

SUSTAINABILITY REPORT 2018



This sustainability report has been prepared by JUMBO Group Limited (the “Company”) and has been reviewed by the Company’s sponsor, United Overseas Bank Limited (the “Sponsor”), for compliance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. This sustainability report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

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ABOUT JUMBO

JUMBO Group Limited (“JUMBO”, or the “Group”) is one of Singapore’s leading food and beverage (“F&B”) establishments. It is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

JUMBO offers multiple dining concepts catering to the discerning palates of local and overseas gastronomes. As of September 2019, the Group’s network of F&B outlets (including those of its associated companies and those under licensing arrangements) spans cities like Singapore, Shanghai, Beijing, Xi’an, Fuzhou, Taipei, Taichung, Hsinchu, Seoul, Ho Chi Minh, Bangkok, Tokyo and Osaka. JUMBO also provides catering services for customers in Singapore and sells packaged sauces and spice mixes for some of its signature dishes through retail and online platforms.

JUMBO has a total of 5 restaurant brands – JUMBO Seafood, NG AH SIO Bak Kut Teh, Chui Huay Lim Teochew Cuisine, Zui Yu Xuan Teochew Cuisine and Chao Ting. It also operates 1 Tsui Wah Hong Kong-style “Cha Chuan Teng” as a franchisee and manages 1 Singapore Seafood Republic outlet in Singapore.

A central kitchen was set up in 2008 at our corporate headquarters to maintain stringent quality standards and consistency of our signature dishes, increase productivity and lower costs.

BOARD STATEMENT

The board of directors (the “Board”) at JUMBO hereby presents its inaugural Sustainability Report for the financial year ended 30 September 2018 (“FY2018”). This Sustainability Report communicates our sustainability approach, performance and targets.

Over the years, JUMBO has grown from its humble origin of a single seafood restaurant to one of Singapore’s leading F&B establishments. With more than 30 outlets and operations across Asia, JUMBO has earned the trust and loyalty of local and overseas customers alike through our persistent pursuit of quality food and services.

The Board recognises the importance of environmental, social and governance (“ESG”) considerations in creating value for our business and our stakeholders. Through the materiality assessment, JUMBO identified 7 material ESG factors. There are 4 sustainability focus areas for JUMBO, namely, “Focusing on Customers”, “Empowering Our People”, “Ensuring Good Governance” and “Contributing to the Community”. The Board oversees the management of the material ESG factors and integrates the management of these sustainability focus areas into JUMBO’s business strategy.

Going forward, we will stay committed to our sustainability focus areas and continue to grow our business in a sustainable manner. JUMBO will publish this report annually, in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalyst of the SGX-ST (“Catalist Rules”) and with reference to the GRI Standards, and to continually update our stakeholders with the Group’s progress in sustainability.

SUSTAINABILITY APPROACH

The concept of sustainability has always been an integral part of our corporate DNA. We believe that sustainability is essential in achieving our mission of providing quality food and services and fulfilling our philosophy of “Bonding People through Food”.

We prioritise our sustainability efforts on 4 focus areas. These sustainability focus areas support and complement each other to create positive value for our stakeholders such as customers, employees, business partners, the wider community as well as investors. This report elaborates on 3 sustainability focus areas, which are “Focusing on Customers”, “Empowering Our People” and “Ensuring Good Governance”. For details of the fourth sustainability focus area, “Contributing to the Community”, please refer to “Corporate Social Responsibility” section of JUMBO’s FY2018 annual report.



1. Focusing on Customers: At JUMBO, customer centricity is ingrained into our business model. We strive to provide quality food through stringent quality assurance procedures within our outlets, central kitchen and along the supply chain. We value customer feedback as we strive to improve our services and tailor products to our customers' needs. We are also committed to safeguarding customer privacy by strengthening our information security.

2. Empowering Our People: Building a committed and competent workforce is key to delivering quality customer experience and thus fundamental to JUMBO's success. We seek to provide an inclusive, diverse and safe working environment for our employees. We also offer a wide range of training programmes for our employees to enhance opportunities for their career progression.

3. Ensuring Good Governance: We exercise strong corporate governance to prevent corruption and ensure environmental and socio-economic compliance. We also actively identify our regulatory risks and keep abreast of new laws and regulations.

4. Contributing to the Community¹: We believe in contributing back to the community through corporate social responsibility ("CSR") activities. We strive to make positive social impacts through a range of philanthropic and goodwill projects, with an emphasis on areas related to education and community welfare.

JUMBO has established a formal sustainability governance structure to govern our sustainability focus areas. At the top of the structure, the Board oversees and approves the direction of sustainability management. In support of the Board, the Sustainability Steering Committee, formed by senior management, develops sustainability strategy, manages overall sustainability performance and reports to the Board. At the operational level, the Sustainability Task Force implements sustainability practices and monitors sustainability performance across the Group.

¹ For more information on CSR activities, please refer to "Corporate Social Responsibility" section of JUMBO's FY2018 annual report.

FY2018 SUSTAINABILITY HIGHLIGHTS

- HACCP certified for 6 outlets
- Both HACCP and ISO22000 certified for central kitchen
- Reviewed 100% of existing suppliers and screened 100% of new suppliers using vendor evaluation form
- 100% complaints handled following the internal complaint handling protocol
- Zero substantiated complaints concerning breaches of customer privacy and identified leaks, thefts or loss of customer data



- Offered a diverse range of training programmes to employees
- Zero workplace fatalities or high-consequence work-related injuries among employees

- 10 philanthropic and goodwill projects during the year to create positive social impacts

- Zero incidents of confirmed corruption
- Zero incidents of non-compliance with laws and regulations in the environment, social and economic areas, which resulted in significant fines and non-monetary sanctions

ABOUT THIS REPORT

This sustainability report covers the sustainability practices and performance of JUMBO for FY2018. This report covers the listed entity, JUMBO Group Limited, JUMBO Seafood outlet at East Coast Park, as well as its central kitchen operations and all its restaurant outlets directly under JUMBO Group of Restaurants Pte Ltd in Singapore.

This report is prepared in accordance with the requirements of Practice Note 7F: Sustainability Reporting Guideline of the Catalist Rules and also makes reference to the GRI Standards. The GRI Standards were selected as the reporting framework as it provides guidance on the materiality assessment, suggests specific performance disclosures relevant to our business, and is also internationally recognised. This report references the following topic-specific disclosures:

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

All information is disclosed in good faith to the best of our knowledge. No external assurance has been sought for this report. JUMBO welcomes any feedback to improve our report. Please forward enquiries and feedback to sustainability@jumbogroup.com.sg.

STAKEHOLDER ENGAGEMENT

Open dialogue and regular communication with our key stakeholders are essential to help us understand their views and concerns. We believe that effective stakeholder engagement provides valuable input for us to improve our sustainability practices and create long-term value for our business. The following table shows JUMBO's key stakeholder groups and our approach in engaging them.

Stakeholder	Key Stakeholder Concerns	Engagement Methods	Frequency
Customers	<ul style="list-style-type: none"> • Food hygiene and safety • Affordable and quality food • Quality of service • Innovative products to suit changing tastes and preferences 	<ul style="list-style-type: none"> • Online customer feedback channels • Social media • Feedback box 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year • Throughout the year
Employees	<ul style="list-style-type: none"> • Workplace inclusivity and safety • Fair and competitive compensation • Training and career development opportunities 	<ul style="list-style-type: none"> • Training and development programmes • Team bonding activities • Performance review sessions 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year • Twice a year
Suppliers	<ul style="list-style-type: none"> • Maintaining a positive business partnership • Clear communication of expectations regarding quality and business conduct 	<ul style="list-style-type: none"> • Supplier code of conduct • Vendor evaluation form • Supplier declaration • Supplier survey and feedback 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year • Throughout the year • Throughout the year
Investors / Shareholders	<ul style="list-style-type: none"> • Business performance and strategy of the Group • Accurate and timely dissemination of business updates 	<ul style="list-style-type: none"> • Release of financial results and other relevant disclosures through SGXNet and JUMBO's website • Annual general meeting • Meeting with investors and stock analysts feedback 	<ul style="list-style-type: none"> • Throughout the year • Once a year • Ad hoc
Regulators	<ul style="list-style-type: none"> • Compliance with relevant environmental and socio-economic laws and regulations 	<ul style="list-style-type: none"> • Industry networking functions • Annual regulatory audits • Inspections on environmental and food safety compliance 	<ul style="list-style-type: none"> • Ad hoc • Once a year • Throughout the year

MATERIAL ESG FACTORS

For FY2018, JUMBO conducted a materiality assessment to identify the ESG factors which are most relevant and important to its business and stakeholders. Facilitated by an independent sustainability consultant, the assessment was guided by GRI Principles of Materiality and Stakeholder Engagement. Details of the materiality assessment process are shown below.



7 material factors were identified from the materiality assessment:

Sustainability Focus Area	Material ESG Factors
Focusing on Customers	Product Quality and Safety
	Supply Chain Management
	Customer Engagement
	Information Security
Empowering Our People	Training and Career Development
	Workplace Health and Safety
Ensuring Good Governance	Regulatory Compliance

FOCUSING ON CUSTOMERS

Customer satisfaction is fundamental to the long-term success of our business. JUMBO constantly strives to deliver the best dining experience to our customers through quality assurance, customer engagement and service trainings. At the same time, we pledge to safeguard customer privacy to build trust.

Below are a list of awards that JUMBO was honoured with in FY2018:

- 5S Excellence Award by Restaurant Association of Singapore (2018);
- Asia Enterprise BRAND Awards – Gastronomy Excellence BRAND Award (2018);
- Excellent Service Award (2018);
- JUMBO Seafood outlet at Dempsey Hill recommended as “One Diamond Restaurant” by Meituan-Dianping (美团点评) Black Pearl Restaurant Guide; and
- JUMBO Seafood East Coast flagship restaurant recommended by Wine & Dine’s Singapore Top Restaurants Guide 2018/2019

PRODUCT QUALITY AND SAFETY

Ensuring quality and safety of JUMBO’s food products is the foundation on which we build customer trust and grow our business. JUMBO prides itself for having a dedicated Quality Assurance (“QA”) department, which helps to build and monitor a robust quality control system. Our stringent QA procedures ensure that we are serving safe, fresh and high-quality food to our customers, thus protecting customer health and safety.

We uphold the highest safety standard in our operations to minimise the risks of food safety hazards. Across our outlets and central kitchen, we have adopted food safety management systems in line with internationally recognised standards, HACCP² and ISO22000³. 6 of our outlets are HACCP certified and our central kitchen is both HACCP and ISO22000 certified.

Preventing Food Allergies

JUMBO takes our customers’ health and safety seriously and has set out a standard protocol to prevent any potential food allergies. For our customers, we inform them upfront via our menus that our food might come in contact with common allergens, such as peanuts, in its preparation and call for necessary precautions. For our employees, we conduct training courses to educate employees on the types of common food allergens and how to read food labels to identify potential allergens. In instances where customers inform our staff of any food allergies, we will actively seek to understand the severity of the allergy in order to decide on the next course of action. For example, employees will recommend dishes that do not contain the specific allergens or coordinate with the chefs to avoid using the specific ingredients in the preparation of dishes.

²HACCP (Hazard Analysis and Critical Control Point) is a globally-accepted risk assessment tool to identify and control potential hazards at specific points in the food production process.

³ISO22000 is an internationally-recognised standard that establishes the requirements for an effective food safety management system.

Employee awareness is at the heart of supporting our quality assurance objectives. Every month, the QA department conducts a food safety refresher course for employees in different outlets and annually in our central kitchen. Employees are educated and reminded on protocols and best practices to adopt for personal hygiene, pest control, as well as the prevention of potential food allergies and cross-contamination.

Furthermore, JUMBO conducts frequent food safety audits to ensure that internal protocols are strictly adhered to. We engage an external consultant to conduct yearly internal audits on selected outlets, serving as an independent check on our food safety standards. Every 6 months, 2 outlets are also selected for external food safety audits by certification bodies. As a result, these audit procedures provide JUMBO with opportunities to review its food safety practices and identify any potential areas for improvement.

As a testament to our commitment to quality assurance, we are pleased to report that in FY2018, all our outlets have obtained National Environment Agency (“NEA”) “A” Grade⁴ while our central kitchen obtained Agri-Food and Veterinary Authority of Singapore (AVA) “A” Grade⁴ which are the highest grades for the overall hygiene, cleanliness and housekeeping standards for our operations.

Performance in FY2018	Targets for FY2019
<ul style="list-style-type: none"> • 6 outlets are HACCP certified; central kitchen is both HACCP and ISO22000 certified • All outlets obtained NEA⁴ “A” Grade; central kitchen obtained AVA⁴ “A” Grade • Zero significant incidents⁵ of non-compliance concerning the health and safety impacts of products and services 	<ul style="list-style-type: none"> • Maintain HACCP certification for outlets and central kitchen and ISO22000 certification for central kitchen • Zero suspension by SFA⁴ due to non-compliance of its regulations • Maintain zero significant incidents⁵ of non-compliance concerning the health and safety impacts of products and services

Supply Chain Management

Our commitment to quality assurance extends beyond the boundary of JUMBO’s own operations to our supply chain. We diligently select and evaluate our suppliers in line with our internal quality control standards. JUMBO is committed to procuring high quality food products from reliable vendors in order to safeguard the well-being of our customers.

JUMBO has a procurement manual that outlines the principles for the purchase of high-quality products at the best prices. For new vendors, we evaluate them based on their quality, food safety, reliability and cost using our vendor evaluation form before engaging them. Suppliers are required to provide relevant licenses and disclose whether they have quality assurance programmes in place. In addition, suppliers are required to declare if their products contain any additives and allergens.

⁴ In April 2019, NEA’s and AVA’s food-related services were transferred to the Singapore Food Agency (SFA). Please refer to <https://www.sfa.gov.sg/> for more information.

⁵ Significant incidents are incidents that result in outlet operations being suspended.

For existing vendors, JUMBO conducts annual supplier review to ensure that high standards are maintained throughout the years. The QA department conducts audit on 2 suppliers every month in areas related to hygiene, food handling processes, licenses, and regulatory compliance. These audits compare actual performance against information obtained through vendor evaluation form, thus providing additional assurance that suppliers are in line with JUMBO’s standards on food safety and hygiene.

Furthermore, the QA department conducts lab tests of bacterial count on selected raw materials. In the event that the food procured is of poor quality or if there is any mishandling of the food during delivery, we will reject the products at the time of delivery and seek a replacement from the supplier. If any supplier is deemed to be unsatisfactory following our detailed checks, we will terminate the partnership unless corrective actions are taken immediately by the supplier.

Ensuring Food Traceability

In our central kitchen, due to the seasonality and variety of food served, we often need to partner with multiple suppliers for our raw materials. In this context, food traceability is extremely important as it helps us to trace exactly where our ingredients are sourced from. It also helps trace any food safety concerns downstream and take appropriate remediating actions to protect the well-being of customers.

In the central kitchen, JUMBO follows the Standard Operating Procedures (“SOPs”) set out by the ISO22000 management system to ensure food traceability. In this way, we can enhance our food traceability and thus ensure accountability for food quality and safety.

Performance in FY2018	Targets for FY2019
Reviewed 100% of existing suppliers and screened 100% of new suppliers using vendor evaluation form	Continue to assess 100% of existing and new suppliers using vendor evaluation form

CUSTOMER ENGAGEMENT

Understanding customer concerns and expectations is key to distinguishing the JUMBO brand from its peers. We value customer feedback as it helps us to tailor our services to the changing customer preferences and enables us to stay relevant in the fast-moving F&B industry.

In line with our efforts to improve product and service standards, we have made available the following feedback channels for our customers to share their dining experience with us:

<p style="text-align: center;">JUMBO Webpage</p> <ul style="list-style-type: none"> • Customers may submit their compliments or complaints via the feedback form in the “Contact” tab on our webpage 	<p style="text-align: center;">SMS Feedback</p> <ul style="list-style-type: none"> • JUMBO subscribes to an SMS feedback service provided by a third party vendor • Customers dining at JUMBO Seafood and Teochew Cuisine outlets will receive a short SMS to rate their overall dining experience on a number grade of 1 to 4 	<p style="text-align: center;">Social Media</p> <ul style="list-style-type: none"> • Customers may post comments on our Facebook and Instagram pages regarding their dining experience at our outlets
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JUMBO’s Customer Service department analyses and monitors feedback or score points gathered from the various channels. Common feedback are compiled and shared with key operations personnel during the monthly Head of Operations meeting. In response, action plans to address common concerns are discussed and executed accordingly.

JUMBO treats customer complaints seriously. The Group has established an internal complaint handling protocol, which is made known to all relevant employees. Where substantiated complaints are received, the Customer Service department classifies the complaint according to the type of issue reported and follows up with the respective departments. When necessary, the concerns raised are highlighted to the outlet managers to call for management actions. Subsequently, the case will be investigated and corrective actions will be taken. In the event that more time is required and a response cannot be made within 2 working days of the date of receipt, the Customer Service department will first communicate with the customer to acknowledge receipt of the complaint and conducts the necessary follow-up actions thereafter.

Performance in FY2018	Targets for FY2019
All substantiated complaints have been handled according to the internal complaint handling protocol	Continue to handle all substantiated complaints according to the internal complaint handling protocol

INFORMATION SECURITY

JUMBO is committed to upholding the trust of our customers through responsible handling of their personal data that was collected during reservation and membership registrations. We also continuously strengthen our Information Technology (“IT”) infrastructure to enhance our information security.

JUMBO has a Personal Data and Protection Act (“PDPA”) policy which outlines our practices in relation to collection, storage, usage, processing and disclosure of personal data across the organisation. We ensure that consent is obtained from customers before collecting their data and that the data collected are compliant with the PDPA. In FY2018, Jumbo has conducted an internal audit to identify gaps in internal control regarding PDPA. Potential lapses were remediated accordingly. Subsequently, relevant trainings were also provided to employees to ensure they are kept up-to-date on the appropriate practices for data collection and handling.

We continue to strengthen our IT security infrastructure to minimise the negative impacts of any cybersecurity attacks. In FY2018, our email and storage systems were migrated to Microsoft Office 365, which has added security features. We also implemented Multi Factor Authentication (“MFA”) for key personnel to access their email and data on the cloud. This provides greater security as the MFA requires both a password and a randomly generated code sent to the user’s mobile phone to login to the system.

In addition, when engaging external IT vendors, JUMBO ensures that they meet JUMBO’s internal quality requirements regarding IT security. We requested our vendors to conduct penetration tests to identify any security vulnerabilities. In response, vendors are required to propose solutions to address those vulnerabilities. This procedure minimises the risk of security lapses or data mishandling by external parties.

Performance in FY2018	Targets for FY2019
<ul style="list-style-type: none">• Conducted training on information security for all relevant employees• Zero substantiated complaints concerning breaches of customer privacy and identified leaks, thefts or loss of customer data	<ul style="list-style-type: none">• Continue to conduct training on information security for all relevant employees• Maintain zero substantiated complaints concerning breaches of customer privacy and identified leaks, thefts or loss of customer data

EMPOWERING OUR PEOPLE

Employees are our most valuable assets. They are the ambassadors for the JUMBO brand and key to JUMBO's success. We are committed to providing a safe working environment for our employees and looking after their well-being. We also strive to groom a pipeline of talent through various training and career development programmes. As at 30 September 2018, JUMBO had 656 employees in total⁶.

TRAINING AND CAREER DEVELOPMENT

We believe that it is vital to invest in our employees through training and development programmes to empower them throughout their employment cycle. Skill enhancement and career development can help our employees improve service quality and realise their full potential. It also contributes to attracting new talent and retaining the right talent that would support the long-term growth of our business.

Through the years, JUMBO has invested time and effort in building a holistic training centre with in-house training capacity. Since 2008, JUMBO's training center has been accredited as an Approved Training Organisation ("ATO") and ITE Approved Training Centre ("ATC") by the Workforce Singapore Agency. A wide range of training courses are offered to JUMBO's employees with a strong emphasis on service quality and food safety to ensure customer satisfaction. Some examples of training and career development programmes are illustrated below⁷:

⁶ Scope of data includes JUMBO Group Limited, JUMBO Seafood outlet at East Coast Park, as well as its central kitchen operations and all its outlets under JUMBO Group of Restaurants Pte Ltd in Singapore.

⁷ For more information on training programmes in JUMBO, please visit JUMBO's website at <https://www.jumbogroup.sg/en/learning-development>.

Orientation Programme

All new joiners will undergo an orientation programme to facilitate their onboarding process. The orientation programme imparts the core corporate values of JUMBO and sets out professional expectations.

Work Skills Qualifications (“WSQ”) courses

A mandatory programme for all kitchen and service staff. These courses are designed to equip new employees with the necessary skillsets in compliance with service standards and regulations.

Conversational English

These basic and intermediate level language courses are designed for staff who are not well-versed in English to improve their basic conversational proficiency and thus improving service quality.

NITEC (National ITE Certificate) in F&B operations

Outstanding employees may be nominated to attend this 24-month traineeship programme, which introduces different aspects of the F&B business and operations to employees. At the end of the course, a NITEC certificate will be issued.

Fast Track Programme

Targeted at service and kitchen staff who have portrayed outstanding performance, this programme seeks to identify and groom them through a series of intensified “On-The-Job” training. The selected candidates have the opportunity to progress to supervisory positions within a stipulated time frame.

LEAD

The programme aims to equip newly promoted management staff leadership skills. For more details, please refer to the case study below.

Case study: LEAD - Leading Innovation, Enabling People, Achieving Results, Driving Alignment

As the Group started to expand, JUMBO realised that when service staff were promoted to managerial or supervisory positions, they often had difficulty adjusting their mindset and there is a gap in their leadership skills. To address this need, JUMBO launched the LEAD programme to guide these employees through the transition. The LEAD programme offers 9 customised training modules to equip middle management employees with the necessary managerial and leadership skills. The programme starts off with a personality test through DISC⁸, a behavior assessment tool, to help raise greater self-awareness and greater understanding of interpersonal dynamics. Other training modules cover topics such as communication, coaching and counselling, conducting interview, setting performance goals, team-building as well as managing diversity.

⁸DISC is a behaviour assessment tool which centers on four different personality traits, namely, Dominance (D), Influence (I), Steadiness (S), and Conscientiousness (C).

Meanwhile, JUMBO has a structured career progression path for both front-of-house and back-of-house employees that allows upward mobility for well-performing employees. Through regular performance and career development reviews, JUMBO can make a fair assessment of their employees' performance and understand their career goals. Outstanding performers are recognised and groomed as future leaders.

Performance in FY2018	Targets for FY2019
<ul style="list-style-type: none"> • A wide range of training and career development programmes provided to employees • 97% of eligible permanent employees have received performance and career development reviews at least once a year 	<ul style="list-style-type: none"> • Conduct performance and career development reviews for 100% of employees

WORKPLACE HEALTH AND SAFETY

As a responsible employer, we believe that inculcating a strong safety culture in the workplace is vital for the well-being of our employees. JUMBO refers to the Ministry of Manpower's ("MoM") Workplace Safety and Health Act to implement its occupational health and safety ("OHS") framework. Comprising trainings, risk assessments, "5S" incident reporting mechanisms, this framework ensures that the Group's management has adequate oversight over workplace health and safety practices. It also ensures that there is ownership of risks and accountability for any incidents.

Training

New joiners are required to attend workplace safety trainings where they will develop safety awareness. Refresher courses are conducted for all relevant employees to reiterate the importance of safe work practices. Our training materials are available in both English and Chinese to ensure that all employees understand and adopt the principles.

Risk assessment

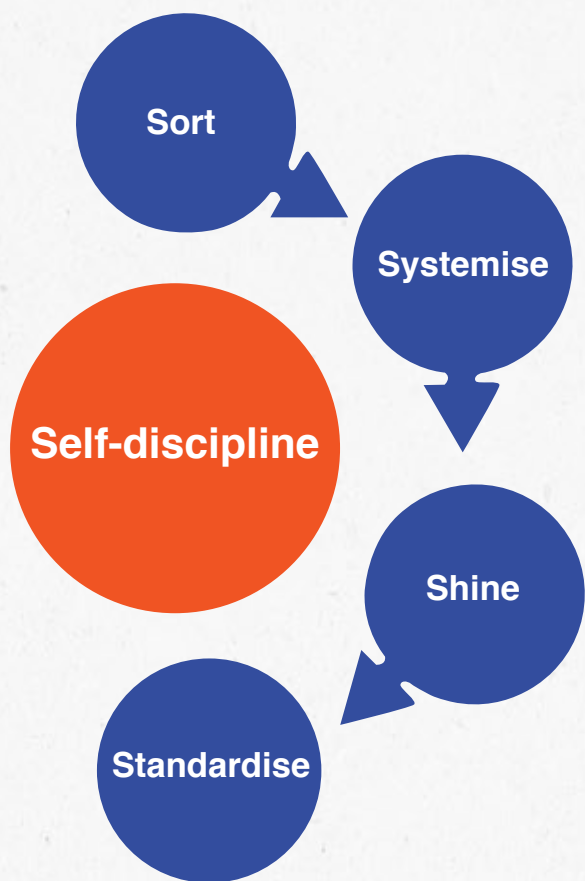
The QA department conducts annual risk assessment to identify areas of potential risk and ensure that necessary precautions are taken by employees to prevent any incidents from occurring. The risk assessment is based on the specific dining concept in each outlet, thus addressing specific workplace health and safety risks that our employees are exposed to. There are 3 main steps:

1. Identifying the risk;
2. Evaluating the level of risk and adequacy of existing risk controls; and
3. Introducing additional risk controls if needed.

This risk assessment process is formally documented by the QA department for future reference.

“5S” Methodology

JUMBO adopted the 5S workplace methodology in 2008 to enhance employee productivity and improve workplace safety. The 5S methodology is a structured programme to systematically achieve organisational cleanliness and standardisation in the kitchen which helps to minimise OHS risks. Details of the policy can be found below.



Principles of JUMBO’s “5S” policy

Sort: Streamlines resources by storing materials and inventory according to their nature and uses.

Systemise: A proper allocation and designation of areas in the workplace for quick retrieval of equipment and tools.

Shine: A series of guidelines for everyone to help keep the workplace clean and presentable.

Standardise: Work values and workplace operations are standardised in a consistent fashion so that all employees are clear on their responsibilities.

Self-discipline: Creates an environment with good habits to aid commitment towards sustaining the 5S system in the organisation.

Incident reporting mechanism

Incident reporting enables close monitoring of JUMBO’s OHS performance. JUMBO has established a Human Resources (“HR”) work committee for real-time reporting of OHS incidents. Each case will be investigated by HR, where corrective and preventive actions will be effected accordingly.

Performance in FY2018	Targets for FY2019
<ul style="list-style-type: none"> Zero workplace fatalities⁹ or high-consequence work-related injuries¹⁰ among employees 	<ul style="list-style-type: none"> Maintain zero workplace fatalities⁹ or high-consequence work-related injuries¹⁰ among employees

⁹ Number of workplace deaths, as per reported to the MoM.

¹⁰ Number of workplace or work-related injuries from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months, as per reported to MoM.

ENSURING GOOD GOVERNANCE

JUMBO is committed to maintaining high standards of corporate governance. We believe that good governance practices lay the vital foundation for business growth and support our sustainability endeavors.

REGULATORY COMPLIANCE

Maintaining regulatory compliance is the baseline expectation from JUMBO's stakeholders. A good compliance record showcases strong corporate governance and inspires stakeholder confidence. On the other hand, any breach of laws or regulations could inhibit the Group's ability to operate and could result in reputational damage or costly fines.

The F&B industry is closely monitored by the regulatory bodies as it concerns public health. JUMBO adheres to all relevant laws and regulations in the environmental, social and economic areas. The table below illustrates some examples of JUMBO's compliance requirements and JUMBO's corresponding policies and processes to manage and monitor compliance.

Category	Compliance Requirements	JUMBO's Policies and Processes
Environment	<ul style="list-style-type: none"> Pollution control and mosquito breeding checks by National Environment Agency 	<ul style="list-style-type: none"> Waste management and grease management practices Conduct checks to minimise risk of mosquito breeding in JUMBO's premises
Food Hygiene and Safety	<ul style="list-style-type: none"> NEA's food hygiene and safety standard for food retail establishments <ul style="list-style-type: none"> - Pest control checks to prevent contamination - Inspections conducted for outlet kitchens NEA's licensing to operate a food retail establishment AVA's licensing to operate the central kitchen 	<ul style="list-style-type: none"> Food safety training for all employees Internal audit on food safety standards HACCP and ISO22000 food safety management systems Licensing checks to ensure all licensing conditions for operations are fulfilled
Anti-corruption¹¹	<ul style="list-style-type: none"> Anti-bribery, anti-corruption, and anti-money laundering regulations by Corrupt Practices Investigation Bureau and Monetary Authority of Singapore 	<ul style="list-style-type: none"> Whistle-blowing policy Internal code of conduct Anti-corruption declaration required for suppliers
Labour practices	<ul style="list-style-type: none"> MoM labour laws 	<ul style="list-style-type: none"> Fair and safe working environment for employees

JUMBO acknowledges the changing regulatory environment and actively manages its compliance risks. Regular training and meetings are held to provide any updates on regulatory requirements for relevant employees.

Performance in FY2018	Targets for FY2019
<ul style="list-style-type: none"> No confirmed incidents of corruption Zero incidents of non-compliance with laws and regulations in the environmental, social and economic areas, which resulted in significant fines and non-monetary sanctions 	<ul style="list-style-type: none"> Maintain zero incidents of corruption Maintain zero incidents of non-compliance with laws and regulations

¹¹For more details on anti-corruption, please refer to the Corporate Governance section in our FY2018 annual report.