commitment to continuous improvement. To have a chance to go for training at my age has been fun and enriching and it shows our inclusive culture to value growth and development for all employees, regardless of age.



**CARE FOR
THE COMMUNITY**
CARE FOR OUR HOME

CARE FOR THE COMMUNITY CARE FOR OUR HOME

GIVING BACK TO THE COMMUNITY

Supermarkets serve as communal spaces where members of the community gather. At Sheng Siong, we firmly believe in our pivotal role in nurturing community spirit, fostering racial harmony, and promoting neighbourly connections. Beyond simply encouraging camaraderie among neighbours, we recognise our responsibility to engage in meaningful dialogues that are relevant to both our community and the environment.

In our commitment to give back to the local communities where we operate, we extend support to our employees and their families, and actively participate in community initiatives organised by non-governmental organisations, educational institutions, and our suppliers. Our contributions to the community and philanthropic endeavours are aligned with our core mission of generating value for all our stakeholders.

PHILANTHROPIC CONTRIBUTIONS

In the year 2023, we allocated a total of S\$14,964 towards various community initiatives. While this sum may appear modest, it was supplemented by a range of in-kind contributions such as retail space, time, effort, and labour.

Our three founders remain committed to supporting the philanthropic activities of the Group and have contributed to many causes over the years in the name of Sheng Siong.

For example, since 2021, we have donated in kind to the initiatives of Extraordinary People Limited aimed at empowering children and youth with special needs. Over the years, we have also backed efforts such as the distribution of fresh food to low-income families through Project Pilih-Pilih organised by Allkin Family Service Centre (formerly known as Ang Mo Kio Family Service Centre) and Fei Yue Family Service Centre (Yew Tee). We also extend our assistance to various other communities and causes, from humanitarian aid, arts and culture, and education.



EDUCATION SUPPORT FOR LOWER SALARIED EMPLOYEES' CHILDREN

As part of our commitment towards community development and education, our founders established an Annual Education Grant in 2013. This programme aims to alleviate the financial burden of education for our lower-income staff by providing them with financial support for their children's education. The programme is funded entirely by the Group's three founders, who are also major shareholders. In 2023, we transitioned from an annual to a monthly distribution method so that the beneficiaries can receive the disbursement more readily. During the year, we disbursed S\$114,705 to 145 beneficiaries under this programme. Across FY2022/23, the programme would have benefitted 719 children with a total sum of \$632,205.00.



MDM NGUYEN HOANG CAM TU, 40
Cashier

I lost my husband last year, leaving me as the sole provider of the family with two children to care for. I was at a complete loss and it was an incredibly challenging time grappling with my husband's sudden demise while tending to my children.

I am very grateful for the help from the community, as well as the company. Alongside the ongoing education support that my children have received since they started primary school, the company has graciously provided an additional \$100 childcare allowance for each of my sons when they learn of my situation. We try to save up as much as we can with the grant and allowance. As my elder son is in secondary school, the monthly grant and allowance come in handy when he needs to buy additional books and study materials.

At work, my store manager and colleagues have been very understanding and helpful, and would make arrangements when I have family matters to attend to, which made a difference during this difficult year.

COLLABORATIONS FOR GREATER IMPACT



Red Cross Project R.I.C.E.+

Since 2012, we have been collaborating with the Red Cross Youth on an annual basis to collect hampers of food, toiletries and household items from our customers for donation to underprivileged households. This marked our 11th consecutive year of collaboration. Over the years, we have collected more than 278,000 hampers, with an estimated value of S\$2.5 million, and donated them to low-income households. In 2023, we gathered 56,168 hampers and helped to prepare them for distribution to beneficiaries from various groups, including skipped-generation families, single-parent households, low-income households, elderly individuals and migrant workers. We firmly believe in the power of collaboration with our valued customers and partners to make a positive impact on society.



Supporting Vulnerable Members of Our Community



Since July 2012, we have been collaborating with SPD, a Singapore charity that helps people with disabilities, to arrange the placement of donation boxes at our stores. In 2023, SPD placed 28 donation boxes at 21 Sheng Siong stores, raising over S\$37,000 for their cause.

CARE FOR THE COMMUNITY CARE FOR OUR HOME



MR ABHIMANYAU PAL
Chief Executive Officer, SPD

We are honoured to be one of Sheng Siong's longstanding charity partners. An anchor partner of our donation box drive since 2012, we have collected over \$200,000 from close to 20 donation boxes placed at Sheng Siong stores across the island. Their support has not only helped to sustain SPD's work, but it also amplifies awareness of our cause, enabling us to extend our reach to a broader network of individuals with disabilities. Sheng Siong's sponsored grocery vouchers and other in-kind donations have also benefited SPD and our beneficiaries from low-income households. As we commemorate our 60th anniversary this year, we reflect on the crucial role that community partners like Sheng Siong have played in enabling our success. We want to thank Sheng Siong for standing by us all these years.



Image Credit: SPD

CARE FOR THE COMMUNITY CARE FOR OUR HOME

President's Challenge

President's Challenge 2023 was launched with the theme to be "Caring to Caregivers" and continued to support a wide range of causes including healthcare, eldercare, disability, children, families and youth, sports, arts and rehabilitation. Sheng Siong assisted by placing collaterals at our supermarkets to raise awareness.

Let's Gift for a Reason

Sheng Siong supported the initiative organised by SAFRA. 5,000 care packs consisting of necessities such as Rice and Noodles were prepared for the less fortunate. The first 2,500 care packs were delivered to SAFRA for distribution directly to the beneficiaries while the remaining 2,500 care packs were distributed to the beneficiaries in the form of vouchers for redemption at any of our Sheng Siong stores by December 2023. Any unredeemed care packs or part thereof were delivered to AWWA Home and Faithacts.



Sheng Siong supported Heartwarmers Project 50=100 event through logistics and volunteer support.



A Long-Term Partnership with Heartwarmers Volunteer Group, Project 100=50

Since 2009, Sheng Siong has been a proud partner of the Heartwarmers' initiative, which has evolved into Project 100=50. This monthly programme empowers families from lower to middle-income backgrounds by providing them with the opportunity to purchase groceries at subsidised prices. Project 100=50 goes beyond simply offering discounted goods. It allows families to choose the products they need, fostering dignity and promoting healthy eating habits. Originally launched in collaboration with several Community Centres and Members of Parliament, the project has grown significantly. Today, it serves a wider network of communities across Singapore.

Sheng Siong plays a vital role in the success of these monthly events, supporting each pop-up supermarket event by providing products, setting up booths, and supplying shopping trolleys, baskets and fridges. In addition to arranging logistics, our colleagues also volunteer as event helpers to assist beneficiaries with their shopping. In 2023, we supported 45 such events and contributed around 848 volunteer hours.

BUILDING A BETTER AND STRONGER COMMUNITY

Digital for Life

Throughout 2023, our partnership with the Infocomm Media Development Authority (IMDA) continues as we actively advocate for the Digital for Life initiative. This initiative aims to foster lifelong digital learning among individuals of all ages in Singapore and promote the development of a digitally inclusive society. Our support for this movement involves increasing awareness of the Digital for Life Festival 2023 and promoting participation via our social media platforms.

Support for World No Tobacco Day

Since 2015, Sheng Siong has voluntarily supported "World No Tobacco Day" by suspending tobacco sales once a year on 31st May.

Appreciation for Frontline Workers

The "Public Transport Workers' Appreciation Day" (PTWAD) was organised by the Land Transport Authority (LTA) in partnership with the National Transport Workers' Union (NTWU) and the four Public Transport Operators (PTOs) to recognise and celebrate the contributions of public transport workers. In support of PTWAD, we offered a 3% special discount to public transport workers between 1st November to 31st December 2023. About S\$9,000 was disbursed to public transport workers through this discount scheme.



PUB World Water Day

Singapore's National Water Agency PUB dedicates the month of March to World Water Day each year. On World Water Day 2023, PUB hoped to increase Singaporeans' mindfulness towards their water consumption habits. Sheng Siong contributed by disseminating this message both in-store and on our social media platforms, urging individuals to "Make Every Drop Count."

Made for Families

Since 2022, Sheng Siong adopted the Made for Families brand mark, an initiative led by the National Population and Talent Division in the Strategy Group, Prime Minister's Office. The initiative aims to encourage stakeholders to build strong foundational support for families. Sheng Siong pledged to offer family-friendly products and services including offering promotions and programmes such as Baby Fairs.



(1) Discount excluded for the purchase of the following categories: Infant formula milk powders, tobacco and alcohol products, phone cards, bulk purchases, medicinal products and devices (including ART test kits), vouchers and lottery products. (2) Not valid with other discounts, promotions, privileges, and/or promotional vouchers. (3) We reserve the right to alter any terms and conditions without prior notice.

CARE FOR THE COMMUNITY CARE FOR OUR HOME

"Love Local Produce" Facebook Campaign 2023



In support of local farming, we launched a "Love Local Produce Facebook Campaign 2023" to encourage customers to look out for the SG Fresh Produce Badge when grocery shopping. The campaign was conducted over 4 weeks through a social media contest. Five participants with winning entries each received \$20 worth of Sheng Siong Vouchers.



Supporting our Migrant Workers Community

Sheng Siong actively supports Singapore's migrant worker community through various initiatives in collaboration with MOM's Assurance, Care & Engagement (ACE) Group. From donating oranges for festive celebrations to sponsoring prizes for a cultural recipe book launch, these efforts aim to recognise their heritage and stories during and International Migrants Day 2023. Additionally, Sheng Siong established a scholarship with Foreign Domestic Worker Association for Social Support and Training (FAST) to equip migrant domestic workers with elder caregiving skills, promoting both cultural appreciation and upskilling opportunities. These actions demonstrate Sheng Siong's commitment to fostering a more inclusive environment and acknowledging the valuable contributions of migrant workers.



CARE FOR THE COMMUNITY CARE FOR OUR HOME

Alliance for Action (AfA) on Norms for Joss Paper Burning



The AfA on Norms for Joss Paper Burning is a cross-sector collaboration involving stakeholders from the community, businesses, and government with the goal of forging a consensus within the Chinese community on desired norms for the traditional custom of joss paper burning. Sheng Siong supported its education campaign since 2022 by putting up posters at our stores and sharing the educational video on our Facebook page.



Bring Your Own Bag

To encourage everyone to start embracing the use of reusable bags when grocery shopping, especially with the kick-off of the Disposable Carrier Bag Charge from 3rd July 2023, we collaborated with Zero Waste SG to conduct the "Bring Your Own Bag" roving roadshows at our supermarkets from 11 February to 30 April 2023. Our stores at Clementi 720 and Serangoon North have donation racks to encourage customers to drop off their unused reusable bags.

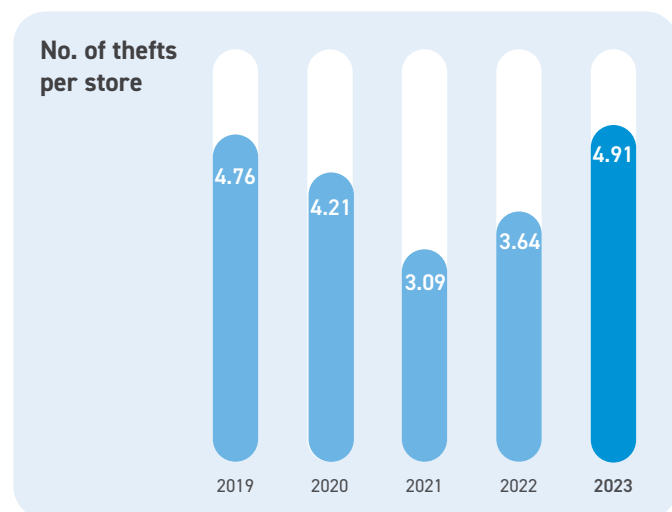


CARE FOR THE COMMUNITY CARE FOR OUR HOME

CREATING A SAFE ENVIRONMENT

Safe, Quiet and Clean Neighbourhoods

Sheng Siong Supermarket has been supporting the Singapore Police Force (SPF) in its efforts to combat crime and deter shop thefts. Since the ShopWatch Programme which is now subsumed into the Shop Theft Awareness for Retailers (STAR) Programme, our main approach has always been to work with the police to deter shop theft. By having our store employees donning on special vests, it helps to enhance our staff presence to deter and detect shop theft, while providing assistance to customers in a non-intrusive manner. Besides theft deterrence, the programme has brought forth innovative solutions such as audio motion sensors and data-driven measures.



In addition to enhancing security measures within our stores, we collaborated closely with town councils to mitigate noise pollution by restricting our goods delivery times. We arranged special delivery schedules to ensure that deliveries to our stores occurred at appropriate hours, taking extreme care during loading and unloading processes. This included the use of noise-reducing equipment such as noise-absorbing pallet jacks to minimise disturbances. In 2023, we received a total of 25 feedback instances regarding noise disturbances, all of which were promptly reviewed and addressed.

With the resumption of more activities after COVID, as well as the rising cost of living, the total number of reported shop thefts¹ increased in 2023 as compared to 2022, and have exceeded pre-COVID levels.

¹ In Singapore, shop theft cases increased to 3,939 cases in 2023 from 3,244 in 2022. 68.1% of the cases occurred at retail chains/shops such as department stores, supermarkets, pharmacies, and mini marts/convenience stores. Source: Annual Crime Brief 2023, Singapore Police Force

² Source: Annual Scams and Cybercrime Brief 2023, Singapore Police Force

Let's Fight Scams

Singapore reported an increase of 49.6% in scam and cybercrime cases in 2023 as compared to 2022². The top ten scams included phishing scams, e-commerce scams and social media impersonation scams. Sheng Siong was a victim of various social media impersonation scams, where our brand was used to phish for netizens' personal information or money. Any incidents were reported to the Singapore Computer Emergency Response Team (SingCERT), part of the Cyber Security Agency of Singapore. In addition, we update our social media sites on a timely basis to inform netizens of circulating scams, and encourage the public to only trust information from our official website and social media accounts. We also supported the National Crime Prevention Council (NCPC) in the "I Can ACT Against Scams" campaign by putting up posters in-stores, and content on our digital and social media accounts, to raise awareness among our customers and partners.

HELPING WITH THE RISING COST OF LIVING

While our goal is to maintain affordability for our essential products, we also place a strong emphasis on extending additional support to vulnerable segments of the community. Previously, we implemented separate 3% discount programmes targeting senior citizens and Merdeka Generation customers on specific days. However, starting from 2022, we merged these initiatives into a unified 3% discount available on Tuesdays and Wednesdays (senior citizen discount programme) for all seniors aged 60 and above, which was subsequently increased to 4% on July 5th, 2022. Additionally, to further support families in coping with inflation and the GST hike, we introduced a 1% discount on all in-store purchases (excluding alcohol, tobacco, vouchers, lottery, and infant milk powder Stage 1 and 2) throughout the first quarter of 2023 and 2024. Collectively, these programmes amounted to approximately S\$8.6 million in discounts in 2023, compared to S\$4.0 million in 2022.

To complement government efforts in alleviating the impact of the GST hike on households, CDC vouchers are being distributed, which can be redeemed at participating supermarkets like Sheng Siong.

In response to the prevailing inflationary environment, we have expanded our offering of house brand products. These products, while comparable in quality to branded alternatives, are typically priced 5% to 20% lower. Emphasising attributes such as health, nutrition, quality, and value, our house brand range provides a healthier option for Singaporeans without compromising affordability. We remain dedicated to expanding our house brand product selection and promoting them to our valued customers.

CHAMPIONING THE SPIRIT OF GOTONG-ROYONG³, FOSTERING AN INCLUSIVE COMMUNITY

Creating Job Opportunities for MINDS' Trainees

Since 2014, we have partnered with the Movement for the Intellectually Disabled of Singapore (MINDS), providing their trainees with the opportunity to gain practical experience in the food retail industry. Each year, we host 10 beneficiaries from MINDS to work in our vegetable packing department. Here, they work closely with our staff, share meals with us in our canteen and are invited to our company's annual family day event to socialise with our employees.

Building Safe and Supportive Spaces

We partnered with the Ministry of Social and Family Development (MSF) by training our staff to identify and respond to potential signs of family and domestic violence through the "Break the Silence" Campaign, aiming to create a safe and supportive environment for our customers. Sheng Siong has a wide network of supermarkets which is a key touch point for families. Sheng Siong stores are also designated as a "Dementia go-to point" for individuals with dementia who become lost or disoriented. Our store managers participate in Dementia Awareness Workshops to enhance their ability to assist these individuals. We collaborate with Dementia Singapore and the Agency for Integrated Care on this initiative.

³ Originating from Indonesia, the phrase is translated into English as "cooperation in a community" or "communal helping of one another".

CARE FOR THE COMMUNITY CARE FOR OUR HOME

The Sheng Siong Show

"The Sheng Siong Show" is a Mandarin television variety programme that premiered in 2007 and is broadcast live. Over the years, we have partnered with Community Centres, Residents' Committees, Neighbourhood Committees, and Active Aging Groups to offer senior citizens an enjoyable evening at the show. This experience is cherished and unforgettable for many elderly individuals as it provides them with the opportunity to witness the behind-the-scenes of a live performance for the first time. The programme is popular among Singaporeans of all ages and offers cash prizes to Sheng Siong's customers through various game segments such as in-studio games, talent show competitions, and exciting lucky draws. We will continue to provide complimentary tickets to the show.





**CARE FOR
THE ENVIRONMENT**
CONSERVING
RESOURCES

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

The launch of the Singapore Green Plan 2030 in 2021 and the subsequent national target of achieving net zero emissions by 2050 reinforced Singapore's commitments to the UN's 2030 Sustainable Development Agenda and the Paris Agreement marking a significant shift in Singapore's environmental goals, demanding ambitious collective action.

As a prominent supermarket retailer in Singapore, we acknowledge our responsibility to advance the Green Plan. Failure to effectively address climate change-related risks, including physical, transition, and food security risks, could have adverse effects on Sheng Siong's operations and pose challenges to the environment and society at large. Our commitment to sustainability extends beyond mere cost-saving measures; it reflects our dedication to our nation and the planet. We would like to highlight our progress in transitioning our business to be more environmentally friendly and resource-efficient.

REDUCING OUR CARBON FOOTPRINT

DISTRIBUTION CENTRE OPTIMISATIONS

Sheng Siong's investment in a centralised distribution centre (DC) in 2011 proved to be a game-changer in terms of reducing transportation emissions. By consolidating operations at a single location, we improved our bulk handling capabilities resulting in a significant reduction in the number of deliveries needed to replenish our stores. This shift from a decentralised system with 50-60 individual supplier deliveries per store to a centralised model requiring only 5-6 deliveries per store daily resulted in a substantial decrease in overall transportation emissions.

ECO-FRIENDLY DC FEATURES

Sheng Siong goes beyond simply consolidating operations to minimise its environmental impact. Our state-of-the-art DC is equipped with a suite of eco-friendly features designed to reduce energy and water consumption.

Rainwater Recovery System: This innovative system captures rainwater for various non-potable uses within the DC, reducing our reliance on municipal water supplies.

Cold Storage Heat Recovery System: This system captures waste heat generated by our refrigeration units and reuses it to provide hot water at designated waterpoints. This innovative approach minimises energy loss and promotes efficient resource utilisation.

100% LED Lighting: We have transitioned all lighting within our DC to energy-efficient LED bulbs. Compared to traditional fluorescent lighting options, LED lights offer significant energy savings, reducing our overall electricity consumption.

BCA Green Mark Compliant: The Building and Construction Authority (BCA) Green Mark programme recognises buildings that demonstrate superior environmental performance. Our DC is BCA Green Mark compliant, ensuring adherence to eco-friendly building practices.

OPTIMISING LOGISTICS

Sheng Siong's commitment to energy conservation extends beyond its distribution centre. We actively implement sustainable practices throughout our entire delivery network, encompassing our fleet of vehicles and store operations.

Cleaner Emissions with Euro VI Standards: Sheng Siong prioritises minimising emissions from our delivery vehicles. We maintain a fleet of 84 delivery vehicles (as of 2023) and adhere to strict National Environment Agency (NEA) guidelines. Our fleet replacement policy ensures that all newly acquired diesel vehicles meet the Euro VI emission standard.

Smart Routing and Optimised Loading: We actively optimise our delivery operations to minimise fuel consumption and reduce our overall environmental footprint. This is achieved through:

- **Fleet Management System:** We utilise a fleet management system that analyses delivery routes and optimises travel distances. This intelligent system helps us plan efficient routes, minimising unnecessary travel and associated emissions.
- **Loading Optimisation Policy:** To maximise efficiency and minimise wasted trips, Sheng Siong has established a comprehensive loading optimisation policy. This policy ensures that each delivery truck carries a carefully calculated load, minimising the number of trips required and reducing overall fuel consumption. Our fleet of delivery trucks also return to our distribution centre with clean recyclables such as carton and Styrofoam boxes, E-waste, and plastic stretch film.

By combining cleaner-burning vehicles with intelligent route planning and optimised loading strategies, Sheng Siong demonstrates its commitment to sustainable logistics practices. This multi-pronged approach reduces our environmental impact and contributes to a more sustainable future for Singapore.

ENERGY CONSUMPTION

While the addition of two new stores in 2023 resulted in a slight overall increase in energy consumption (2.6%) compared to the previous year, Sheng Siong remains dedicated to continuous improvement. To minimise energy use, all 69 Sheng Siong stores have been fully fitted with LED lights, which use significantly less energy than fluorescent lights. This change has the potential to reduce lighting energy consumption by up to 80%. We are actively exploring additional strategies and technologies to further reduce our energy footprint and minimise our environmental impact.

Harnessing Solar Power: As a pioneer in adopting renewable energy solutions within Singapore, Sheng Siong is proud to be a recipient of the Singapore Economic Development Board (EDB) Solar Pioneer Award in 2013. Our commitment to solar energy is exemplified by the massive photovoltaic (PV) system installed on the rooftop of our Mandai Link DC. Encompassing an area of approximately 11,000 square meters, this system boasts the distinction of being the largest single PV system in Singapore upon its commissioning in 2014, with a capacity of 1.2 MWp (megawatt-peak). Throughout 2023, our PV system supplied approximately 8.9% of the total energy utilised at our distribution centre, resulting in the avoidance of an estimated 529 tonnes of CO₂e emissions. While weather conditions in 2023 resulted in a lower solar energy yield compared to the previous year, Sheng Siong remains committed to ongoing maintenance and optimisation of our solar power generation system.

Refrigerant Management and Climate-Friendly Alternatives: Refrigeration systems are a vital component of our operations, but traditional refrigerants with higher GWP values (Global Warming Potential) can have a detrimental impact on the environment. In 2023, refrigerant top-up increased significantly, we are in the midst of conducting further analysis to determine the cause. Sheng Siong recognises the importance of responsible refrigerant management. We will monitor refrigerant top-ups within our stores and DC closely to minimise leakage and ensure efficient system operation. Furthermore, Sheng Siong is actively exploring and implementing climate-friendly commercial refrigeration solutions such as water-chilled systems that offer reduced environmental impacts without compromising operational efficiency.

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

LOOKING AHEAD: PARTNERSHIPS FOR GREATER IMPACT

Achieving true sustainability requires a collaborative effort. We are committed to forging strong partnerships to amplify our environmental impact and accelerate progress towards a greener future. Here is a closer look at some key initiatives on the horizon:

SCOPE 3 REPORTING AND DECARBONISATION ROADMAP

By 2025/26, Sheng Siong aims to be fully prepared for Scope 3 emissions reporting. Scope 3 emissions encompass the indirect emissions that occur throughout our entire value chain, from the sourcing of raw materials to the disposal of products. While we have made significant strides in managing our direct emissions (Scope 1 & 2), a comprehensive understanding of Scope 3 emissions is crucial for identifying and mitigating our overall environmental footprint.

Developing a robust decarbonisation roadmap will be a critical step in this process. This roadmap will outline a clear strategy for reducing our emissions over time, with specific targets and milestones. By actively managing and reducing our indirect emissions, we can significantly enhance our overall sustainability performance.



CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

PARTNERSHIP WITH DBS BANK: EMPOWERING SUSTAINABLE PRACTICES IN OUR SUPPLY CHAIN

We are excited to announce a new partnership with DBS Bank to support our suppliers in transitioning to more sustainable practices. This initiative will provide our suppliers with access to resources, expertise, and potentially, financing options to enable them to invest in sustainable solutions.

By empowering our suppliers to reduce their environmental footprint, we can create a positive ripple effect throughout the entire value chain. This collaborative approach fosters a more sustainable ecosystem within the industry, benefiting both Sheng Siong and our partners.

Beyond these initial partnerships, Sheng Siong aspires to build a network of like-minded organisations. We believe that collaboration is key to tackling the complex challenge of climate change. By working together with industry leaders, environmental NGOs, and government agencies, we can share best practices, develop innovative solutions, and accelerate progress towards a more sustainable future.

Energy Intensity¹

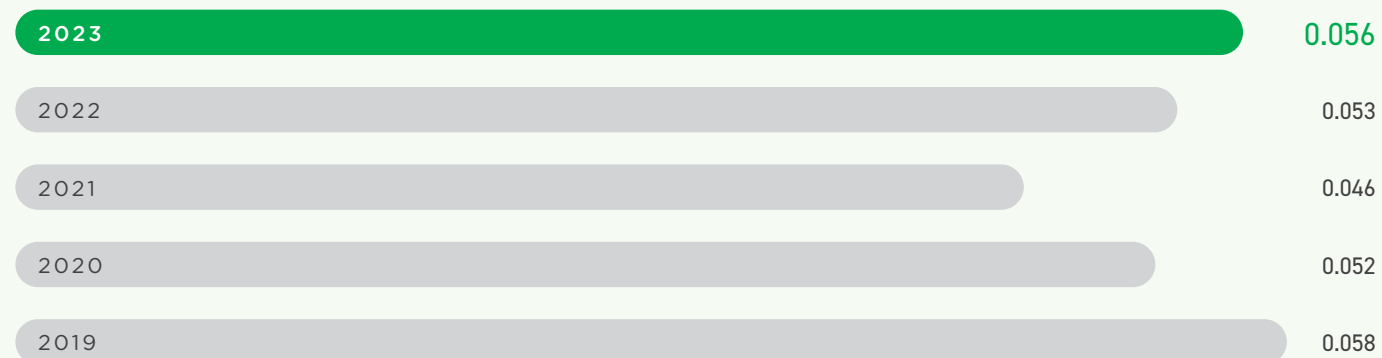
(Megajoules per \$ revenue)



* High base effect due to COVID-19 related restrictions in place that created an elevated demand of goods.

Greenhouse Gas Emissions Intensity^{2#}

(kg CO₂e per \$ revenue)



Both Scope 1 and Scope 2 emissions are included in the intensity ratio.

1 Data from 2019 to 2022 has been restated due to new data surfacing in relation to electricity consumption at one of the stores.

2 Data from 2019 to 2022 has been restated due to new data surfacing in relation to electricity consumption at one of the stores, and usage of refrigerant top-ups (supplied at zero cost). Furthermore, we have incorporated the updated grid emission factor provided by the Energy Market Authority (EMA) in 2023 (source: <https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2>).

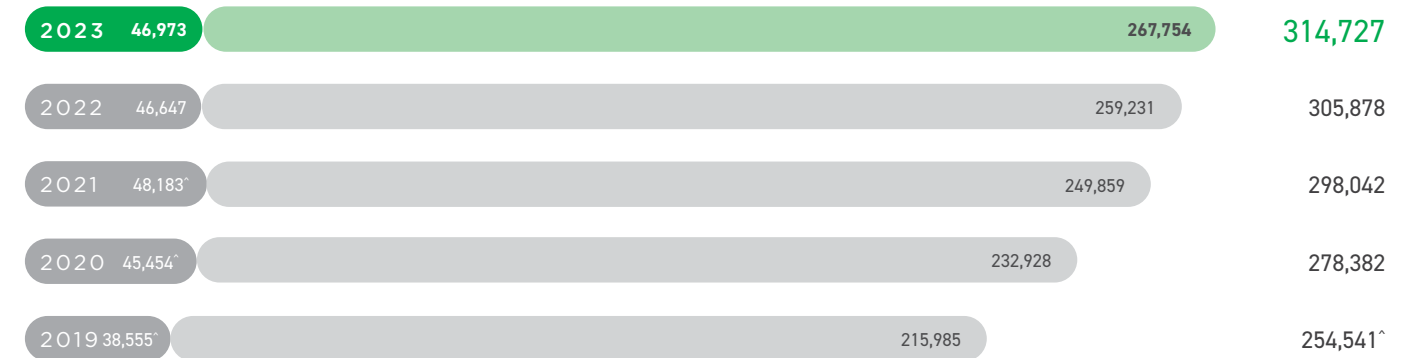
CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

Energy Consumption within Sheng Siong³⁴ (gigajoules)

- HQ - Mandai Link HQ cum Distribution Centre
- SN - Store Network

Non-renewable:

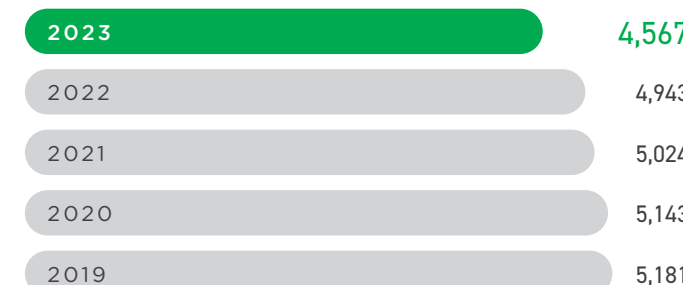
Electricity Grid Consumption⁵⁶



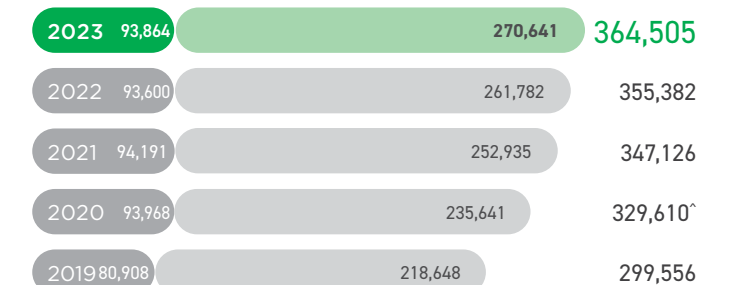
Fuel Consumption⁷



Renewable: PV (Solar) System⁸



Total Energy Consumption⁹:



¹ Small variances are due to rounding adjustments.

³ Source: <https://www.eia.gov/energyexplained/units-and-calculators/energy-conversion-calculators.php>

⁴ Small variances are due to rounding adjustments.

⁵ Data on energy consumption is collected through monthly utility bills.

⁶ Data from 2019 to 2022 has been restated due to new data surfacing in relation to electricity consumption at one of the stores.

⁷ Sheng Siong Group's own fleet of delivery trucks. Information from 3rd party logistics providers is not available.

⁸ A monitoring system is installed with our PV (Solar) system.

⁹ Data from 2019 to 2022 has been restated due to new data surfacing in relation to electricity consumption at one of the stores.

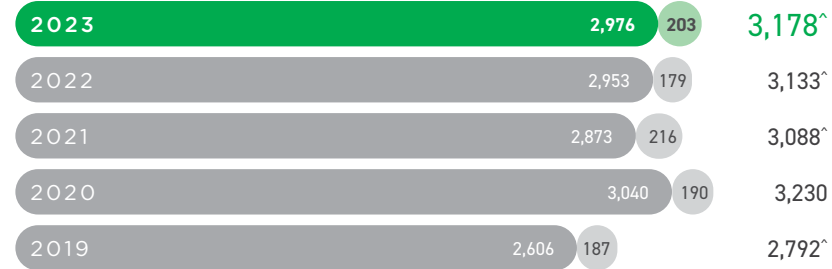
CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

Greenhouse Gas Emissions¹⁰¹¹ (tonnes of CO₂ e)

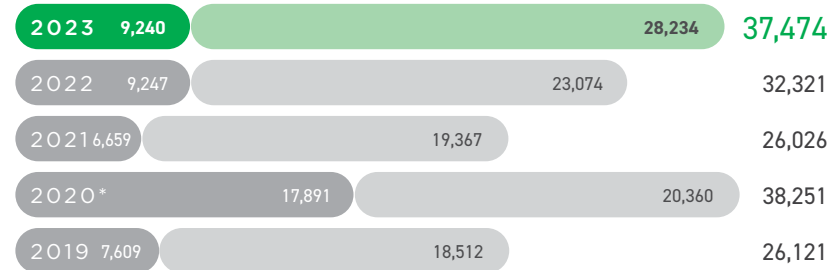
- HQ - Mandai Link HQ cum Distribution Centre
- SN - Store Network

Direct Emissions (Scope 1)¹²:

Via Diesel Fuel¹³



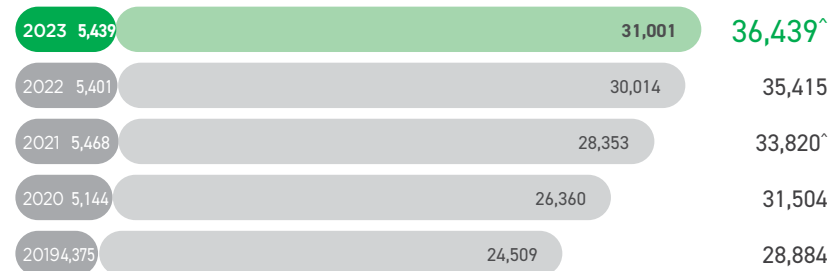
Via Refrigerant¹⁴¹⁵



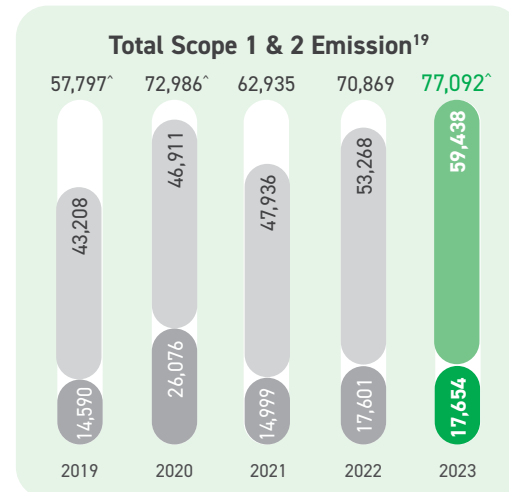
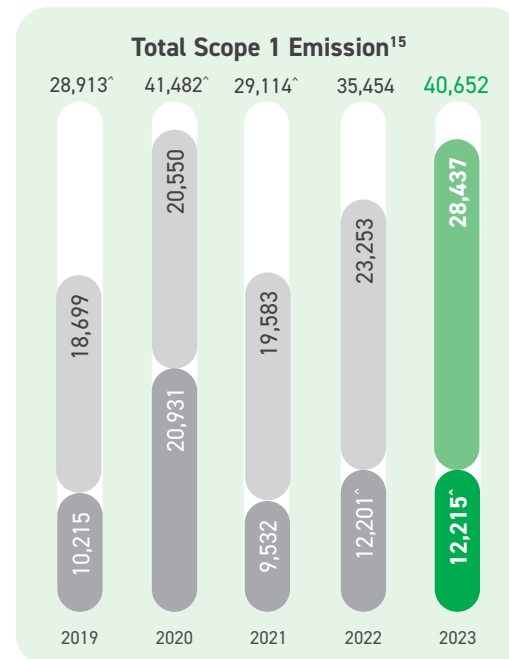
* A larger volume of refrigerant was used because of the opening of new stores and the completion of our warehouse extension, which consisted of more chiller/freezer rooms. The amount of new refrigerant gas injected into the new chiller/freezer system is included in the data reported as we did not record this information separately.

Indirect Emissions (Scope 2)¹⁶¹⁷:

Via Purchased Electricity¹⁸



[^] Small variances are due to rounding adjustments.



10 The Group uses the operational control approach based on the GHG Protocol to calculate Scope 1 and 2 emissions.

11 Small variances are due to rounding adjustments.

12 Gases included in the calculation of Scope 1 emissions are CO₂ and HFCs.

13 Source: https://www.eia.gov/environment/emissions/co2_vol_mass.php

14 Source: <https://www.epa.gov/sites/default/files/2015-07/documents/fugitiveemissions.pdf> United States Environmental Protection Agency, Greenhouse Gas Inventory Guidance Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases Nov 2014 or <https://www.dceew.gov.au/environment/protection/ozone/rac/global-warming-potential-values-hfc-refrigerants>

15 Data from 2019 to 2022 has been restated due to new data surfacing in relation to usage of refrigerant top-ups (supplied at zero cost). A data point was also erroneously recorded for year 2022 which has been corrected.

16 Scope 2 emissions are location-based.

17 Data from 2019 to 2022 has been restated due to new data surfacing in relation to electricity consumption at one of the stores. Furthermore, we have incorporated the updated grid emission factor provided by the Energy Market Authority (EMA) in 2023.

18 Source: <https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2>

19 Data from 2019 to 2022 has been restated due to new data surfacing in relation to electricity consumption at one of the stores, and usage of refrigerant top-ups (supplied at zero cost). Furthermore, we have incorporated the updated grid emission factor provided by the Energy Market Authority (EMA) in 2023 (source: <https://www.ema.gov.sg/resources/singapore-energy-statistics/chapter2>).

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

MANAGING OUR WASTE

Singapore faces a pressing challenge – its sole landfill, Semakau Landfill, is projected to reach capacity by 2035 at the current rate of waste generation. Recognising the urgency of this issue, the Singapore Green Plan 2030 outlines ambitious goals to promote a more sustainable future. These goals include increasing non-domestic recycling rates to 80% and domestic recycling rates to 30% by 2030, alongside a 20% reduction in daily per capita landfill waste by 2026.

Sheng Siong fully supports Singapore's vision of becoming a Zero Waste Nation. We are committed to playing a responsible role in achieving these goals, prioritising responsible resource utilisation and waste management through the principles of the 3Rs: Reduce, Reuse, and Recycle. This philosophy guides our approach to managing resources throughout our supply chain and minimising waste generation within our business operations.

In the following sections, we will delve deeper into the specific initiatives Sheng Siong has undertaken to advance sustainable waste management practices.



ZEROWASTE SG

MS HUILENG TAN

Executive Director, Zero Waste SG

We are deeply appreciative of the partnership and support from Sheng Siong, especially for Zero Waste SG's Bring Your Own Bag (BYOB) 2023 campaign. Working together, we held training sessions for cashiers and installed bag racks at 2 outlets to help shoppers to cultivate the habit of bringing their reusable bags. It was a wonderful moment to see the community coming together to #choosereusablenotdisposables!

Flowchart of key business activities and waste generation within our value chain



CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

RECYCLING AND REDUCING OUR WASTE

Sheng Siong prioritises responsible waste management and actively promotes recycling to minimise our environmental impact. We meticulously sort our waste streams, separating recyclable materials for proper processing.

OPTIMISING RECYCLING EFFORTS

Transportation Waste: Waste generated during product transportation includes tertiary packaging materials like carton boxes, wooden pallets, and stretch film. To maximise recycling efficiency, we utilise a specialised paper compacting machine to compress collected carton boxes before delivering them to recycling facilities. This optimises delivery allowing us to recycle a larger volume of cardboard waste per truckload.

Comprehensive Recycling Programme: Beyond carton boxes, Sheng Siong has a comprehensive recycling programme that encompasses various materials, including food waste, plastic, wooden pallets, stretch film, Styrofoam boxes, cans, and metals.

2023 WASTE MANAGEMENT RESULTS

In 2023, we generated a total of 14,785 tonnes of waste. While the overall recycling rate decreased to 79.6%, our waste intensity improved slightly to 10.8 grams per dollar revenue from 10.9 grams. This reflects our strong commitment to sustainable waste management practices. We acknowledge a temporary decline in the recycling rate due to the termination of the food waste recycling project with NEA. Sheng Siong has actively explored partnerships and secured a new partnership with an off-taker to resume food waste diversion through composting.

Despite this setback, our commitment to sustainability remains unwavering. We are continuously seeking innovative solutions to minimise waste generation and maximise recycling throughout our operations.

Year	2020	2021	2022	2023
Total waste generated (tonnes)	15,291	15,192	14,659	14,785
Overall recycling rate ²⁰	79.7%	80.4%	80.8%	79.6%
Waste intensity - Waste generated per \$ revenue (g) ²¹	11.0	11.1	10.9	10.8

WASTE DISPOSAL

Sheng Siong adheres to responsible waste disposal practices. Non-recyclable general waste generated from our supermarket operations is collected by licensed public waste management companies and subsequently incinerated at one of Singapore's four advanced waste-to-energy plants. Sheng Siong does not generate any hazardous waste through our operations.

General Waste disposed by incineration (mass burn)^{22,23} (tonnes)

2023	3,015
2022	2,809
2021	2,986
2020	3,103
2019	1,407

²⁰ The formula used for calculating overall recycling rate is the total waste recycled divided by total waste generated (sum of total waste recycled and general waste disposed).

²¹ The metric is updated to reflect Waste generated per \$ revenue in grams instead of kilograms.

²² Excludes general waste generated by the supermarkets that are collected by the public waste management companies. This data is not available.

²³ A further breakdown of the total waste disposed of by incineration is not available as general waste is not segregated at source.

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

MINIMISING WASTE THROUGHOUT THE SUPPLY CHAIN

We collaborate closely with our suppliers to minimise waste generation and encourage material reuse wherever possible.

Examples include:

Reusable Crates: Some suppliers utilise reusable plastic crates to deliver fresh produce like vegetables, fruits, seafood, and eggs.

Repurposed Styrofoam Boxes: We collect Styrofoam boxes used for temperature-sensitive product delivery. Following thorough cleaning and sanitisation, these boxes are repurposed for internal use. Excess Styrofoam is also collected and recycled into new materials.

Pallet Reuse: Undamaged pallets used for receiving goods are repurposed for storage within our facilities, reducing the demand for new pallets.

These collaborative efforts with suppliers not only minimise waste generation but also contribute to a more sustainable supply chain.

PUBLIC RECYCLING INITIATIVES

Sheng Siong actively promotes public recycling initiatives. In 2023, we partnered with SembWaste to pilot the "Rebottle" programme at our Punggol Central store for three months. This initiative encouraged local residents to recycle plastic bottles by providing convenient drop-off locations.

By implementing these multifaceted strategies, Sheng Siong demonstrates a strong commitment to minimising waste generation, maximising recycling efforts, and fostering a more sustainable future.




CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

Quantity of Waste Recycled

Carton Materials (tonnes):



* Due to Covid-19 related restrictions in place there was an elevated demand of goods which resulted in more carton boxes.

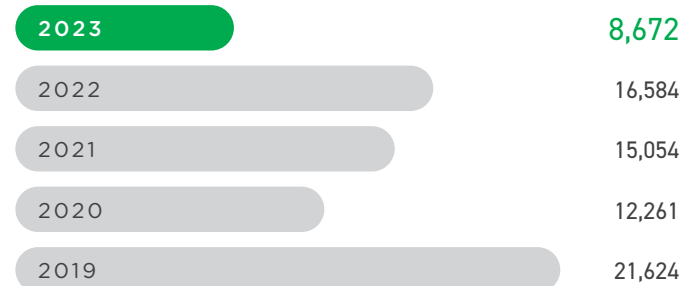
Styrofoam Box (tonnes):



^ We improved the collection of Styrofoam boxes and partnered new off-takers to enhance our recycling efforts.

The lack of demand by recyclers in 2020 resulted in the large decline in the quantity of Styrofoam boxes recycled.

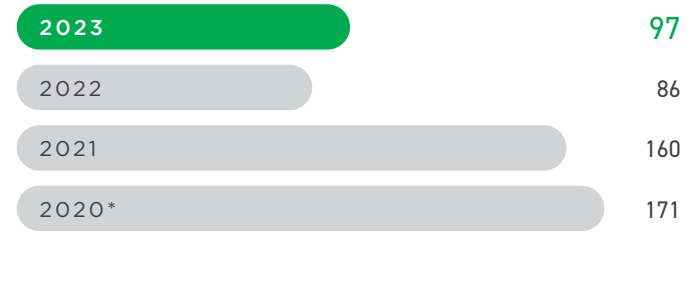
Rice Sacks (unit)



Plastic Stretch Film (tonnes):

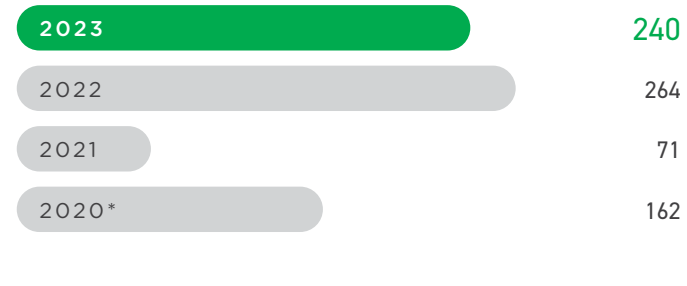


Plastic - Others (tonnes):



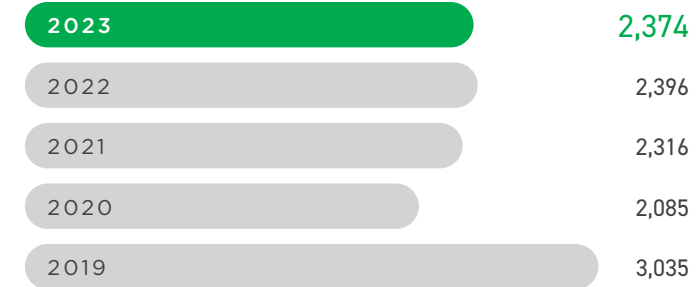
* Historical data is not included as we have changed the reporting category from "Plastic Crates/Baskets" to "Plastic - Others" which covers plastic pallets, plastic crates/baskets and others.

Wood (tonnes):



* While we have been previously reporting on "Wooden Pallets", it was found that the data covered both wooden and plastic pallets at the point of recycling. This has been corrected and going forward, this category will only include recycled wood.

Food Waste (tonnes):



Metal (tonnes):



E-Waste (tonnes):



CARE FOR THE ENVIRONMENT CONSERVING RESOURCES



CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

MANAGING FOOD WASTE

Food waste remains a significant challenge in Singapore, with approximately 813,000 tonnes generated in 2022 alone²⁴. Sheng Siong recognises the environmental and ethical implications of this issue. We believe that minimising food waste is not just a national imperative, but a moral obligation. Any amount wasted represents the squandering of valuable time, labour, and resources used to grow and prepare fresh produce.

MINIMISING FOOD WASTE WITHIN OUR OPERATIONS

Sheng Siong takes a multi-pronged approach to minimising food waste within our own operations. This includes:

Inventory Management: Implementing sound purchasing and inventory management policies ensures we only stock the necessary quantities of products.

Storage and Handling: Upholding strict storage and food handling standards helps maintain the freshness and quality of our products. **Packaging and Processing Techniques:** We utilise state-of-the-art packaging and processing techniques to prolong the shelf life of our products.

Ethylene Gas Removal: Sheng Siong has invested in patented technology within our distribution centre chillers. This technology removes airborne organic compounds, including ethylene gas, bacteria, mould spores, and viruses, further extending the freshness and quality of our produce.

Reduced to Clear Sections: Since 2011, Sheng Siong has offered "Reduced to Clear" sections where slightly blemished but perfectly edible or close-to-expiry fresh produce is sold at discounted prices.



24 Source: <https://www.nea.gov.sg/our-services/waste-management/waste-statistics-and-overall-recycling>

FOOD WASTE DIVERSION

While we strive to minimise food waste generation in the first place, we are committed to responsible management of unavoidable food waste. Here are some key initiatives:

Vegetable Trimmings for Animal Feed (2020-2023): Previously, Sheng Siong collaborated with an animal interest group, donating approximately 4.2 tonnes of vegetable trimmings for use as animal feed. This programme ended due to logistical challenges associated with aggregation, sorting, and transportation.

NEA Food Waste Co-digestion Project (2017-2023): Sheng Siong partnered with NEA on a food waste co-digestion project. Source-segregated food waste from all our stores and our distribution centre was diverted to a facility for co-digestion with used water sludge. This process generates more biogas than digesting sludge alone, enhancing energy recovery. In 2023, the project successfully diverted an estimated 2,374 tonnes of food waste. Unfortunately, the programme has concluded.

Resuming Food Waste Diversion through Composting (New Development): We are pleased to announce that Sheng Siong has secured a new partnership with an off-taker to resume food waste diversion through composting. This initiative will continue to reduce the amount of food waste sent to landfills and contribute to the production of valuable compost for enriching soil quality.

EDUCATING CONSUMERS

Sheng Siong actively participates in the National Environment Agency's (NEA) "Say YES to Waste Less" (SYTWL) campaign. Through social media posts and in-store marketing materials, we encourage our customers to become responsible consumers. This includes promoting reusable bags, proper handling of fresh produce, informed shopping choices, and appropriate food storage practices at home. By empowering our customers with knowledge, we aim to collectively reduce food waste throughout the supply chain.

LOOKING AHEAD

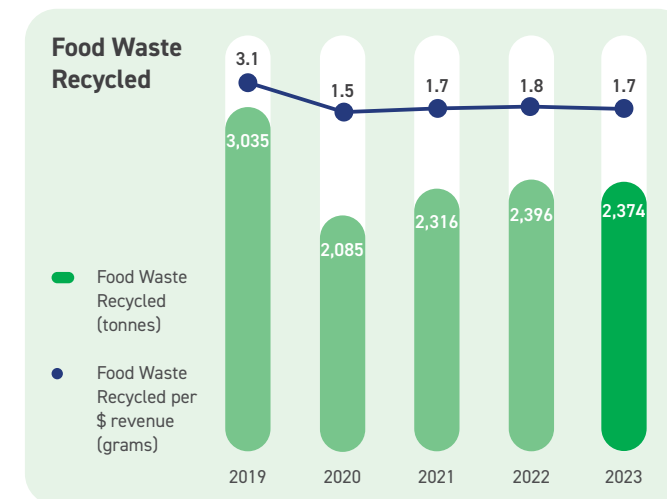
With climate change and potential disruptions in major shipping routes causing shipment delays, Sheng Siong anticipates an increase in damaged perishable produce. Recognising these challenges, we are actively exploring the following solutions:

Refined Sourcing Strategy: We aim to refine our sourcing strategy to enhance the resilience of our supply chain.

Partnerships for Food Waste Diversion: Sheng Siong is actively seeking more partnerships to resume food waste diversion and continue to minimise our environmental impact.

Compliance with the Singapore Resource Sustainability Act (RSA): Beginning in 2025, the RSA mandates that large commercial and industrial food waste generators, including Sheng Siong's distribution centre, segregate food waste for treatment. We are fully committed to complying with this regulation.

By implementing this multifaceted approach, Sheng Siong remains committed to playing a leading role in tackling food waste and contributing to a more sustainable future for Singapore.



25 Source: <https://www.nea.gov.sg/our-services/waste-management/waste-statistics-and-overall-recycling>

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

REDUCING PLASTIC WASTE

Plastic pollution is a global challenge, and Singapore is no exception, generating one million tonnes of plastic waste in 2022, ranking as the fourth most common waste type with a mere 6% recycling rate²⁵.

CHAMPIONING SINGLE-USE DISPOSABLE BAG REDUCTION

We understand the significant environmental impact of single-use plastic bags. As a responsible retailer, we actively promote reusable alternatives and influence consumer behaviour.

Reduction through Operational Reviews: We continually review our operational procedures for bagging products at checkout counters and weighing stations to minimise unnecessary bag usage.

Mandatory Disposable Carrier Bag Charge: We fully support the implementation of the Disposable Carrier Bag Charge (DCBC) by NEA in 2023, which requires large supermarkets like Sheng Siong to charge at least S\$0.05 per bag. This initiative has demonstrably reduced plastic bag consumption by an estimated 70%. The net proceeds from the DCBC will be donated to support social and environmental causes.

Bring-Your-Own-Bag Campaign: In 2023, we partnered with ZeroWaste SG to launch the "Bring-Your-Own-Bag (BYOB)" campaign, further encouraging customers to embrace reusable bags.



Supermarket representatives at the launch of ZeroWaste SG BYOB Singapore 2023 with Dr Amy Khor, Senior Minister of State for Sustainability and the Environment.

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

BEYOND BAGS: MINIMISING PACKAGING WASTE

Beyond plastic bags, we actively participate in industry-wide initiatives and implement best practices to reduce packaging waste throughout our supply chain.

Singapore Packaging Agreement (SPA) & Packaging Partnership Programme (PPP): Our commitment began in 2018 as a signatory to the Singapore Packaging Agreement (SPA), a programme that encouraged responsible packaging use throughout the industry. Following the conclusion of the SPA, we seamlessly transitioned to the Packaging Partnership Programme (PPP) launched by the National Environment Agency (NEA) in collaboration with the Singapore Manufacturing Federation (SMF). Both programmes have played a crucial role in guiding our efforts to implement responsible packaging practices throughout our supply chain, and meet our obligations under the Mandatory Packaging Reporting framework.

Sustainable Packaging Design: We strive to ensure all new house brand products utilise packaging within the "Lightest" to "Median" range of the SPA's Packaging Benchmarking Database, minimising packaging weight wherever possible.

Collaboration with Suppliers: Sheng Siong actively collaborates with suppliers to explore alternative packaging materials. For example, we utilise reusable crates for transporting fresh produce, such as vegetables, fruits, and eggs. We are actively working with suppliers to reduce packaging, improve recyclability of packaging, and identify suitable alternatives to Styrofoam packaging for selected fresh food items. By transitioning to paper cartons or other eco-friendly materials, we aim to further reduce our environmental footprint.

Loose Produce Displays: We offer a variety of loose produce options like potatoes, tomatoes, and onions, eliminating unnecessary packaging.

Balancing Sustainability with Food Safety and Affordability: While minimising packaging is a priority, we recognise the importance of maintaining food safety, freshness, and affordability. Certain fresh produce requires packaging for hygiene, shelf-life, and to prevent food waste. We work closely with suppliers to find the ideal balance, minimising unnecessary packaging while ensuring product quality and affordability.

LEADING BY EXAMPLE: SUSTAINABLE PACKAGING DESIGN IN ACTION

Sheng Siong is committed to implementing sustainable design principles throughout our product lines. Here are two concrete examples that demonstrate our progress:

Happy Family Vegetable Oil: In 2023, we eliminated security shrink caps for our Happy Family Vegetable Oil bottles (500ml to 5L). This seemingly small change translates to a significant environmental benefit. We estimate this initiative has avoided approximately 0.45 metric tons of plastic waste in a single year, contributing to a cleaner environment.



House Brand Rice Packaging: Previously, our house brand rice was packaged in bulky carton boxes. Recognising an opportunity for improvement, we transitioned to lightweight plastic rice sacks in the second half of 2023. This innovative design not only reduces the overall packaging weight by a significant margin (from 498g/476g to 60g) but also ensures the rice remains fresh and protected during transport. Furthermore, these rice sacks are collected and returned to our distribution centre for recycling, minimising their environmental impact even further.



These examples highlight Sheng Siong's dedication to continuous improvement and innovation in sustainable packaging design. We are constantly exploring new ways to reduce our environmental footprint while ensuring product quality and affordability for our customers.

CARE FOR THE ENVIRONMENT CONSERVING RESOURCES

EXTENDED PRODUCER RESPONSIBILITY (EPR) AND THE FUTURE

Sheng Siong is committed to complying with upcoming EPR regulations for packaging waste and actively participates in the Mandatory Packaging Reporting (MPR) scheme. The MPR scheme requires us as a supermarket retailer to furnish information on the packaging materials used in our products, categorised by packaging material types (e.g., plastic, paper, metal, glass), packaging forms (e.g., carrier bags, bottles), their respective weights, and our 3R (Reduce, Reuse, Recycle) plans.

In 2023, we achieved a 1% reduction in total packaging per dollar of sales compared to 2022. While it may seem modest, this figure does not fully capture the progress made in specific areas. We have observed a notable increase in recyclable carton boxes used for transporting goods. While this may initially appear to contradict our packaging reduction goals, it is important to note that these cartons are collected and recycled at our facilities, minimising their environmental impact.

We are confident that by continually monitoring packaging data through the MPR scheme and implementing innovative solutions, we will achieve even greater reductions in overall packaging waste in the years to come.

Furthermore, Sheng Siong is preparing for the upcoming Beverage Container Return Scheme (by April 2025), which will require us to act as collection points for used beverage containers. We fully support this scheme and other initiatives designed to enhance recycling rates in Singapore.

We are also mandated under the EPR scheme to establish in-store collection services for consumer electrical and electronic products that we sell. The RSA came into effect on 1st July 2021, and in accordance with this legislation, Sheng Siong is collecting e-waste such as household batteries and light bulbs at all of its 69 outlets.

As a responsible corporate citizen, Sheng Siong remains committed to minimising our environmental footprint and advocating for sustainable practices throughout the supply chain. We are confident that by working together with consumers, industry partners, and government agencies, we can create a more sustainable future for Singapore.

CARE FOR THE ENVIRONMENT
CONSERVING RESOURCES

MANAGING OUR WATER USAGE

RESPONSIBLE WATER USE THROUGHOUT
OUR OPERATIONS

Singapore faces a unique challenge – securing a sustainable water supply. Water conservation is essential in water-scarce Singapore, and we believe that everyone should contribute to it. Our water supply originates from the public utility company²⁶ and is primarily used for food processing, meal preparation, and maintaining cleanliness at our distribution centre and retail outlets. No water is withdrawn from water stressed areas.

We are committed to reducing our water consumption by implementing various initiatives such as:

Rainwater Harvesting: We utilise a rainwater recovery system at our distribution centre. This system captures rainwater for toilet flushing, general washing, and maintaining on-site greenery. By reusing rainwater, we reduce our reliance on the municipal water supply.

Compliance with Environmental Regulations: Sheng Siong complies with the NEA's Environmental Protection and Management (Trade Effluent) Regulations, which regulates the quality of trade effluent discharge in Singapore. Our effluent discharge mainly comes from the processing of meat at our distribution centre.

26 Data on water use is collected through monthly utility bills. The figure excludes rainwater recovered at our distribution centre – this information is not available.



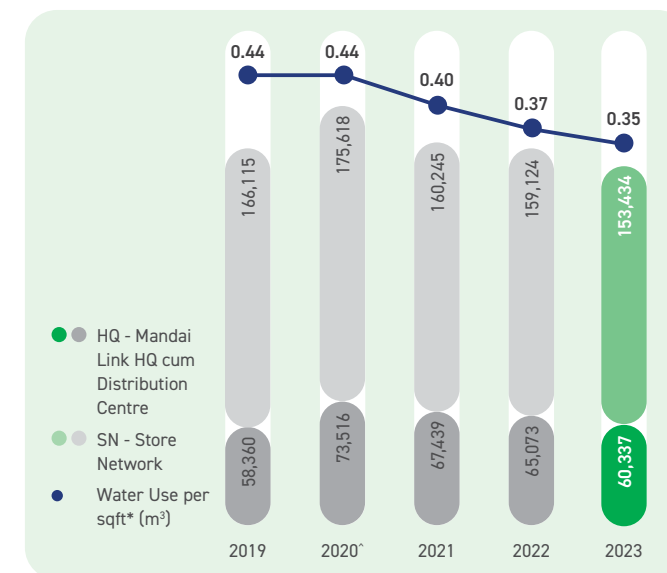
CARE FOR THE ENVIRONMENT
CONSERVING RESOURCES

RAISING PUBLIC AWARENESS

Since 2020, Sheng Siong has actively participated in PUB's (Singapore's National Water Agency) annual Singapore World Water Day campaign. We believe in fostering public awareness about water conservation and its critical role in our shared future.

Water Use (m³)²⁷

- HQ - Mandai Link HQ cum Distribution Centre
- SN - Store Network



^ Overall water usage was higher in 2020 due to the opening of new stores, and more cleaning was required to maintain the high standard of hygiene and sanitation needed to prevent the transmission of COVID-19.

* Weighted average retail floorspace area (not including distribution centre)

27 Data from 2019 to 2022 has been restated due to new data surfacing in relation to usage of water at one of the stores.



GRI CONTENT INDEX

GRI CONTENT INDEX

Statement of use	Sheng Siong Group Ltd has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	Not applicable

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page References & Omissions
General Disclosures			
GRI 2: General Disclosures 2021	The organisation and its reporting practices		
	2-1	Organisational details	1
	2-2	Entities included in the organisation's sustainability reporting	1
	2-3	Reporting period, frequency and contact point	1
	2-4	Restatements of information	60-61, 84, 102-104, 115
	2-5	External assurance	1
	Activities and workers		
	2-6	Activities, value chain and other business relationships	1, 20-23, 56-57, 90, Annual Report 2023: About Sheng Siong Group
	2-7	Employees	76-78
	2-8	Workers who are not employees	
	Governance		
	2-9	Governance structure and composition	15-16, Annual Report 2023: 17-25, 30-32
	2-10	Nomination and selection of the highest governance body	Annual Report 2023: 33-35
	2-11	Chair of the highest governance body	Annual Report 2023: 17, 33-34
	2-12	Role of the highest governance body in overseeing the management of impacts	15-17, Annual Report 2023: 30
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	
	2-15	Conflicts of interest	18,59, Annual Report 2023: 29
	2-16	Communication of critical concerns	19
	2-17	Collective knowledge of the highest governance body	15
2-18	Evaluation of the performance of the highest governance body	15, Annual Report 2023: 32, 44, 52, 68	
2-19	Remuneration policies	79, Annual Report: 45-48	
2-20	Process to determine remuneration		

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page References & Omissions
GRI 2: General Disclosures 2021(cont'd)	2-21	Annual total compensation ratio	Sheng Siong will not be providing this information due to confidentiality constraints.
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	17
	2-23	Policy commitments	17-19, 59, 73, 77, 79
	2-24	Embedding policy commitments	
	2-25	Processes to remediate negative impacts	18-19, 84-85
	2-26	Mechanisms for seeking and raising concerns	19, 77, 84
	2-27	Compliance with laws and regulations	17-19, 60-63, 73, 79, 84-85
	2-28	Membership associations	65
	Stakeholder Engagement		
	2-29	Approach to stakeholder engagement	20-23
	2-30	Collective bargaining agreements	79
	Material Topics		
GRI 3: Material Topics 2021	3-1	Process to determine material topics	24-25
	3-2	List of material topics	26-27
Topic Specific Disclosures			
Business Excellence			
Economic Contributions to Society			
GRI 3: Material Topics 2021	3-3	Management of material topics	27
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	79-80, 86-87, 90, Annual Report 2023: 28, 73-76
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	76
Governance and Ethics			
GRI 3: Material Topics 2021	3-3	Management of material topics	15-19, 26, 30-31, 59

GRI CONTENT INDEX

GRI CONTENT INDEX

GRI Standard	GRI Disclosure Number	GRI Disclosure Title	Page References & Omissions
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	59
	205-2	Communication and training about anti-corruption training and procedures	59
	205-3	Confirmed incidents of corruption and actions taken	59-60
GRI 206: Anti-Competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	59-60
Productivity and Efficiency			
GRI 3: Material Topics 2021	3-3	Management of material topics	27, 32-33
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	50-57
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