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SUSTAINABILITY REPORT 2023



TUNG LOK RESTAURANTS (2000) LTD
(Company Registration Number: 200005703N)

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This Sustainability Report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). This Sustainability Report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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.

The details of the contact person for the Sponsor are: -
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Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542
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1. BOARD STATEMENT

Dear Stakeholders,

Tung Lok Restaurants (2000) Ltd ("**Tung Lok**" and together with its subsidiaries, the "**Group**") is pleased to share our Sustainability Report (the "**Report**") for the financial year ended 31 March 2023 ("**FY23**"). The report highlights the progress that the Group made in our sustainable initiatives and our continued commitment to improving our Economic, Environmental, Social and Governance ("**EESG**") performance.

The sustainability governance of the Group is led by the Board of Directors (the "**Board**") and supported by Sustainability Steering Committee ("**SSC**") which comprises of executive directors as well as senior management executives. In addition to the financial performance of the Group, the Board remains steadfast in establishing sustainability-focused strategies on the environment, our customers, employees and community. This is supported by robust internal controls, rigorous risk management practices, transparent accountability and comprehensive reporting processes.

In the formulation of overarching business strategies, objectives and performance metrics, the Board reviews the Group's sustainability framework, evaluates and considers EESG risks and opportunities that are pertinent to the Group. The Board is mindful of the Singapore Exchange Securities Trading Limited ("**SGX-ST**")'s disclosure requirements and will work with the SSC to ensure full compliance within the stipulated timelines.

Due to the profound impact of the COVID-19 pandemic on our operations during the past 3 years, certain aspects of our sustainability initiatives such as customer service and people development faced temporary setbacks. With the restoration of normalcy in our operations, our focus will be centred on revitalising the sustainability initiatives that were hindered by the pandemic as well as accelerating the progress of other pivotal sustainability factors as the Group enters into the new financial year.

The Board would like to extend our sincere appreciation to all our internal and external stakeholders, especially our employees for the continuous engagement, partnership and support.

The Group will continue to incorporate relevant sustainability initiatives into our business processes to generate beneficial outcomes for both the environment and society.

On behalf of the Board,

Dr Foo Say Mui (Bill)
Independent Non-Executive Chairman

Mr Andrew Tjioe
President/Chief Executive Officer

Date: 18 July 2023

2. ABOUT TUNG LOK

Tung Lok currently owns and manages a total of 35 restaurants in Singapore, Indonesia, Japan, Vietnam and the Philippines with our Group's business predominantly based in Singapore. The Group has established its footprint as a renowned and trusted home-grown global brand through the years.

For details of our brands and restaurants, please refer to our website www.tunglok.com or pages 2 to 12 of our annual report for FY23 ("**Annual Report 2023**").

3. REPORTING SCOPE AND PERIOD

The scope of this Report encompasses our sustainability practices and performances for the Group's 25 directly-owned restaurants and 2 central kitchens as of 31 March 2023. The remaining 10 restaurants have not been included within the scope of this Report as these outlets are operated by licencees which the Group does not have control and therefore do not manage or influence their EESG practices. This Report should be read in conjunction with the Annual Report 2023, as it focuses on the Group's sustainability efforts and strategies during FY23.

4. ABOUT THIS SUSTAINABILITY REPORT

Tung Lok affirms our commitment to sustainability with the publication of our Report for FY23. This Report includes discussions of our material sustainability principles and initiatives as we track and present our accountability of the EESG factors.

5. REPORTING FRAMEWORK

This Report has been prepared with reference to the latest Global Reporting Initiative ("**GRI**") Universal Standards 2021. We have chosen GRI as it is an internationally recognised and widely adopted standard and it provides a set of extensive reporting frameworks. GRI is globally recognised as the standard for sustainability reporting.

The GRI standards are aligned with the reporting framework of SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") Rule 711A and Rule 711B. The primary components set out in Rule 711B of the Catalist Rules have been included in this report. Where there is exclusion of any primary component, the Company has disclosed such exclusion and explain accordingly. The GRI content index can be found in Section 16.

On 15 December 2021, the Singapore Exchange Regulation announced that all issuers must provide climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**") framework on a "comply or explain" basis in their sustainability reports from January 2022 onwards. The Board and SSC noted that the Group's business does not fall within the purview of the mandatory TCFD's climate reporting requirements. Nonetheless, the Board and SSC will continue to monitor the developments in the TCFD framework and assess the Group's adoption of TCFD reporting in the future, should circumstances change or industry standards evolve.

As part of our continual efforts to align our reporting with relevant market standards, the Group has mapped its sustainability efforts to the 2030 Agenda for Sustainable Development which was adopted by all United Nations Member States in 2015 ("**UN Sustainability Agenda**"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals ("**SDG**") which form an urgent call for action by all countries, developed and developing, in a global partnership. We have incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy. The details of applicable SDGs can be found in Section 15.

The EESG performance data presented in the report has mainly been extracted from internal information systems and original records to ensure accuracy. In FY23, the Group has not sought external assurance for this Report but an internal review has been conducted by an independent internal auditor, BDO Advisory Pte Ltd, on the sustainability reporting processes involved in preparing this Report as required by Rule 711B (3) of the Catalist Rules.

6. FEEDBACK

We welcome your questions and value your feedback on how our sustainability practices can be improved. Please send all feedback to investors@tunglok.com. Your feedback will be valuable to us in achieving our goals to build a sustainable and thriving business. As an attempt to promote environmental conservation, this Report will be made available on Company's website www.tunglok.com and SGXNet. There will be no hard copies of this Report.

7. MEMBERSHIP OF ASSOCIATION

Our Group has a membership network with those internationally renowned business organisation and industry bodies as listed below:

- i. Association of Catering Professionals Singapore
- ii. Franchising and Licensing Association (Singapore)
- iii. Hong Kong Singapore Business Association
- iv. Restaurant Association of Singapore
- v. Singapore Business Federation
- vi. Singapore-China Business Association
- vii. Singapore Chinese Chamber of Commerce & Industry
- viii. Singapore National Employers Federation

These memberships provide vast opportunities for our employees to network and conduct peer-to-peer interaction to keep abreast of the latest developments from various aspects. We will continue to engage with industry professional to build our capabilities for sustainable growth.

8. STAKEHOLDER ENGAGEMENT

We have identified the following key stakeholder groups that are instrumental to the Group's success. We are committed in having regular communication with internal and external stakeholders as we strongly believe in accountability and transparency. It is crucial to include and align the needs of these stakeholders in our business decisions so that our relationships with them can be better strengthened.

We actively engage our key stakeholders through the following channels:

Key Stakeholders	Modes of Engagement	Frequency of Engagement	Stakeholder's Concern	Our Initiatives
Customers	<ul style="list-style-type: none"> - Loyalty program: Tung Lok First Card - Social media: Instagram and Facebook etc. - Mass media events/ press conferences - Point of sales - Corporate website and email feedback - Survey and market research/feedback - Annual reports 	<ul style="list-style-type: none"> - Ongoing - As and when required - Annually 	<ul style="list-style-type: none"> - Customer satisfaction - Food safety measures - Dining experience 	<ul style="list-style-type: none"> - Provision of quality food and services - Food safety and hygiene - Innovative products - Sustain growing customer brand loyalty
Employees	<ul style="list-style-type: none"> - Annual reports - Annual performance appraisal - Internal meetings, discussions and regular communications and counselling - Formulation of career development plans - Induction programmes - Trainings and product knowledge - Company events and activities - Surveys and interviews - Volunteer and community activities 	<ul style="list-style-type: none"> - Annually - Ongoing - As and when required 	<ul style="list-style-type: none"> - Equal employment opportunity - Career development and training opportunities - Working environment - Remuneration - Health and safety 	<ul style="list-style-type: none"> - Provide a fair, safe and conducive environment - Provide training and progressive career development opportunities so as to build capable employees who exceed expectations of our customers and effectively manage food and workplace safety and hygiene requirements - Develop an open and communicative workforce to engage staff
Regulators	<ul style="list-style-type: none"> - Participation in conferences, meetings and discussions - Site visits - Audit checks - Staff training to raise awareness of rules and requirements and to ensure compliance 	<ul style="list-style-type: none"> - As and when required 	<ul style="list-style-type: none"> - Corporate governance - Food safety and hygiene 	<ul style="list-style-type: none"> - Comply with applicable regulations, laws and food safety standards set by the authorities - Contribute to economic and social developments

Key Stakeholders	Modes of Engagement	Frequency of Engagement	Stakeholder's Concern	Our Initiatives
Shareholders	<ul style="list-style-type: none"> - Shareholders' meetings - Half-yearly and full-yearly financial result announcements - Annual reports - Corporate announcements and circulars - Investor relations - Corporate website 	<ul style="list-style-type: none"> - Annual/As and when required - Half-yearly - Annually - Ongoing 	<ul style="list-style-type: none"> - Sustainable business performance - Corporate governance 	<ul style="list-style-type: none"> - Provide timely information on the following to enhance transparency: <ul style="list-style-type: none"> • Financial and operational performance of the Group • Corporate governance and sustainability practices of the Group • Business strategies of the Group
Suppliers	<ul style="list-style-type: none"> - Vendors assessment - Regular and open communication, meetings and discussions about expectations and deliverables - Regular site visits and monitoring - Audits and checks 	<ul style="list-style-type: none"> - Annually - As and when required 	<ul style="list-style-type: none"> - Demand volatility 	<ul style="list-style-type: none"> - Build positive and long-term relationships with suppliers - Selection of reliable suppliers based on the Group's selection policy
Communities	<ul style="list-style-type: none"> - Corporate volunteering - Sponsorships/donations and philanthropy - Corporate Social Responsibility initiatives 	<ul style="list-style-type: none"> - As and when required 	<ul style="list-style-type: none"> - Social initiatives - Building community support 	<ul style="list-style-type: none"> - Contribute to economic and social developments and the community in which we operate in

9. POLICIES, PRACTICES AND PERFORMANCE REPORTING

Reporting Structure

The Group has a SSC led by our President/Chief Executive Officer, Mr Andrew Tjioe Ka Men, and senior management executives of the Group.

In consultation with our Board of Directors, the SSC has been tasked to oversee the development of the sustainability strategy, review the material impacts, consider stakeholder priorities, set goals and targets as well as collect, verify, monitor and report performance data for this Report. The EESG factors in this report, reviewed by the SSC, are assessed to be relevant.

The Board and the SSC shall continue to dedicate leadership and maintain a high standard of sustainability governance to drive continuous and long-term growth for all the stakeholders. The Group will continue to work towards a balanced disclosure on the management and monitoring of material EESG factors for continual improvement.

Sustainability Reporting Process (Identify, Prioritise, Validate and Review)

Under the Group's Sustainability Reporting policy, the Group will first identify the material issues relevant to the Group's activities. The material issues will be prioritised and validated with data, in order to finalise the content of this Report. The material issues are reviewed and updated from the previous reporting period.

10. MATERIALITY ASSESSMENT

The SSC conducts a review of the materiality assessment annually. Each EESG factor is assigned a reporting priority that determines the actions required as illustrated in the table below:

Reporting priority	Description	Criteria
***	High	EESG factors with high reporting priority are reported in detail.
**	Medium	EESG factors with medium reporting priority are considered for inclusion in the Report. If it is decided that such EESG factors are not material, they may be excluded from the Report.
*	Low	EESG factors with low reporting priority may be reported to fulfil regulatory or other reporting requirements. They are excluded in this Report if not material.

The reporting priority is supported by a material topic which considers the level of concern to stakeholders in relation to a particular EESG factor and the significance of its impact on the economy, environment and society.

All material ESG factors reported in the previous reporting period remained relevant and continued to be disclosed in FY23. In prioritising the material EESG factors, the SSC considered the impact and likelihood of the following:

- Global and emerging sustainability trends;
- Main factors and future challenges for the food and beverage (“**F&B**”) industry; and
- Insights gained from regular interactions with key stakeholders.

Material EESG Factors

In FY23, the SSC has identified 16 EESG factors that are material to the Group, which have been prioritised and validated by the Board of Directors. Among these factors, 4 EESG factors are newly introduced, including "Diversity and Equal Opportunity" under the Social category, "Corporate Governance", "Enterprise Risk Management" and "Personal Data Protection Policy" under the Governance category.

Category	Material Factors	Core Value	SDG Goals	Key Stakeholder	Reporting Priority
Economic	Sustainable Business Performance	Focused on sustainable growth	Goal 8: Decent work and economic growth	Shareholders and Employees	***
Environmental	Energy Consumption (Gas and Electricity)	Focused on sustainable growth	Goal 7: Affordable and clean energy	Communities and Shareholders	***
	Water Consumption	Focused on sustainable growth	Goal 6: Clean water and sanitation	Communities and Shareholders	***
	Waste Oil Management	Focused on sustainable growth	Goal 12: Responsible consumption and production	Communities and Shareholders	**
Social	Food Health and Safety	Quality and freshness	Goal 16: Peace, justice and strong institutions	Customers	***
	Customer Satisfaction	Customer focused	Goal 8: Decent work and economic growth	Customers	***
	Board Diversity	People development	Goal 10: Reduced inequalities	Employees	***
	Diversity and Equal Opportunity	People development	Goal 10: Reduced inequalities	Employees	**
	Occupational Health and Safety	People development	Goal 3: Good health and wellbeing	Employees	***
	Training and Education	People development	Goal 4: Quality education	Employees	***
	Procurement	Quality and freshness	Goal 16: Peace, justice and strong institutions	Suppliers	***
	Caring For Local Communities	Stakeholder accountability	Goal 10: Reduced inequalities	Communities	**
Governance	Corporate Governance	Stakeholder accountability	Goal 16: Peace, justice and strong institutions	Shareholders and Regulators	***
	Anti-corruption and Whistle-blowing Policy	Stakeholder accountability	Goal 16: Peace, justice and strong institutions	Shareholders and Regulators	***
	Enterprise Risk Management	Stakeholder accountability	Goal 16: Peace, justice and strong institutions	Shareholders, Regulators, Customers and Employees	***
	Personal Data Protection Policy	Stakeholder accountability	Goal 16: Peace, justice and strong institutions	Shareholders, Regulators, Customers and Employees	***

11. ECONOMIC

Sustainable Business Performance

The Group, being Singapore's foremost pioneering restaurant chain, is committed to offer distinct and multi-sensory dining experience at all its restaurants. Our restaurants are favoured dining destinations among discerning local and international diners.

The Group endeavours to achieve sustainable financial performance, ensuring the creation of long-term value for our stakeholders while upholding our commitment to sustainability initiatives and practices.

For detailed financial results, please refer to the following sections in the Annual Report 2023:

- Message from Independent Non-Executive Chairman and President/Chief Executive Officer, pages 13 to 16
- Historical Financial Summary, page 18
- Financial Statements, pages 64 to 123

12. ENVIRONMENT

12.1 Energy Consumption (Gas and Electricity)

Energy use and the resulting carbon emissions cause heat to be trapped in the atmosphere, leading to climate change. It is through the reduction of carbon emissions that we can limit the repercussions on the environment.

The Group recognises the role it plays in energy conservation but also acknowledges that there are practical limitations. As Singapore is a resource-constrained country with limited renewable energy options, the availability of sufficient and reliable renewable energies for our business remains a challenge. In the absence of these options, the Group firmly believes that increasing energy efficiency will remain the cornerstone of our strategy to effectively reduce our carbon emissions and minimise our environmental impact.

In view of the high consumption of gas and electricity by the Group's operations, the Group has maximised energy conservation efforts which involves educating employees on usage of energies responsibly as well as investing in maintenance and energy-efficient machines to reduce carbon footprint and improve the environmental sustainability of our Group's business. We have progressively phased out traditional operating equipment and replaced them with energy-efficient ones while regularly maintained existing operating cooking equipment to ensure they consume energy efficiently. Additionally, we track and review energy consumption regularly to control usage.

For operational needs:

- We use a combination of natural gas and liquefied petroleum gas ("LPG") sourced from the government and private vendors for cooking equipment; and
- Electricity for equipment in office, restaurants and kitchen (i.e. lighting, air conditioners, refrigeration and appliances)

The following are the key statistics of our energy consumption in FY23 and our target on energy consumption for the financial year ending 31 March 2024 ("FY24"):

Resource	Usage in FY23	FY23 Performance	FY24 Target
Gas	7.67 million kilowatt-hour ("kWh")	0.089 kWh per every S\$1 of revenue earned	To maintain or reduce gas consumption rate
	Usage in the financial year ended 31 March 2022 ("FY22")	FY22 Performance	
	6.96 million kWh	0.133 kWh per every S\$1 of revenue earned	
Performance in FY23			
FY23 Target previously set		Usage in FY23	
To achieve lower gas consumption rate than FY22		Target achieved	

Resource	Usage in FY23	FY23 Performance	FY24 Target
Electrical	7.62 million kWh	0.088 kWh per every S\$1 of revenue earned	To maintain or reduce electrical consumption rate
	Usage in FY22	FY22 Performance	
	6.54 million kWh	0.125 kWh per every S\$1 of revenue earned	
Performance in FY23			
FY23 Target previously set		Usage in FY23	
To achieve lower electrical consumption rate than FY22		Target achieved	

The following are the key statistics of our greenhouse gas ("GHG") emissions in FY23 and FY22:

Performance Indicator	Unit of measurement	FY23	FY22
<u>GHG emissions</u>			
Estimated Direct GHG emissions (Scope 1) ⁽¹⁾	tonneCO ₂ e	1,518.70	1,373.59
Estimated Indirect GHG emissions (Scope 2) ⁽²⁾	tonneCO ₂ e	3,091.13	2,653.71
Total Estimated GHG emissions	tonneCO ₂ e	4,609.83	4,027.30
Estimated GHG emissions per every S\$1,000 of revenue earned ⁽³⁾	tonneCO ₂ e/S\$1,000 revenue	0.05	0.08

Note:

- ⁽¹⁾ Estimated GHG emissions from LPG and Liquefied Natural Gas ("LNG") consumption of the Group. Direct GHG emissions (Scope 1) is calculated based on GHG Emissions Measurement and Reporting Guidelines developed by the National Environment Agency (NEA).
- ⁽²⁾ Estimated GHG emission from electricity purchased by the Group. Indirect GHG emissions (Scope 2) is calculated based on emissions factors published by the Energy Market Authority (EMA).
- ⁽³⁾ Estimated GHG emissions per every S\$1,000 of revenue earned is calculated based on the estimated emissions generated from aggregate energy (gas and electricity) consumption over the Group's revenue.

12.2 Water Management

Water is an invaluable resource that necessitates judicious utilisation. With the concurrent rise in population and economic growth, the demand for water in Singapore is on constant rise. Therefore, it is imperative for Singapore to ensure that such demand does not surge at an unsustainable pace. The responsible management of water resources is crucial in maintaining a sustainable equilibrium between supply and demand, safeguarding this vital resource for both present and future generations.

Water is vital to our business operations since it is used for washing and preparing food products, cleaning as well as dishwashing, amongst others. We are committed to play our part to reduce overall water consumption and raise awareness among our employees on the efficient and responsible use of water. The water we consume is sourced from public utilities. Our Group practises active management of water usage, such as frequent servicing of water fittings, periodic inspections of pipes and faucets to identify leakages, and encourages staff to save water.

The following are the key statistics of our water consumption during FY23 and our target for FY24:

Resource	Usage in FY23	FY23 Performance	FY24 Target
Water	94,438 cubic metres ("m ³ ")	1.096 m ³ per every S\$1,000 of revenue earned	To maintain or reduce water consumption rate
	Usage in FY22	FY22 Performance	
	83,104 m ³	1.591 m ³ per every S\$1,000 of revenue earned	
Performance in FY23			
FY23 Target previously set		Usage in FY23	
<i>To achieve lower water consumption rate than FY22</i>		<i>Target achieved</i>	

12.3 Waste Oil Management

As Singapore's population and economy continue to grow, the amount of solid waste increased by about seven-fold from 1,260 tonnes a day in Year 1970 to a peak of 8,741 tonnes a day in Year 2021⁽⁴⁾. Singapore needs to ensure that the waste disposal does not rise at an unsustainable rate.

The Group believes that responsible waste management is instrumental in preserving the environment within our operational sphere. As cooking oil is used widely in the Group's operations, it is imperative that we handle the waste oil generated through proper channels. To accomplish this, we collaborate with accredited used oil collectors⁽⁵⁾ who undertake the task of processing and converting the waste oil into Biodiesel and other commercially viable products. This approach not only ensures the appropriate disposal of waste oil but also contributes to the promotion of sustainable practices and the reduction of our environmental footprint.

The appointed oil collectors will document and report the quantity of cooking oil collected from time to time for our verification and compilation. The following are the key statistics of our waste oil consumption during FY23 and our target for FY24:

Waste Oil Generated in FY23	FY23 Performance	FY24 Target
19,361 kilograms ("kg")	100% of waste oil generated were handed over to accredited used oil collectors	To maintain 100% of waste oil generated to hand over to accredited used oil collectors
Waste Oil Generated in FY22	FY22 Performance	
16,251 kg	100% of waste oil generated were handed over to accredited used oil collectors	
Performance in FY23		
FY23 Target previously set		Waste Oil Generated in FY23
<i>Maintain 100% of waste oil generated to hand over to accredited used oil collectors</i>		<i>Target achieved</i>

Note:

⁽⁴⁾ Reference from <https://www.nea.gov.sg/our-services/waste-management/3r-programmes-and-resources/waste-management-infrastructure/solid-waste-management-infrastructure>

⁽⁵⁾ Certified with General Waste Collectors (GWCs) licence Class B.1 issued by National Environment Agency (NEA)

13. SOCIAL

13.1 Food Health and Safety

The Group is dedicated to providing customers with utmost dining experience by consistently delivering the finest quality and healthy fare along with impeccable services. In addition to complying with regulatory requirements, the Group upholds rigorous food safety standards and hygiene practices in our day-to-day operations. We strive to maintain low incident rate of non-compliance on food safety and hygiene rules as well as safeguard the health and satisfaction of our valued customers.

Safe Dining and Working Environment

In FY23, the Group remained part of Singapore Clean (“**SG Clean**”) ⁽⁶⁾ campaign. Enterprises with the ‘SG Clean’ certification have implemented processes to ensure that the food preparation areas and equipment are sanitised, waste is handled properly and systems are in place to monitor staff health.

Note:

⁽⁶⁾ SG Clean is a campaign launched by the Singapore Government in February 2020 amid COVID-19 pandemic. The SG Clean campaign rallies stakeholders and members of the public to do their part by adopting good personal habits and social responsibility so as to improve the standards of cleanliness and public hygiene in Singapore. SG Clean has been discontinued on 30 June 2023.

5S Programme

Our 5S Programme, short for **S**ort, **S**ystematise, **S**hine, **S**tandardise and **S**elf-Discipline, is a systematic programme that we follow to achieve cleanliness and standardisation in the workplace. It aims to drive productivity through operational efficiency and effective space utilisation. The Restaurant Association of Singapore (“**RAS**”) is the primary training provider for 5S in the F&B industry.

There are currently 4 5S auditors in the Group. Each of our restaurants is managed by a 5S-certified senior executive and staffed with 5S-trained personnel, making every Tung Lok outlet 5S-compliant ⁽⁷⁾ with 9 outlets being 5S-certified ⁽⁷⁾.

Note:

⁽⁷⁾ 5S-compliant workplace refers to the adherence to the 5S principles in practice but no external accreditation has been obtained, whereas 5S-certified workplace refers to being accredited externally by RAS.

Certificates relating to Food Safety Standards

Food Safety Management System (“**FSMS**”) is a preventive approach towards identifying, preventing, and reducing food-borne hazards to ensure food is safe for consumption. A well-designed FSMS with appropriate control measures can help F&B establishments with catering licences to comply with food hygiene regulations.

All food caterers are required to submit a proper Hazard Analysis Critical Control Point (“**HACCP**”) based on FSMS with reference to the Singapore Standard SS583:2013 ⁽⁸⁾ as the basic guide. Our catering and permitted-to-cater licensees have implemented FSMS.

In FY23, both our central kitchens have attained HACCP standard, which is a systematic approach to identify specific hazards and measures for control to ensure food safety, with ISO 22000:2018 ⁽⁹⁾ certified.

HACCP audit has been done to ensure that the highest standards for food safety and hygiene have been maintained.

Note:

⁽⁸⁾ SS583:2013 is a guideline for businesses in the food retail industry to adopt HACCP-based FSMS principles towards identifying, preventing and reducing food-borne hazards in the food process chain.

⁽⁹⁾ ISO 22000:2018 is an internationally recognised standard that establishes the requirements for an effective food safety management system.

Grading and Licensing Framework by Singapore Food Agency (“SFA”)

SFA had in October 2021, introduced the Safety Assurance for Food Establishments (“SAFE”) ⁽¹⁰⁾ to replace the preceding Grading System for Eating Establishment (“Grading System”) ⁽¹¹⁾. SAFE is originally planned to take effect on 1 January 2023. However, SFA had on 26 October 2022 announced that the effective date for the implementation of SAFE framework will be extended until July 2025 to allow more time for the F&B industry to prepare for the transition ⁽¹²⁾.

During the transition period from Grading System to SAFE framework, all existing licenced establishment will be renewed automatically upon expiry with no change to the grade. Newly licenced food establishments will be issued with a provisional “B” grade until SAFE framework is implemented.

In response, we have shifted our target from “uphold and maintain the grades of all certificates” to “maintaining zero demerit points for all outlets and central kitchens” since FY22 as the Points Demerit System (PDS) ⁽¹³⁾ is a more systematic and fair approach to monitor food hygiene violations of a food establishment. Demerit points refer to points assigned by SFA for each public health offence.

The Group believes that the revision of target remains valid, even in light of the extension by SFA. In FY23, we maintained zero demerit point for all outlets and central kitchens.

In FY23, there were no reported incidents of non-compliance with regulations concerning food health and safety.

Note:

⁽¹⁰⁾ Under SAFE framework, food establishments that demonstrate good track record of food safety assurance (i.e. no major food safety lapses over a stated period of time) and have in place capabilities and systems to ensure better food safety and hygiene standards (e.g. appointment of Advanced Food Hygiene Officer, implementation of FSMS) will be eligible for longer licence durations and higher award tiers. Food establishments will be distinguished by “Bronze”, “Silver” or “Gold” awards, which correspond with a three, five or ten-year licence duration.

⁽¹¹⁾ Grading System is annual assessment based on the overall hygiene, cleanliness and housekeeping standards of food establishments’ food safety performance in Singapore. The grading ranges from A to D with A being the best and D the worst.

⁽¹²⁾ Reference from [https://www.sfa.gov.sg/docs/default-source/default-document-library/faqs-on-safe-framework-\(updated-26-oct-2022\).pdf](https://www.sfa.gov.sg/docs/default-source/default-document-library/faqs-on-safe-framework-(updated-26-oct-2022).pdf).

⁽¹³⁾ Reference from <https://www.sfa.gov.sg/docs/default-source/food-retailing/revision-of-pds.pdf>.

FY23 Performance	FY24 Target
Zero demerit point for all restaurants and both central kitchens	To maintain zero demerit point for all restaurants and both central kitchens
FY22 Performance	
Grade “A” for all restaurants and both central kitchens except for 1 restaurant with provisional Grade “B”	
Performance in FY23	
FY23 Target previously set	Performance in FY23
To maintain zero demerit point for all restaurants and both central kitchens	Target achieved

Other food safety measures

To further uphold our standard on food quality and safety, we have implemented the following measures:

- All our chefs and food handlers attended food safety training as part of their mandatory training.
- Food warmers with a capacity exceeding 7,500 units are used during delivery so that food safety standards are not compromised.
- Items with new ingredients used are sent for third-party laboratory testing prior to product launch so as to determine their shelf life.
- Outlet inspections will be periodically conducted by our Quality Assurance Department to ensure compliance with relevant food-safety regulatory requirements.

13.2 Customer Satisfaction

As one of Singapore's leading restaurant operators, the provision of exemplary service excellence values is entrenched in the Group's processes and practices to maximise customer satisfaction level and build loyal customer base.

The Group is dedicated to providing the most pleasurable dining experience, consistently and creatively, to our customers. We seek to continuously improve customers' experiences with our Tung Lok Service (同乐服务) where we continuously delight customers with innovative and unique dining experiences.

A service handbook has been specially designed for all Tung Lok employees. The handbook is presented to each employee upon hiring and the contents will be explained during the orientation session. The message in the handbook is reinforced in our restaurants through role plays, daily roll call and displayed on the staff notice boards. Tung Lok employees are given regular refresher trainings (such as 'Interact and Serve F&B Customers') and other soft skill trainings (such as 'Customer Conflict Management') which are designed to enhance our frontline employees' preparedness in handling customers' concerns and improving dining experiences.

The following are the achievements of our exemplary customer service in FY23:

RAS Epicurean Star Award 2022 – A recognition of F&B achievements such as Creativity, Quality, Excellence, Efficiency of Dine-In experience.

- Best Chinese Restaurant (Fine Dining), Winner ~ *Tóng Lè Private Dining*
- Best Chinese Restaurant (Casual Dining), Winner ~ *Tung Lok Signatures*
- Best Vegetarian Restaurant, Winner ~ *Lingzhi Vegetarian*

Customers' Feedback

Every customer feedback is of paramount importance and integral to our continued success. Our formal service recovery process provides a systematic decision-making framework to appropriately manage all customer feedback in a prompt manner. Each concern, if possible, must be addressed and a response given within 24 hours.

The Group provides multiple channels such as social media, website and email for our customers to share their dining experiences. We identify areas for improvement on services and products based on insights gathered through the monthly customers' feedback report which contains information about compliments and concerns as well as areas for improvement. The feedback report is communicated to the operation team during the weekly operational meeting to ensure that timely rectification actions are implemented.

Based on the feedback gathered from monthly customer feedback reports, a customer satisfaction ratio is derived to determine the Group's performance in handling customers' feedback. Please refer to section 13.2.1.

Customer Loyalty Program

Our loyalty program (TungLokFirst) aims to increase loyalty amongst customers. As part of the Group digital transformation initiatives, we have launched the mobile application for TungLokFirst, "**TungLok+**", in order to have a better platform to connect with our loyalty program members. Latest marketing campaigns and dining deals are communicated regularly to our loyalty program members. In FY23, we have accumulated over 33,000 TungLokFirst members.

13.2.1 Customer Satisfaction Ratio

In FY23, we received a total of 229 compliments (about 91%) and 24 concerns (about 9%).

FY23 Performance	FY24 Target
Compliment to concern ratio at 10:1	To maintain or achieve higher compliment to concern ratio
FY22 Performance	
Compliment to concern ratio at 17:1	
Performance in FY23	
FY23 Target previously set	Performance in FY23
To maintain compliment to concern ratio at 13:1	Target not achieved ⁽¹⁴⁾

Note:

⁽¹⁴⁾ The Group did not achieve its customer satisfaction target in FY23 mainly due to operational constraints caused by the tight labour conditions in the F&B industry, which resulted in less compliments received in FY23. Confronted with these labour challenges, the Group has proactively implemented various digital initiatives, such as a mobile ordering system and robot waiters, to alleviate the workloads of our frontline employees.

13.3 Employment

Our employees, being at the forefront of our business, are key to enriching our guests' overall dining experience. As our employees are our most valuable assets, attracting and retaining top talents is of great significance to Tung Lok. To ensure that the Group consistently provide excellent customer service, we place a strong emphasis on employing individuals who possess the necessary competencies, experience, qualifications and mindset. We employ qualified candidates without any discrimination against age, gender, race, marital status, nationality or religion. We are committed to maintaining a diverse and dedicated workforce and providing equal opportunities to all employees.

Board Diversity

The Group has a Board Diversity Policy that endorses the principle that its Board should have a balance of skills, knowledge and experience and diversity of perspectives appropriate to its business to mitigate against groupthink and to ensure that the Group has opportunity to receive benefit from all available talents. In addition, gender diversity is also present in our Board where 2 out of 7 directors are females as of the date of this Report.

Management Diversity

The Group also embraces the principles of the Board Diversity Policy when shaping its senior management team. The senior management team encompasses individuals with diverse backgrounds, expertise and gender, where 4 out of 8 senior management members are females as of the date of this Report.

Diversity and Equal Opportunities

Our employees are distributed across various age groups with different experiences and skillsets, all of which contribute to the Group's capabilities for achieving sustainable growth. As of 31 March 2023, the Group had a total of 501 (31 March 2022: 433) full-time employees. The increase in total employees was mainly due to opening of 3 new outlets and increase in business volume in FY23.

The breakdown of staff headcount by employment category, gender and age group as of 31 March 2023 and 31 March 2022 are as follows:

As of 31 March 2023	Female	Male	Total
Managerial			
30 and below	4	3	7
31-49	29	32	61
50-69	13	20	33
Non-managerial			
30 and below	26	101	127
31-49	55	125	180
50-69	41	49	90
70 and above	2	1	3
Total	170	331	501

As of 31 March 2022	Female	Male	Total
Managerial			
30 and below	2	2	4
31-49	24	28	52
50-69	15	17	32
Non-managerial			
30 and below	31	75	106
31-49	46	100	146
50-69	40	50	90
70 and above	2	1	3
Total	160	273	433

FY23 Performance	FY24 Target
Ratio of women to men – 1:1.95	To maintain or achieve lower gender mix ratio
FY22 Performance	
Ratio of women to men – 1:1.71	
Performance in FY23	
FY23 Target previously set	Performance in FY23
To maintain the gender mix	Target not achieved ⁽¹⁵⁾

Note:

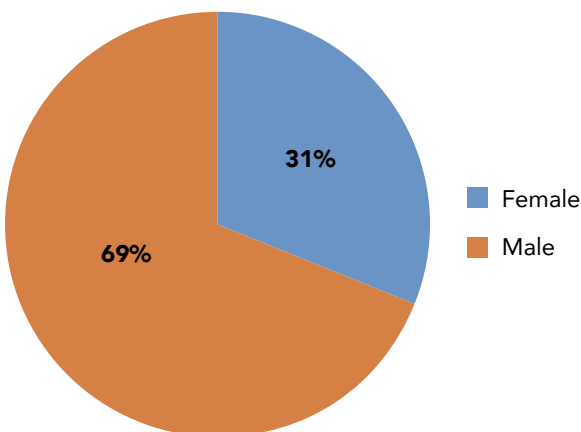
⁽¹⁵⁾ The Group was unable to maintain the gender mix target in FY23 due to tight labour situation in the F&B industry. We will continue to move towards improving the gender ratio in FY24.

In FY23, a total of 267 new employees were hired (equivalent to a new hire rate ⁽¹⁶⁾ of 0.53) and a total of 199 employees left the Group (equivalent to an employee turnover rate ⁽¹⁷⁾ of 0.40). As of 31 March 2023, the breakdown of our new hire and turnover by gender and age group are as follows:

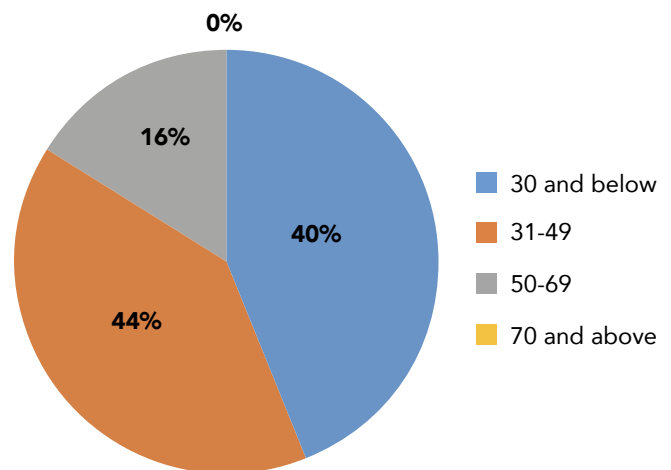
New hire by gender and age group during FY23

FY23	Female	Male	Total
30 and below	25	81	106
31-49	35	83	118
50-69	22	20	42
70 and above	1	–	1
Total	83	184	267

New Hire by Gender



New Hire by Age



Note:

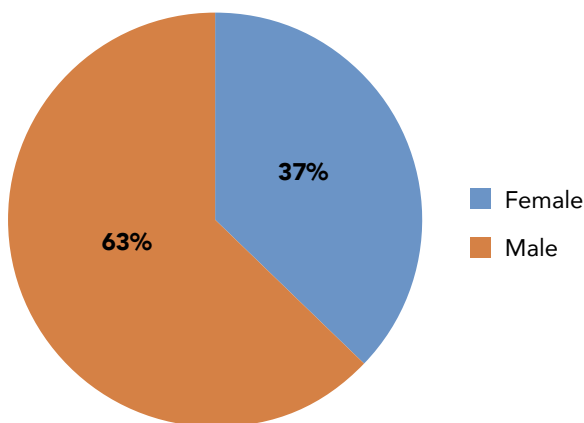
⁽¹⁶⁾ The new hire rate is calculated based on the employee headcount as of 31 March 2023.

⁽¹⁷⁾ The turnover rate is calculated based on the employee headcount as of 31 March 2023.

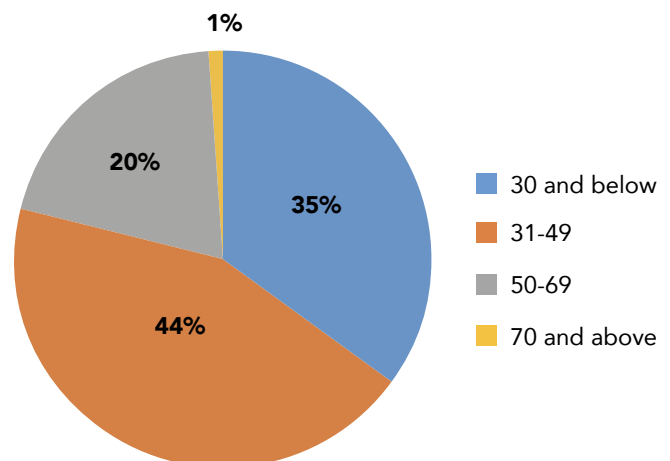
Employee turnover by gender and age group during FY23

FY23	Female	Male	Total
30 and below	26	44	70
31-49	24	64	88
50-69	22	18	40
70 and above	1	-	1
Total	73	126	199

Employee Turnover by Gender



Employee Turnover by Age



FY23 Performance	FY24 Target
New hire rate - 0.53 Employee turnover rate - 0.40	To maintain or improve new hire rate and reduce employee turnover rate
FY22 Performance	
Not applicable ⁽¹⁸⁾	
Performance in FY23	
FY23 Target previously set	Performance in FY23
Not applicable ⁽¹⁸⁾	Not applicable ⁽¹⁸⁾

Note:

⁽¹⁸⁾ This is a new EESG factor added in FY23.

The Group promotes open communication to effectively gather constructive feedback from our valued employees to better achieve our corporate goals. Any employee who feels he/she has been treated unfairly can approach our Human Resource Department for assistance.

Employee handbook

The Group places strong emphasis on fair employment practices and aims to enhance the productivity and growth of both the Group and its employees through the implementation of human resource strategies and policies. The employee handbook serves as a comprehensive guide to the outlet’s basic operational and human resource policies, covering employee conduct, fringe benefits as well as terms and conditions of employment.

Employee incentives

The Group recognises the importance of providing fair and equitable rewards to employees where credits are due. To attract and retain talented employees, annual reviews of remuneration packages are performed to ensure that the compensation and benefits are in line with market rates.

We reckon that it is through taking good care of the well-being of our employees only can the Group thrive. Therefore, the remuneration packages and service incentives are established to be competitive and sufficient to entice, motivate and retain talents.

Incentives are awarded to eligible employees who have successfully met or exceeded the pre-determined performance target set by the Management. Such incentives serve as motivation tool and recognition of their outstanding efforts.

Long Service Awards are awarded on an annual basis to reward long-serving employees for their dedication.

Perfect Health Incentives⁽¹⁹⁾ were awarded on a semi-annual basis to reward employees who stay safe and healthy during their service of employment with the Group.

Note:

⁽¹⁹⁾ To adhere to the principles of Tripartite Guidelines on Fair Employment Practices (TGFEF), the Perfect Health Incentives had ceased since 1 January 2023.

Performance Appraisal and Career Development

The Group values every employee's contribution and rewards employee based on a series of attributes that include performance, competence, commitment and experience as well as the Group's performance. All confirmed and permanent employees will undergo an annual performance appraisal where career development is discussed and training needs are identified.

In addition to attending the regular training activities organised by the Group, we also encourage our employees to take self-development courses which are aligned with their interests and career goals, allowing them to upgrade their skillset and stay relevant to industry trends and best practices.

13.4 Occupational Health and Safety

As an employer, we are held accountable for our employees' well-being. Therefore, we prioritize fostering a safe workplace at our restaurants and central kitchens. We have implemented Occupational Health and Safety framework that provides a comprehensive system for dealing with emergencies and ensures our workers receive sufficient instruction, training and supervision, in accordance with the requirements of Workplace Safety and Health ("WSH") Act.

A key aspect of Occupational Health and Safety framework is the WSH (Risk Management) Regulations, which is a preventive approach that aims to reduce risks at source and hold the stakeholders accountable for managing the risks they create. Companies which have put in place systems to manage workplace risks and comply with WSH (Risk Management) Regulations will be eligible with bizSAFE Level 3 certification and above.

The Group currently has its own risk assessment framework in compliance with WSH (Risk Management) Regulations. Additionally, our Halal catering division, Bellygood Caterer, has conducted a comprehensive risk assessment for its work activities and has been certified with bizSAFE Level 3.

Our employees will receive immediate medical attention in the event of any work-related injury that occurs at the workplace. Additionally, the Head of Departments is required to submit an Incident Report (documenting the details of the incident and recommended preventive action to mitigate the risk of future recurrence) to the Human Resources Department for further investigation.

FY23 Performance	FY24 Target
No confirmed fatal workplace incident	Zero fatal incident confirmed at workplace
FY22 Performance	
No confirmed fatal workplace incident	
Performance in FY23	
FY23 Target previously set	Performance in FY23
Zero fatal incident confirmed at workplace	Target achieved

13.5 Training and Education

Our staff are the ambassadors of Tung Lok's brand of service. The Group strongly believes that the provision of appropriate training opportunities and programmes for our employees is key in equipping them with relevant skillsets to help them realise their full potential in their careers. As a service-based business, the Group is an accredited in-house Singapore Workforce Qualifications ("WSQ") Approved Training Organisation ("ATO") and has been actively promoting the enhancement of employees' skillset and technical know-how through the provision of diverse training and career development programmes. In FY23, some of the WSQ certified programmes that we ran include "Food Safety Course Level 1", "Maintain Safe and Secure Working Environment" and "Maintain Food & Beverage Service Environment".

Other external training programmes which our employees have attended in FY23 include advanced food safety and hygiene as well as first aid courses. Acknowledging the essential role of acquiring new knowledge and fostering productivity and innovation within the Group, specific approved courses such as "Implement Data Governance" and "Digital Marketing Fundamentals", which are selected by employees, have also been made available.

Orientation programmes are also conducted to introduce corporate values and company structure to our newly joined employees so that they can be familiar with tasks, people and processes during their onboarding process.

As part of the Group's digital transformation initiatives, the following trainings have been conducted in FY23 to introduce the new digital solutions:

- kitchen employees have been trained to use the Warehouse Management System mobile device for stocktaking to enhance productivity; and
- service employees have been trained to use the new digital initiatives recently launched such as Voucher Management System, mobile Point-Of-Sale system as well as third-party digital merchant portal.

The following are the key statistics of the average training hours per employee by gender and employment category in FY23 and FY22:

Average training hours per employee	FY23	FY22
Overall	8.90	8.70
Gender		
Female	11.90	12.20
Male	7.40	6.70
Employment Category		
Managerial	17.10	13.20
Non-managerial	6.90	7.60

In addition, all directors as of the date of this Report had attended the relevant training on sustainability matters pursuant to Rule 720(6) of the Catalist Rules.

FY23 Performance	FY24 Target
Average training hours per employee is 8.9	To maintain or improve average training hours per employee
FY22 Performance	
Average training hours per employee is 8.7	
Performance in FY23	
FY23 Target previously set	Performance in FY23
To achieve average training hours per employee at 10.0	Target not achieved ⁽²⁰⁾

Note:

⁽²⁰⁾ The average training hours per employee increased in FY23 compared to FY22 as our trainers were able to conduct trainings without any restriction amid the lifting of all safe management measures. However, the Group fell short of achieving its training hours per employee target in FY23 as the manpower crunch situation in F&B industry has resulted in our restaurant staff setting aside less time for trainings. In order to ensure that our employees receive the necessary trainings without having to be excused for extended hours, our trainers personally visited each outlet to conduct certain essential trainings in bite-size physical sessions. This approach resulted in a lower number of trainees per session and consequently lower average training hours per employee in FY23. The Group will continue to increase the training hours of our employees in FY24.

13.6 Caring for Local Communities

The Group firmly believes in being a socially responsible corporate citizen which can contribute to the betterment of society.

In FY23, we have supported the following Corporate Social Responsibility (“**CSR**”) Programmes.

- ✓ *Assisi Hospice’s Fun Day 2022 (“**Assisi 2022**”) is an annual highlight fundraising carnival that aims to provide comfort and dignity to Assisi Hospice patients with life-limiting illnesses and their families. From 6 October 2022 to 16 October 2022, a hybrid marketplace was convened, enabling donors to participate in Assisi 2022 through both virtual and physical means. The proceeds generated were used to raise awareness about terminal illness. Our Group continued to be one of the F&B sponsors for Assisi 2022.*
- ✓ *Project Chulia Street (“**PCS**”) is a privately funded initiative that aims to enhance health and well-being of migrant workers in Singapore. The Group had on 5 November 2022 partnered with PCS to contribute towards enhancing the social and economic mobility of migrant workers residing at Westlite Woodlands Workers Dormitory. As part of the collaboration, we provided 1,500 bento sets to migrant workers.*
- ✓ *President’s Challenge (2022) (“**PC2022**”) is an annual community fund-raising campaign and aims to unite people from all walks of life, under the President’s patronage, to support those who are less fortunate. This campaign serves as a call to all Singaporeans to do their part to build a more caring and inclusive society by empowering vulnerable groups with skills and employability. Our Group had contributed proceeds towards PC2022 to uplift the lives of those less fortunate and promote social cohesion in Singapore.*

The Group is involved in grooming the education opportunities for the next generation of F&B talents in Singapore. In FY23, we sponsored the graduating prizes for Temasek Polytechnic’s Diploma in Food, Nutrition & Culinary Science.

FY23 Performance	FY24 Target
Participated at least two (2) CSR programmes	To maintain at least two (2) participations in CSR programmes
FY22 Performance	
Participated at least two (2) CSR programmes	
Performance in FY23	
FY23 Target previously set	Performance in FY23
Maintain at least two (2) participations in CSR programmes	Target achieved

13.7 Procurement

The Group is dedicated to upholding the highest standards of quality and safety throughout its procurement process. Keeping consumer well-being in mind, the Group has a rigorous approval process of shortlisting appropriate suppliers who can ensure freshness and quality of the food ingredients. Whenever feasible, we prioritise on procuring products from sustainable sources with the aim of reducing environmental harm.

Supplier selection

Our Group ensures all suppliers of the Group have obtained necessary approval from the SFA. In addition, the Group has a policy to evaluate both new and existing vendors based on various criteria, which include but not limited to:

- products’ quality and safety;
- responsiveness and support;
- delivery performance; and
- price competitiveness.

The Group operates specific halal-certified businesses within our catering division. We have implemented additional procedures to ensure that the food products used in our halal-certified businesses come from suppliers accredited by Halal Certifying Association recognised by Majlis Ugama Islam Singapura (“**MUIS**”) ⁽²¹⁾ or certified directly by MUIS itself.

Our team makes frequent farm visits to source for wholesome and reliable food supplies. In FY23, we have conducted a total of eight (8) site visits to our suppliers in Singapore, including Fassler Gourmet Pte. Ltd. and Freshdirect Pte. Ltd., in order to ensure the quality and reliability of our food sources.

In addition to site visits, we maintain frequent and ongoing dialogues with our existing suppliers to ensure that food quality standards remain uncompromised.

FY23 Performance	FY24 Target
All our suppliers have obtained necessary approvals from SFA	All our suppliers to obtain necessary approvals from SFA
FY22 Performance	
All our suppliers have obtained necessary approvals from SFA	
Performance in FY23	
FY23 Target previously set	Performance in FY23
All our suppliers to obtain necessary approvals from SFA	Target achieved

Note:

⁽²¹⁾ MUIS, also known as the Islamic Religious Council of Singapore, is the Islamic authority responsible for overseeing Muslim affairs in Singapore. It plays a vital role in providing Halal certification services and regulating the Halal industry in Singapore.

Supply Chain Management

“Food miles” refers to the distance that food has travelled from its place of origin to the place of consumption. Opting for locally sourced products leads to a decrease in food miles, thereby reducing GHG emissions which contribute to climate change.

SFA has been actively promoting Farm-to-Table initiative, a nationwide endeavour focused on securing a sustainable food supply by sourcing food ingredients locally and directly from a farm, without going through a store, market or distributor. The reduced distance travelled can contribute to both reduction in food miles as well as maintaining freshness of the food ingredients. The Group has responded to the SFA’s Farm-to-Table initiative by procuring from local farms such as Edible Garden City, Kin Yan Agrotech, Aquaculture Centre Of Excellence, Blue Ocean Aquaculture Technology, Vegtial Green etc.

Sustainable Restaurant Essentials

The usage of take-away packaging material is inevitable considering the Group’s nature of business. The Group is also aware of our obligation in reducing its carbon footprint by using eco-friendly take-away packaging. Some of our take-away packaging materials are certified with Forest Stewardship Council (“**FSC**”) ⁽²²⁾ or Singapore Green Labelling Scheme (“**SGLS**”) ⁽²³⁾. The take-away plastic bags that we currently use contain the d₂w certified plastic additive. The d₂w additive is included at the manufacturing stage and allows everyday plastic products to degrade in the presence of oxygen into biodegradable materials which can be recycled back into nature more quickly than ordinary plastic. We also use disposable plastic cutlery and plateware containing 70% organic content, which is made of corn, and can completely degrade in 90 days under landfill conditions.

In addition, some of our restaurants also provide Polylactic Acid (PLA) compostable straw and eco-friendly unbleached bamboo cocktail napkins.

Notes:

⁽²²⁾ FSC is an international, non-governmental organisation dedicated to promoting responsible management of the world’s forests. FSC has developed a system of forest certification and product labelling that enables people to identify responsibly sourced wood, paper and other forest products.

⁽²³⁾ SGLS, administered by the Singapore Environment Council (SEC) since 1999, is a leading environmental standard and certification mark with over 3,800 unique products certified across 43 countries. SGLS aims to help the public to identify environmentally preferred products that meet certain eco-standards.

Sustainable Meal Options

We are dedicated to catering to our customers' evolving dietary preferences while simultaneously embrace sustainable practices and offer diverse sustainable food choices at our food establishments.

Healthier Health Promotion Board ("**HPB**") certified products

In FY23, the Group remained dedicated to offer healthier range of products which are produced using Allulose, a naturally occurring novel sugar. These products have received certification from HPB as healthier choices:

- *Tung Lok Mooncake* is a pioneering low-sugar mooncakes in Singapore, produced using Allulose. The lotus paste of the mooncake is made exclusively from 100% pure-lotus seeds and proven to be 25% lower in sugar content compared to conventional mooncakes. The mooncake is baked using HPB-certified 100% pure peanut oil which is known for its high monounsaturated "good" fat content;
- *Tung Lok Nian Gao* is a low-sugar festive product that comes in various flavours (Traditional, Pandan, Black Sesame and Red Dates); and
- *Tung Lok Yu Sheng Sauce* is another low-sugar festive product and a perfect choice for healthier 'Lohei' celebration during Chinese New Year reunion meal.

Plant-based products

In FY23, we have partnered with Impossible Foods ⁽²⁴⁾ to introduce a range of plant-based ready-to-eat products under our Halal catering division, Bellygood Caterer, as part of our initiatives in supporting alternative diet that create fewer GHG emissions.

⁽²⁴⁾ Impossible Foods is an America company founded in 2011. Its mission is to restore biodiversity and mitigate the impact of climate change by recreating meat, fish and dairy foods from plants, offering a significantly lower carbon footprint compared to their animal-based counterparts.

Healthier Ingredients sourced from HPB-certified partners

As consumers become more health conscious, we use ingredients that are certified as Healthier Choice from HPB:

- OKI Blended Cooking Oil (healthier choice cooking oil with RSPO (Roundtable on Sustainable Palm Oil));
- Royal Umbrella Thai Fragrant Brown Rice; and
- Goodsalt (a lower sodium alternative compared to regular salt).

Sustainable Seafood Practices

Increasing seafood consumption has placed significant pressure on seafood supplies. This trend poses a serious threat to the sustainable yield of the seas and marine ecosystems.

Whenever practicable, we source our seafood (including salmon, barramundi, shrimps, prawns, lobsters, oysters, clams and scallops) from suppliers who adhere to sustainable business practices. We prioritise working with suppliers accredited by renowned organizations such as Aquaculture Stewardship Council ("**ASC**") ⁽²⁵⁾, Global Seafood Alliance ("**GSA**") ⁽²⁶⁾ and Marine Stewardship Council ("**MSC**") ⁽²⁷⁾.

Notes:

⁽²⁵⁾ ASC is an independent, international non-profit organisation that manages the world's leading certification and labelling programme for responsible aquaculture. ASC plays a major role in supplying food and social benefits for mankind whilst minimising negative impacts on the environment and transforming aquaculture towards environmental sustainability and social responsibility using efficient market mechanisms that create value across the chain.

⁽²⁶⁾ GSA, formerly known as the Global Aquaculture Alliance (GAA), is an international independent and non-profit organization founded in 1997. It was established by a diverse group of stakeholders, including international aquaculture companies, seafood restaurants and wholesalers. GSA has played a significant role in setting standards for responsible aquaculture practices and developed the Best Aquaculture Practices (BAP) certification standards to promote responsible practices in the aquaculture industry.

⁽²⁷⁾ MSC is an international independent and non-profit organisation founded in 1997 by WWF and Unilever to recognise and reward sustainable fishing efforts to protect the oceans and preserve seafood supplies for future generations.

14 GOVERNANCE

14.1 [Corporate Governance](#)

The Group adhered rigorously to all relevant laws and regulations, including those related to labour and employment, non-discrimination, occupational health and safety as well as the environment standards.

The Group is committed to maintaining the best practices in corporate governance to ensure the long-term sustainability of the Group's operations. We firmly believe that implementing and adhering to good governance practices are integral in maximising long-term shareholder value and safeguarding the interests of our stakeholders. For details of our corporate governance practices, please refer to the Corporate Governance Report from pages 24 to 56 in the Annual Report 2023.

In FY23, there are no incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations.

FY23 performance	FY24 Target
No confirmed incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations	To maintain zero incident of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations
FY22 Performance	
Not applicable ⁽²⁸⁾	
Performance in FY23	
FY23 Target previously set	Performance in FY23
Not applicable ⁽²⁸⁾	Not applicable ⁽²⁸⁾

Note:

⁽²⁸⁾ This is a new EESG factor added in FY23.

14.2 [Anti-corruption and whistle-blowing policy](#)

Anti-corruption

Our Employee Handbook establishes clear expectations for our employees in relation to various important issues, including fraud, conflict of interests and anti-competition conduct. In Tung Lok, we conduct our business by inculcating a clean and transparent working culture within the organisation. We understand the detrimental effect that corruption can have on both organisations and the society, and we are determined to ensure that our business decisions and actions are ethical and in full compliance with local legal requirements. We firmly stand against any form of malpractice, impropriety, non-compliance with statutory law, rules and regulations or any wrongdoing by our employees during the course of performing their duties.

Management and key executives are required to submit annual conflict of interest declarations for independent assessment to demonstrate their willingness to adhere to the conflicts of interest policy.

Whistle-blowing policy

The Group's whistleblowing policy is displayed on staff notice boards at all our outlets. The policy encourages and provides a channel for employees to report in good faith and without fear of reprisals, concerns about possible improprieties in financial matters, fair labour practices, internal controls, disclosure of information, conflict of interest, insider trading or any other areas involving fraud, corruption and misconduct of employees to the Chairman of Audit and Risk Committee ("**ARC**"), President/Chief Executive Officer or the Head of Human Resource Department. The public, our customers and other stakeholders can also report possible improprieties or provide other feedback through the Company's website at www.tunglok.com. The Management reviews each correspondence received and escalates to the President/Chief Executive Officer or Chairman of ARC on any instances of potential improprieties. For details of our whistle-blowing policy, please refer to the Corporate Governance Report from pages 24 to 56 in the Annual Report 2023.

In addition, all new employees are required to attend the orientation programmes where the Group’s corporate values, anti-corruption practices and whistle-blowing policy are conveyed to them.

FY23 performance	FY24 Target
No confirmed corruption incident	No incidents of corruption concerning employees or business partners.
FY22 Performance	
No confirmed corruption incident	
Performance in FY23	
FY23 Target previously set	Performance in FY23
<i>No incidents of corruption concerning employees or business partners</i>	<i>Target achieved</i>

14.3 Enterprise Risk Management

The Group has a structured Enterprise Risk Management (“ERM”) Framework to facilitate in identifying, assessing, monitoring and reporting of significant key operational, financial, compliance and information technology risks that are relevant to our operation. The Board and ARC are responsible for overseeing the Management in developing, updating and maintaining an adequate and effective ERM Framework. The Management makes quarterly ERM reporting to the ARC. For details of the implementation of ERM framework, please refer to the Corporate Governance Report from pages 24 to 56 in the Annual Report 2023.

FY23 performance	FY24 Target
Quarterly ERM reporting to ARC conducted	To maintain quarterly ERM reporting to ARC
FY22 Performance	
Not applicable ⁽²⁹⁾	
Performance in FY23	
FY23 Target previously set	Performance in FY23
<i>Not applicable ⁽²⁹⁾</i>	<i>Not applicable ⁽²⁹⁾</i>

Note:

⁽²⁹⁾ This is a new EESG factor added in FY23.

14.4 Personal Data Protection Policy

The Group is committed to protect the personal data that have been entrusted to us. We have an established Personal Data Protection Policy in place that governs the collection, usage, processing, disclosure, transfer, storage, retention and disposal of personal data which are in possession or under the control of the Group. The policy is reviewed and updated regularly based on the latest requirements of Personal Data Protection Act ("PDPA").

Continuous trainings are provided to our employees to ensure they are keeping abreast of the latest personal data protection policies and practices of the Group.

In FY23, there are no reported breaches of personal data privacy relating to customers and employees received from regulators. We are not aware of any identified leaks, thefts or losses of customer data during FY23.


FY23 performance	FY24 Target
No confirmed breaches of personal data privacy incident	No incidents of personal data privacy concerning customers and employees.
FY22 Performance	
Not applicable ⁽³⁰⁾	
Performance in FY23	
FY23 Target previously set	Performance in FY23
Not applicable ⁽³⁰⁾	Not applicable ⁽³⁰⁾




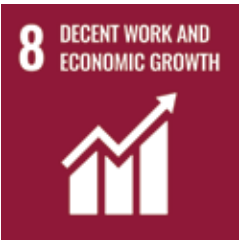
Note:




⁽³⁰⁾ This is a new EESG factor added in FY23.

15. SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

During FY23, the Group has incorporated the SDGs under the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, where appropriate, as a supporting framework to shape and guide our sustainability strategy. Presented below is the list shown how our Material Topics relate to these SDGs:

SDGs	Our Efforts	Material Topics
<p>✓ Goal 3: Good Health and Well-being <i>Ensure healthy lives and promote well-being for all at all ages</i></p> 	<p>We implement measures such as safety checks, safety training and job safety guidelines and procedures to provide a hazard-free workplace for our employees as well as our customers.</p>	<p>✓ Occupational Health and Safety</p>

SDGs	Our Efforts	Material Topics
<p>✓ Goal 4: Quality Education <i>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</i></p> 	<p>We offer our employees on-the-job training and opportunities to attend internal and external workshops as we believe in creating a rewarding working environment for our employees.</p>	<p>✓ Training and Education</p>
<p>✓ Goal 6: Clean Water and Sanitation <i>Ensure availability and sustainable management of water and sanitation for all</i></p> 	<p>We implement checks and measures to minimise wastage of water from our business operations, which in turn helps us to work towards achieving sustainable management and efficient use of natural resources.</p>	<p>✓ Water Consumption</p>
<p>✓ Goal 7: Affordable and Clean Energy <i>Ensure access to affordable, reliable, sustainable and modern energy for all</i></p> 	<p>We implement measures to reduce our energy consumption rate as not only does it help to improve our energy efficiency, but it also helps us to reduce operating costs.</p>	<p>✓ Energy Consumption (Gas and Electricity)</p>
<p>✓ Goal 8: Decent Work and Economic Growth <i>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</i></p> 	<p>We place heavy emphasis on customer satisfaction as we understand that a high level of customer satisfaction is essential to the continued success of our business. This also contributes to economic growth as well as the protection and creation of jobs.</p> <p>We contribute to economic growth through creating long-term value for our stakeholders.</p>	<p>✓ Customer Satisfaction</p> <p>✓ Sustainable Business Performance</p>

SDGs	Our Efforts	Material Topics
<p>✓ Goal 10: Reduced Inequalities <i>Reduce inequality within and among countries</i></p> 	<p>We ensure equal opportunity and pay fairly for all regardless of gender and age by establishing various human resource related policies to facilitate this goal.</p>	<ul style="list-style-type: none"> ✓ Board Diversity ✓ Diversity and Equal Opportunity ✓ Caring For Local Communities
<p>✓ Goal 12: Responsible Consumption and Production <i>Ensure sustainable consumption and production patterns</i></p> 	<p>We implement measures to help prevent and reduce waste that is generated from our business operations.</p>	<ul style="list-style-type: none"> ✓ Waste Oil Management
<p>✓ Goal 16: Peace, justice and strong institutions <i>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</i></p> 	<p>We ensure compliance to market standards with regards to the quality and safety of our food so as to maintain customer satisfaction and the continued success of our business.</p>	<ul style="list-style-type: none"> ✓ Food Health and Safety
	<p>We ensure the procurement process is strictly in compliance to market standards and serve our customers with the freshest and healthiest supplies from sustainable sources.</p>	<ul style="list-style-type: none"> ✓ Procurement
	<p>We are committed to high standards of corporate governance as we believe that a high standard of corporate governance is integral in ensuring the sustainability of our businesses as well as safeguarding shareholders' interests and maximising long-term shareholder's value.</p>	<ul style="list-style-type: none"> ✓ Corporate Governance ✓ Anti-corruption and Whistle-blowing Policy ✓ Enterprise Risk Management ✓ Personal Data Protection Policy

16. GRI CONTENT INDEX
















Statement of use	Tung Lok Restaurants (2000) Ltd has reported with reference to the GRI Universal Standards 2021 for the financial period from 1 April 2022 to 31 March 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not Applicable

GRI standard	Disclosure	Reference
GENERAL STANDARD DISCLOSURE		
GRI 2: General Disclosures 2021	2-1 Organisational details	Section 2: About Tung Lok
	2-2 Entities included in the organisation's sustainability reporting	Annual Report 2023 (Our Brands and Outlets) and Section 3: Reporting Scope and Period
	2-3 Reporting period, frequency and contact point	Section 3: Reporting Scope and Period
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Section 5: Reporting Framework
	2-6 Activities, value chain and other business relationships	Annual Report 2023 (Our Brands and Outlets)
	2-7 Employees	Section 13.3: Employment
	2-8 Workers who are not employees	Section 13.3: Employment
	2-9 Governance structure and composition	Annual Report 2023 (Corporate Governance Report) and Section 9: Policies, Practices and Performance Reporting - Reporting Structure
	2-10 Nomination and selection of the highest governance body	Annual Report 2023 (Corporate Governance Report)
	2-11 Chair of the highest governance body	Annual Report 2023 (Corporate Governance Report)
	2-12 Role of the highest governance body in overseeing the management of impacts	Section 9: Policies, Practices and Performance Reporting - Reporting Structure
	2-13 Delegation of responsibility for managing impacts	Section 9: Policies, Practices and Performance Reporting - Reporting Structure
	2-14 Role of the highest governance body in sustainability reporting	Section 9: Policies, Practices and Performance Reporting - Reporting Structure
	2-15 Conflicts of interest	Annual Report 2023 (Corporate Governance Report)
	2-16 Communication of critical concerns	Section 9: Policies, Practices and Performance Reporting - Sustainability Reporting Process
	2-17 Collective knowledge of the highest governance body	Annual Report 2023 (Corporate Governance Report)
	2-18 Evaluation of the performance of the highest governance body	Annual Report 2023 (Corporate Governance Report)
	2-19 Remuneration policies	Annual Report 2023 (Corporate Governance Report)
	2-20 Process to determine remuneration	Annual Report 2023 (Corporate Governance Report)
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints
	2-22 Statement on sustainable development strategy	Section 1: Board Statement
	2-23 Policy commitments	Section 14: Governance

GRI standard	Disclosure	Reference
GENERAL STANDARD DISCLOSURE (CONT'D)		
GRI 2: General Disclosures 2021 (cont'd)	2-24 Embedding policy commitments	Section 14: Governance
	2-25 Processes to remediate negative impacts	Section 14: Governance
	2-26 Mechanisms for seeking advice and raising concerns	Section 9: Policies, Practices and Performance Reporting - Reporting Structure
	2-27 Compliance with laws and regulations	Section 14: Governance
	2-28 Membership associations	Section 7: Membership of Association
	2-29 Approach to stakeholder engagement	Section 8: Stakeholder Engagement
	2-30 Collective bargaining agreements	None of the Group's employees are covered under any collective bargaining agreements
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Section 10: Materiality Assessment
	3-2 List of material topics	Section 10: Materiality Assessment
	3-3 Management of material topics	Section 8: Stakeholder Engagement and Section 10: Materiality Assessment
TOPIC-SPECIFIC STANDARDS		
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Section 14.2: Anti-corruption and Whistle-blowing Policy
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Section 12.1: Energy Consumption (Gas and Electricity)
	302-3 Energy intensity	Section 12.1: Energy Consumption (Gas and Electricity)
	303-5 Water consumption	Section 12.2: Water Consumption
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Section 12.3: Waste Oil Management
	306-3 Waste generated	Section 12.3: Waste Oil Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Section 13.3: Employment - Diversity and Equal Opportunities
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	Section 13.4: Occupational Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Section 13.5: Training and Education
	404-2 Programs for upgrading employee skills and transition assistance programs	Section 13.5: Training and Education
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Section 13.3: Employment - Diversity and Equal Opportunities
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	Section 13.6: Caring For Local Communities
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Section 13.7: Procurement
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Section 13.1: Food Health and Safety
GRI 418: Customer Privacy	418-1 Management approach disclosures	Section 13.2: Customer Satisfaction and Section 14.4: Personal Data Protection Policy

TUNG LOK GROUP OF RESTAURANTS IN SINGAPORE

Restaurants

- | | | | | |
|--|---|---|---|---|
|  <p>OUE Tower
60 Collyer Quay, Level 10,
Singapore 049322
Tel: 6634 3233</p> |  <p>OUE Tower
60 Collyer Quay, Level 8,
Singapore 049322
Whatsapp only: 9105 3488</p> |  <p>Resorts World Sentosa
Hotel Michael, Lobby Level,
26 Sentosa Gateway, #02-142/143,
Singapore 098138
Tel: 6884 7888</p> | | |
|  <p>Orchard Rendezvous Hotel
1 Tanglin Road, #02-18,
Singapore 247905
Tel: 6834 0660</p> | <p>Clarke Quay Central
6 Eu Tong Sen Street, #02-88,
Singapore 059817
Tel: 6336 6022</p> |  <p>Square 2
10 Sinaran Drive, #01-73,
Singapore 307506
Tel: 6893 1123</p> | | |
|  <p>Orchard Central
181 Orchard Road,
#11-05, Singapore 238896
Tel: 6834 4888</p> | <p>d'Arena
511 Upper Jurong Road,
#01-01, Singapore 638366
Tel: 6262 6996</p> | <p>Paya Lebar Quarter
10 Paya Lebar Road,
#03-09/10, Singapore 409057
Tel: 6909 8933</p> | <p>Park Regis Singapore
23 Merchant Road, Lobby Level,
Singapore 058268
Tel: 6721 9118</p> | <p>Gardens by the Bay
18 Marina Gardens Drive,
#01-10, Singapore 018953
(Opening September 2023)</p> |
|  <p>d'Arena
511 Upper Jurong Road, #01-01,
Singapore 638366
Tel: 6262 6996</p> | <p>Park Regis Singapore
23 Merchant Road, Lobby Level,
Singapore 058268
Tel: 6721 9118</p> |  <p>Square 2
10 Sinaran Drive, #02-76,
Singapore 307506
Tel: 6358 4466</p> | | |
|  <p>The Grandstand
200 Turf Club Road, #01-23/26,
Singapore 287994
Tel: 6466 3363</p> | <p>Orchard Central
181 Orchard Road, #07-07/08/09,
Singapore 238896
Tel: 6736 0006</p> | <p>Velocity @ Novena Square
238 Thomson Road, #02-11/12,
Singapore 307683
Tel: 6992 2777</p> |  <p>Liat Towers
541 Orchard Road, #05-01,
Singapore 238881
Tel: 6734 3788</p> | |
|  <p>Orchard Central
181 Orchard Road #07-14/15,
Singapore 238896
Tel: 6509 1878</p> | <p>VivoCity
1 Harbourfront Walk, #03-10,
Singapore 098585
Tel: 6222 7377</p> | <p>Northshore Plaza II
418 Northshore Drive, #01-11,
Singapore 820418
Tel: 6992 2992</p> | | |
|  <p>The Clan Hotel
10 Cross Street, Level 4 & 5,
Singapore 048417
Tel: 6980 3535</p> |  <p>Paya Lebar Quarter
10 Paya Lebar Road, #B2-33,
Singapore 409057
Tel: 6909 8932</p> | | | |
|  <p>Northshore Plaza II
418 Northshore Drive, #01-11,
Singapore 820418
Tel: 6992 2992</p> |  <p>SAFRA Choa Chu Kang
28 Choa Chu Kang Drive, #01-05,
Singapore 689964
Tel: 6992 2900</p> | | | |

Catering Brands

- | | |
|---|--|
| <p>NON-HALAL</p>   | <p>HALAL</p>    |
|---|--|

Manufacturing Brand



TUNG LOK GROUP
26 Tai Seng Street, #02-01, Singapore 534057 | Tel: (65) 6270 7998 | Fax: (65) 6272 7120

SCAN HERE



www.tunglok.com