

Our vision is to be a world-class multinational enterprise based on our ability to create and build long-term sustainable value for our stakeholders.

Bearing a longstanding tradition of corporate social responsibility, the F&N Group remains steadfast in conducting our business in a responsible and sustainable manner. As a socially responsible corporate citizen, we strive to incorporate best practices in our business so as to contribute meaningfully to local communities, minimise our impact on the environment, provide product and service excellence to consumers and foster a creative and supportive work environment for our employees.

SUPPORTING OUR COMMUNITY

Corporate Philanthropy

As a long-term supporter of the sporting community, 100PLUS presented “The Straits Times Athlete of the Year Award” for the third year running in Singapore, in recognition of athletes who are determined to excel and bring honour to their sport and country. It also presented “The Straits Times Star of the Month Award”. The iconic isotonic brand also continued sponsoring Singapore’s national table tennis team of dedicated and outstanding world-class players in their competitions.

In Malaysia, Fraser & Neave Holdings Bhd’s (“F&NHB”) “F&N Chairman Award” celebrated its 10th anniversary by handing out RM236,400 to 183 deserving students in recognition of their outstanding performance in the 2011 public examinations. Initiated by F&NHB in conjunction with the Group’s 120th anniversary celebrations in 2003, the “F&N Chairman Award” rewards the children of F&NHB’s employees for academic excellence. The annual award scheme is aimed at fostering

employer-employee relationships as well as inculcating a caring and harmonious working environment. An initial endowment of RM1.2 million was initially set aside but the scheme was topped up with an additional RM1.25 million at F&N’s 125th anniversary celebrations in 2008.

F&NHB also recognised four individuals in the sixth “F&N Out-Do Yourself Award” (“OYA”) for going beyond the call of duty to perform extraordinary deeds involving civic consciousness and compassion: a paraplegic who supports other spinal cord injury victims, a couple who helps underprivileged and refugee children break the cycle of poverty, and a blind teacher who pushes his blind students to excel in their studies. Launched in conjunction with F&N’s 125th anniversary in 2008, the F&N OYA recognises ordinary individuals for various acts of selflessness ranging from bravery, chivalry, civic consciousness and promoting nation building to outstanding sports or academic achievements. The recipients were each awarded a cheque for RM5,000, certificate, plaque and F&N products.





The spirit of giving was demonstrated through a charity drive organised by NoQ store's debut Christmas roadshow, where books donated by NoQ store, Marshall Cavendish and Pansing were sold to the public to raise funds. The proceeds of \$7,000 raised were donated to The Salvation Army Singapore.

As Asia's online bookstore, NoQ store looked beyond Singapore to give back to the Asian community at large. A collection of children's books were donated to Ku Ma Vey Chlat Orphanage located in the remote Phuok village of the Siem Reap District in Cambodia. The new library features enriching quality children books and education books.

Myanmar Care, Myanmar Brewery Limited's charity vehicle, continued to serve its community missions this year. Amongst the many social and health care activities undertaken, the Operation Smile programme co-sponsored by the Group's F&B division received excellent local support. Held in the old capital of Mandalay City, the programme received 175 patients, of which 110 kids were treated for their facial deformities. Another exciting initiative was the donation drive which successfully sponsored the construction of a school for underprivileged children from the brewery's neighbouring village.

▶ CORPORATE SOCIAL RESPONSIBILITY



Frasers Centrepoint Limited ("FCL"), the Group's Properties division, views engaging the community as its key priority and contributed close to \$1 million in cash and in-kind to support various charitable causes in Singapore and overseas in FY2012.

At home, FCL, together with its joint venture partners Far East Organization and Sekisui House Limited, each contributed \$20,000 towards two Punggol grassroots projects. The total sum of \$60,000 raised went towards a \$50,000 building fund by Punggol West Community Club, while \$10,000 was donated to Project 10,000 Tiles, an event organised by Punggol North Citizens' Consultative Committee.

On the retail front, *The Centrepoint* raised more than \$5,000 for the Movement for the Intellectually Disabled of Singapore ("MINDS") through the sale of festive lanterns during the Mid-Autumn Festival. *The Centrepoint* has been partnering MINDS for several years now and the funds raised will go towards providing quality programmes and services to the beneficiaries who require education, training, employment, therapy and residential support. Separately, Frasers Centrepoint Malls ("FCM") and its tenants brought much cheer to 100 underprivileged

children from Pertapis Children's Home, Fei Yue Family Service Centre (Yew Tee) and Club Rainbow, presenting each child with a bag full of goodies on Children's Day.

Beyond fundraising, employees from the Office & Industrial unit pitched in their time to create a cosy yet invigorating living environment for the children and youths of Melrose Home. The premises was given a new and vibrant coat of paint. A clay workshop and a mini fundraising event were also organised for the home.

In Perth, *Central Park* office tower continued to act as venue sponsor for Step Up for MS, an event held for the sixth consecutive year. An iconic event of the Multiple Sclerosis Society, the annual stairs running competition attracted record participants and funds. This year saw the first Fire Fighters Challenge, with four teams of fire fighters participating in full gear and breathing apparatus. Cleo's Bachelor of the Year Finalist and double-amputee, Dwayne Fernandes, also took part in the race. A total of A\$186,590 was raised including a sum of A\$10,000 donated by *Central Park*.



Central Park also sponsored the Purple Bra Day organised by the Breast Cancer Care (“BCC”) organisation. This year’s Purple Bra Day fundraising activities included the sale of purple bras, a barbecue in the park and abseiling from the office tower by media representatives. The BCC received both sponsorship and widespread local media coverage, successfully raising A\$338,000.

Investing in our future generations

To mark its 75th anniversary in 2012, F&N MAGNOLIA celebrated the year with the theme “Passing On Treasured Values”, encouraging parents to inculcate in their children treasured values in the family. Driving home the message that F&N MAGNOLIA milk is healthy, convenient and premium – a trusted provider of nourishment for generations – the brand championed the importance of nutrition for both body and mind.

For the second year, F&N MAGNOLIA brought the joy of reading to the nation with its support of the National Library Board’s annual READ! Singapore campaign to promote the culture of reading among Singaporeans and to offer them opportunities to rediscover the joys of reading. On top of that, for three years now, it has nurtured young readers through its partnership with The Little Red Dot Reading Passport programme in primary schools.

Promoting the enterprising and eco-friendly spirit, FCM hosted the National Youth Business Challenge for the fourth consecutive year. Jointly organised with Ngee Ann Polytechnic’s School of Business & Accountancy, this year’s event was held at *Changi City Point*. Some 270 youths from 51 secondary schools took up the challenge to set up enterprising and earth-friendly businesses.

Now in its 12th edition, the Marshall Cavendish Budding Writers Project continues to be the leading platform in Singapore for children to express their creativity through writing and drawing, as well as a unique opportunity to get their work published. The programme aims to cultivate young talent and encourage them to express their creativity, feelings and opinions through prose and picture. Underpinning the environmental theme this year, the winning book was printed on recycled paper and published as an e-book.



Supporting the arts and heritage

The Group remains a firm supporter of and works towards fostering the arts and heritage scene in Singapore and overseas.

Frasers Hospitality, our serviced apartment arm, sponsored accommodation worth more than \$87,000 for artistes from the musical "La Cage Aux Folles" by Wild Rice Ltd.

Another cause we supported was the Singapore HeritageFest, an annual event organised by the National Heritage Board. Three of our malls, *Changi City Point*, *Causeway Point* and *The Centrepoin*t, participated as the main Festival Hub and Satellite Hubs for the festival. Through the exhibitions "Shopping for Gold", "Void Decks" and "Rocking Good Times", both Singaporeans and foreign visitors shared and spread knowledge about Singapore's rich heritage and cultural diversity.



Over in Sydney, Frasers Property Australia teamed up with Sekisui House Australia to commission a A\$1.3 million artwork "The Halo", which was presented to the City of Sydney. Developed by two of Australia's pre-eminent public artists, Jennifer Turpin and Michaelie Crawford, the spectacular wind-activated kinetic sculpture was placed in the new public park Chippendale Green, which is part of FCL's Central Park development. The park is due to open in December 2012.

CONSERVING OUR ENVIRONMENT

As a fundamental focus area of the Group, the conscientious utilisation of global resources and relentless pursuit of best practices underlies our commitment to protect our environment.

Maintaining its dedication to environmental conservation, Times Printers streamlined the internal work processes of its printing plants to reduce waste and enhance productivity. Detailed monitoring of data enabled Times Printers to better control its use of paper material. A significant milestone for the Print division, both its Malaysian and China plants achieved 100% alcohol-free printing for all presses, while its Singapore plant completed alcohol-free printing for all web presses.

As one of the region's largest F&B manufactures and packaging users, we recognise that our operations have an impact on the environment. The universal distress signal, S.O.S, also acronym for "Save Our Seas" in this cause, is used to get the community to take notice and action in helping to conserve marine life. The main objectives of Project S.O.S are reef rehabilitation and marine life conservation, creating awareness about the importance of marine conservation and responsible behaviours on the beach and towards our sea creatures, encouraging

proper waste disposal and recycling among communities and tourists.

F&NHB collaborated with ReefCheck Malaysia and Marine Park Terengganu to kickstart Project S.O.S in Redang island. The team successfully planted 40 reef rehabilitation frames. In addition, F&NHB worked with the local primary school to educate the children on marine conservation and proper waste disposal.



▶ CORPORATE SOCIAL RESPONSIBILITY

As part of our conscious effort to manage energy and water consumption, water and energy-efficient features have been incorporated into FCL's developments.

Our Properties division continued to bag Green Mark Awards from the Building and Construction Authority ("BCA") for its efforts to create and operate a sustainable built environment. This year, FCL received two new Gold awards for its residential developments *Esparina Residences* and *Waterfront Gold*, and a new Goldplus award for *Changi City Point*. In addition, our commercial buildings *Alexandra Technopark A & B* obtained a Gold award for the period from September 2011 to August 2014.

During the year, a total of seven commercial buildings (*Anchorpoint*, *Alexandra Point*, *Alexandra Technopark A & B*, *Valley Point*, *55 Market Street* and *China Square Central*) were recognised as Water-Efficient Buildings by the Public Utilities Board, Singapore's national water agency.

To minimise water wastage, NeWater is used whenever possible for the air-conditioning, landscape watering and sprinkler protection systems, as well as hose reel systems at our buildings. In addition, *Causeway Point* collects rainwater for landscape watering. In total, water consumption at our ten¹ commercial properties (*Anchorpoint*, *Compass Point*, *Northpoint*, *The Centrepoint*, *YewTee Point*, *51 Cuppage Road*, *55 Market Street*, *Alexandra Technopark A & B* and *Valley Point*) was reduced by 38,665 cubic metres or 7% as compared to the last financial year.

Nine of our properties (*55 Market Street*, *Alexandra Technopark B*, *Valley Point*, *Anchorpoint*, *Compass Point*, *Causeway Point*, *Northpoint*, *The Centrepoint* and *YewTee Point*) managed to achieve energy savings of 2.4 million kWh. One of the key factors resulting in energy savings was the renewal of 106 water-cooled package units for the air-conditioning system in *Alexandra Technopark A & B*. The annual cost savings is estimated to be \$2.2 million for the 10.8 million kWh saved in energy consumption. Other energy conservation measures include reduced lighting levels after business hours, motion detectors for staircases, as well as air-conditioning system plant operation control adjustment to achieve better energy efficiency.

Over in Australia, two of our office buildings, *Caroline Chisholm Centre* in Canberra and *Central Park* in Perth were awarded a NABERS Energy base building rating of 4.5 stars and 5 stars respectively. NABERS is Australia's national rating system that measures the environmental performance of Australian buildings.

Note:

¹ Commercial properties which carried out asset enhancement initiative works, maintenance works, had a change of occupancy or less than two years' data are not included

Upgraded from 4.5 stars previously, *Central Park's* NABERS Energy rating of 5 stars is a first for a premium office building in Perth. *Central Park's* rating was upgraded following a slew of energy-saving initiatives which includes the replacement of chillers, an overhaul of the lighting systems, installation of solar panels and a new building automation system. The energy management programme resulted in its base building energy use declining by 25% over the last four years. In addition, *Central Park* launched the first comprehensive "Ride and Park" bicycle facility for cyclists for an office building, encouraging employees of its tenants to go green by cycling to work.

DELIVERING PRODUCT EXCELLENCE

In making F&N brands their choice, consumers reinforce F&N's philosophy of *Pure Enjoyment*. *Pure Goodness*, which has been the driving force of our branding efforts. Building strong brands under the F&N portfolio is tantamount to investing in enduring assets that provide a lasting competitive advantage in strengthening the customer base that will weather ever-changing markets. F&N's continued investment in branding has enabled the group to retain leadership across categories, resulting in increased brand value, corporate worth and ultimately returns to shareholders.

F&N has been an avid supporter and partner of the Singapore Health Promotion Board ("HPB") since 2007. Together, we jointly educate Singaporeans on the importance of staying healthy through the knowledge of good nutrition, healthy eating habits and adopting an active lifestyle. F&N has also pledged to support HPB's Healthier Food Choices Commitment by rolling out more Healthier Choice Symbol products in the next three years in line with our F&B philosophy to deliver *Pure Enjoyment*. *Pure Goodness* to our valued consumers.

F&N NUTRISOY, earning its position as Singapore's most popular soy brand in 2012, is one such example of our commitment to deliver healthier products to consumers. Awarded HPB's Healthier Choice Symbol, *F&N NUTRISOY* is also supported by the Singapore Heart Foundation. This year, it celebrated World Heart Day 2012 and National Heart Health Week.

Properties continued to maintain its product and service excellence with the addition of more accolades to its stable of achievements. Awards were received across the residential, commercial and hospitality units.

HUMAN CAPITAL MANAGEMENT

Sustainability through Innovation – WIAL Outstanding Organization Award

In recognition of F&N's effort in implementing and promoting iTAL or **i**nnovation **T**hrough **A**ction **L**earning across the organisation, World Institute for Action Learning (WIAL) conferred the WIAL Outstanding Organization Award to F&N in 2011. This award recognises organisations for their continuous efforts in promoting and implementing Action Learning.

iTAL is based on the principles of Action Learning which involves a small group working on real-time work-place issues, taking appropriate actions to resolve these issues, and through the facilitation of an Action Learning Coach, learn as individuals and collectively as a team. Action Learning is not just adopted by many companies in Singapore, but also by global MNCs to drive innovation, develop creative products and services, generate creative solutions for work place issues and develop leaders in real time.

Following the successful iTAL official launch in Singapore, iTAL was launched in Malaysia, attended by more than 230 senior executives from all business units including Dairies Thailand. Following the launch, Professor Marquardt conducted a series of introductory Action Learning workshops for the senior executives. The participants were coached by Professor Marquardt using the iTAL framework to generate innovative and practical solutions to issues and challenges encountered at work. The workshop not only enabled participants to understand iTAL methodology, but gave them the opportunity to practice facilitating a team as iTAL coaches.



Participants practicing their facilitation skills as iTAL coaches



Since then, iTAL has been incorporated as a problem-solving tool used in the day-to-day operations at F&N Group Malaysia's business units. Some managers have started practicing iTAL regularly in their group meetings and discussions in Beverage and Dairies business operations.

Leveraging on iTAL's momentum, FCL launched eWISE or **e**lectronic **W**ork **I**nnovation **S**chem**E** in 2012 to further entrench innovation and drive staff engagement within the business unit. eWISE is an online suggestion system allowing FCL staff to submit product and service improvement ideas or creative suggestions to enhance operational efficiencies within the company.



The official launch of iTAL in F&N Holdings BHD by Chairman Y.A.M. Tengku Syed Badarudin Jamalullail

▶ CORPORATE SOCIAL RESPONSIBILITY



The Singapore Health Award



F&N staff de-stressing on the rooftop - with a view!

Action Learning will continue to play a dominant role in driving innovation within F&N and to underscore its importance, a total of 120 iTAL coaches have been trained to facilitate iTAL projects across the business units. To further strengthen and embed iTAL within F&N's culture, additional iTAL Coach workshops have been arranged in Singapore and the region to increase the pool of iTAL Coaches to support iTAL projects. In addition, refresher workshops have been arranged for existing iTAL Coaches to exchange knowledge and ideas, sharpen facilitation skills and strengthen the bond between coaches. On top of this, iTAL Introductory workshops will be organised so all F&N staff have a clear understanding of how Action Learning leads to personal and organisational success by solving problems and building effective teams and leaders.

Workplace Health Programmes garner Health Promotion Awards

The adage "all work and no play makes Jack a dull boy" is a subtle reminder that dull and unengaged employees do not contribute positively to the organisation. Moreover, they influence other employees negatively by their words and deeds. Therefore, various business units in F&N embarked on a workplace health initiative to inject fun into the corporate lives of F&N employees. Our continuous efforts in introducing workplace health activities such as health and wellness talks, exercise classes and health screenings were rewarded when two of our business units, FCL and F&N Food & Beverage, received the Singapore Health Silver and Bronze Awards respectively in Nov 2012.

These ongoing activities ensure that F&N employees continue to live well-balanced work lives resulting in a happier and productive work force.

ROC.IT Service The Frasers Way – Personalising the Frasers Experience

We are committed to the same world class service experience across all Frasers' Properties. The formula to this success is driven by Fraser Hospitality's signature service programme **ROC.IT Service The Frasers Way** which ensures guests are served with the same personalised Frasers' experience worldwide.

Forming part of the core pre-opening training for all service staff in new properties, this programme focuses on the importance of teamwork and being innovative in delivering unique Frasers experiences for guests through a series of activities and experiential learning.

Embodiment of Fraser's vision and its values, display of Frasers' identity and unchallenged service standards form the essential components in delivering the Frasers Way experience to all our guests.



Participants from Beijing Cluster attending ROC.IT Service The Frasers Way Train-the-Trainer

Thumbs Up for MCIS' Interactive and Engaging Programme

Marshall Cavendish International (Singapore) Pte Ltd (MCIS), a division of Times Publishing Limited ("TPL"), underwent a review of its editorial function. This was done with the objective of refining work processes and working relationships amongst employees.

To ensure a smooth transition, a series of programmes were organised to help build relationships and a sense of belonging amongst MCIS employees. These interactive programmes featured experiential activities which allowed participants to internalise TPL's four core values - Value & Respect for People, Integrity, Open Communication, and Committed to Winning.

This programme, which was a winner with all MCIS employees, was subsequently extended to all new employees joining the division.



Participants internalising MCIS core values through experiential activities

F&N Group Total Company Training Plan – Alignment of Training Plans with Business Objectives

In our continuing effort to provide a more structured training plan for F&N employees and to align training plans with business objectives, the F&N Group Training Plan pulls together results of learning needs analysis conducted by the business units into an integrated format.

The F&N Group Training Plan integrates the training and development needs of F&N employees with a focus on soft skills and leadership development programmes. The F&N Group Training Plan allows managers and staff to tap on existing programmes offered by business units across the region.



F&N Foods participants discussing strategies in *Managing Sales Objections and Obstacles* workshop

Moving Ahead - Riding the Digital Age by leveraging E-learning to enhance Human Capital Development

In our continuous effort to meet the varied learning and development needs of our employees, Corporate Human Resource will be launching CrossKnowledge, an e-learning portal to bring just-in time learning to our employees.

CrossKnowledge is an on-line database featuring one of the largest and most complete range of on-line training products for Management and Leadership training. With twenty-four workplace-related themes, CrossKnowledge gives insights to employees to better deal with various workplace-related issues and provides them a sense of self development and added confidence via e-learning sessions, inspiring videos, action tips, reading resources and on-line assessments.

This initiative allows F&N to leverage new learning technologies to engage, refresh and accelerate our employees' learning curve while complementing traditional classroom training.



F&N-CrossKnowledge e-learning home page