

# WORKPLACE

## OUR STRONG FOUNDATION

At F&N, we value our People and know that they are crucial to our success. They are our partners in delivering products and services of the highest quality and safety standards to our customers.

Their dedication, knowledge and performance bring life to F&N's strategy and drive business results. Simply put, our People are the foundation of our business. As such, continual learning and development is encouraged and supported through a group-wide learning and development programme, and our integrated people development model enables employees to play an active role in the learning and development process.

Aside from developing our People, F&N continuously engages them to promote cohesiveness and a sense of belonging. We also place importance on the safety and well-being of our employees, and we are committed to providing and maintaining a safe and healthy work environment.

In this section:



Human Resource Management Policy



Employee Profile



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People Care

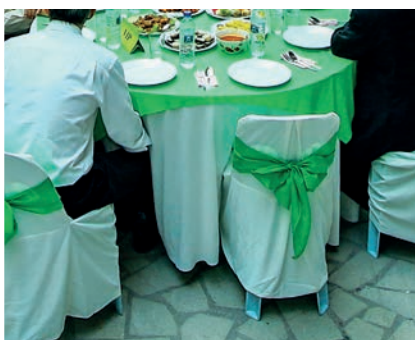


Safety at Work

This year, in recognition of F&N as the employer of choice, F&N Group and its subsidiary, Fraser & Neave Holdings Bhd ("F&NHB") won Asia Best Employer Brand Award 2016 and Malaysia Best Employer Brand Award 2016, respectively, from The Employer Branding Institute and World HRD Congress. The awards were conferred based on our exemplary learning and development initiatives, our ability to communicate our distinctiveness in employee hiring, training and retention practices, and our innovative spirit. With the aim of retaining and attracting the right talent, we will continue to strengthen our employer branding through our Human Resource policies and practices.

**HUMAN RESOURCE MANAGEMENT POLICY**

F&N Group employees bring various levels of expertise and diverse experience to their work. To retain employees and increase our ability to attract new talent, the company has developed a global human resource policy that encourages continuous learning, strengthens leadership skills and promotes cooperation between colleagues, customers and the community. While the company maintained its recruitment and retention strategy



Key Highlights

F&N attained Asia Best Employer Brand Award 2016



of ensuring the right people with the right skills were deployed in the right locations, recruitment efforts were largely internally focused, as skilled employees were redeployed and reassigned to alternative projects and areas of the business. Last year, to expand our talent pipeline and increase employee engagement, the Group rolled out a global referral programme that encourages employees to refer potential talent for available roles. This programme indirectly boosts our employer branding as our People advocate our corporate brand to the public. It also empowers employees to contribute to the Group's talent search and development process.

F&N Group is committed to conducting its activities in line with ethical, sustainable and transparent practices. In all the countries which we operate in, our People conduct our operations in accordance with our code of conduct and the local employment act. All employees of the Group are provided with a set of the

company's policies, including the Code of Business Conduct and Whistle-Blowing Policy, upon employment. They are required to acknowledge and sign a statement certifying that they understand their obligations as an employee of the Group, and that they respect and comply with the provisions stipulated in the policies and guidelines.

In FY2016, the Group launched its Executive Human Capital Handbook, which provides information to employees in executive positions on the expectations, benefits, policies and procedures applicable to them. It also sets out matters of importance to both Fraser and Neave, Limited and its subsidiaries.

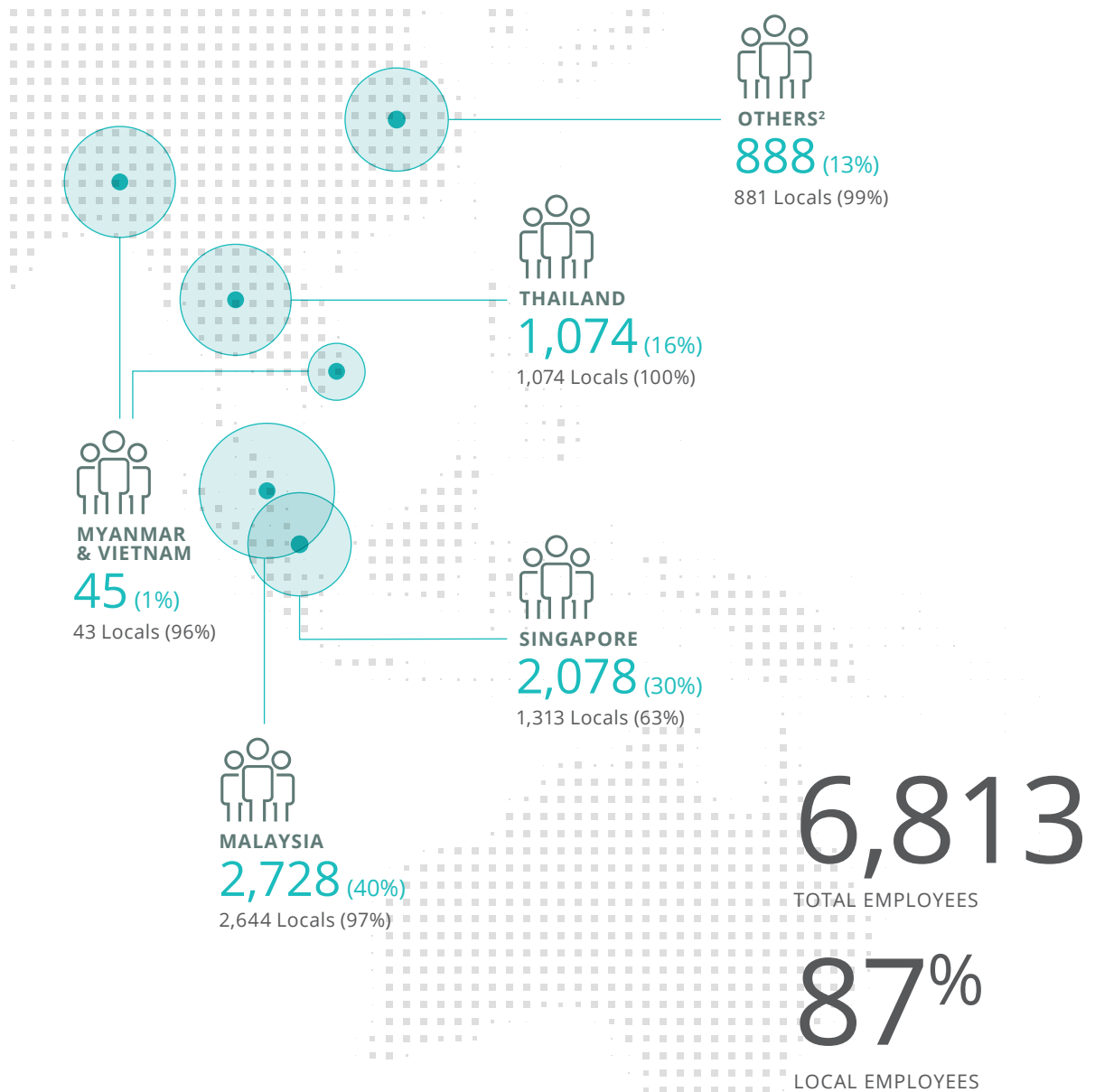
As at FY2016, F&N Group has operations in 12 countries. In these countries, we provide an environment of fair conduct and fair labour practices. We give employment to local citizens and embrace workplace diversity.

# WORKPLACE

## EMPLOYEE PROFILE

In FY2016, our workforce<sup>1</sup>, including full- and part-time permanent and 12-month contract employees, totalled 6,813 across 12 countries. F&N's priority is to hire local talent to support the local communities we operate in. In our operations across the globe, the majority of our local workforce comprises citizens of that particular country. In FY2016, 87% of the Group's total workforce comprised of local employees. The Group's current gender composition is 39% women.

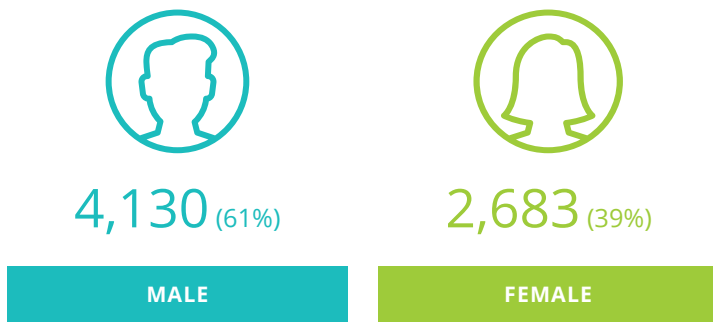
## EMPLOYEES BY COUNTRY



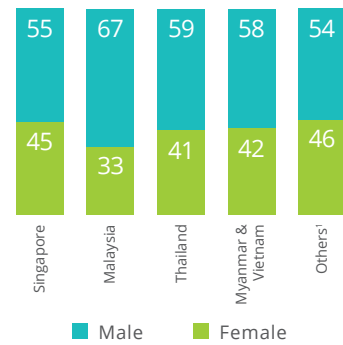
### Notes:

- 1 Total workforce includes employees of Fraser and Neave, Limited, subsidiaries and joint venture companies which the Group holds at least 50% stake, and associate companies with 20% to 49% stake
- 2 Australia, Chile, China (including Hong Kong), India, UK and US

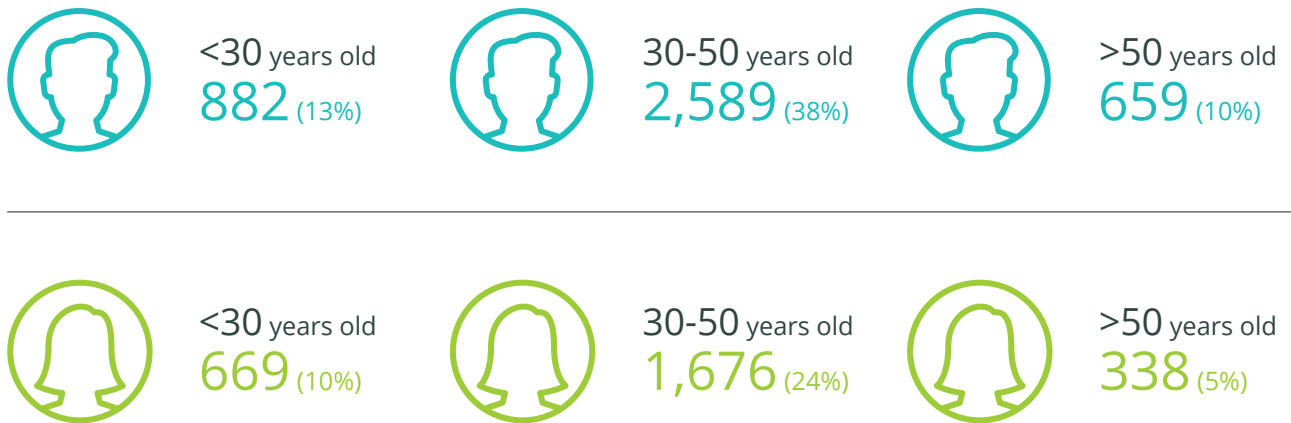
### EMPLOYEES BY GENDER








### Gender Profile by Country (%)



### EMPLOYEES BY AGE



### EMPLOYEE TURNOVER RATE

HEAD OFFICE	F&B DIVISION <sup>2</sup>	F&B DIVISION <sup>3</sup>	P&P DIVISION	AVERAGE TURNOVER RATE
				
<b>11%</b> FY2016	<b>11%</b> FY2016	<b>19%</b> FY2016	<b>27%</b> FY2016	<b>17%</b> FY2016
<b>-8%</b> from FY2015	<b>-9%</b> from FY2015	<b>+3%</b> from FY2015	<b>+7%</b> from FY2015	<b>-2%</b> from FY2015

Notes:

- 1 Australia, Chile, China (including Hong Kong), India, UK and US
- 2 Malaysia, mainly through F&NHB
- 3 Remaining countries

# WORKPLACE



## EMPLOYEE ENGAGEMENT

The Group maintains regular and open communication with its employees on important corporate developments and changes to policies through Meet-The-CEO sessions, briefings from the management as well as employee newsletters and circulars. Other forms of communication include e-mails and the Group intranet portal maintained by the corporate office, and subsidiary-level intranet sites maintained by the different business units for their employees.

To promote cohesiveness and forge a greater sense of belonging amongst employees, the Group organises various activities ranging from recreational to volunteering opportunities.

This financial year, the Group's Food & Beverage ("F&B") and Publishing & Printing ("P&P") divisions across the region engaged employees in a range of activities, including:

- Sports tournaments: Bowling, futsal, badminton and golf

- Health and wellness programmes: Mass workout sessions, health talks, Singapore Kindness Movement talk and activities, and Fruit and Vegetables day
- Employee get-togethers: Festive celebrations during the New Year, Chinese New Year and Hari Raya, National Day and year-end parties, Durian feast, high-tea sessions, beer festival and annual movie night
- Community outreach programmes: Engaging senior citizens in a biannual games and food fair, and blood donation drive
- Employee family day, long service awards and team building activities

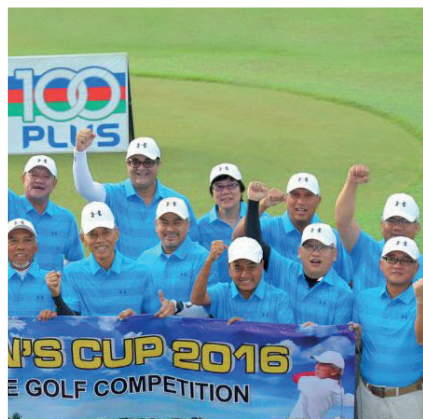
Recognising the hard work put in by its employees, the Group continued the annual group-wide private movie screening night in Singapore to celebrate Labour Day for its employees from the head office, F&B division and P&P division. This year, more than 1,500 employees and their families and friends attended the movie screening.



## PERSONNEL DEVELOPMENT AND TALENT MANAGEMENT

The Group's human capital is developed and strengthened through its investment in our People. Continuous training and professional development programmes have helped to boost the hard and soft skills of our employees, positioning them in good stead to take up challenges in the dynamic business environment we operate in.

Last year, the Group implemented The 7 Habits of Highly Effective People, the world's leading personal leadership



## F&N Chairman's Award



Since 2003, in conjunction with its 120<sup>th</sup> anniversary celebrations, F&NHB has been rewarding the children of its employees for their academic excellence and co-curricular achievements.

The annual award, named "F&N Chairman's Award", is aimed at fostering stronger employer-employee relationships, as well as inculcating a caring and harmonious working environment.

When the award was first introduced in 2003, F&NHB set aside an initial endowment fund of RM1.25 million. This scheme was topped up in 2008 with an additional RM1.25 million due to the increase in the number of awards handed out to deserving students. In 2013, in commemoration of F&N's 130<sup>th</sup> anniversary, a further RM1.3 million was committed to the Award.

Every year, the young award recipients, together with their families and friends,

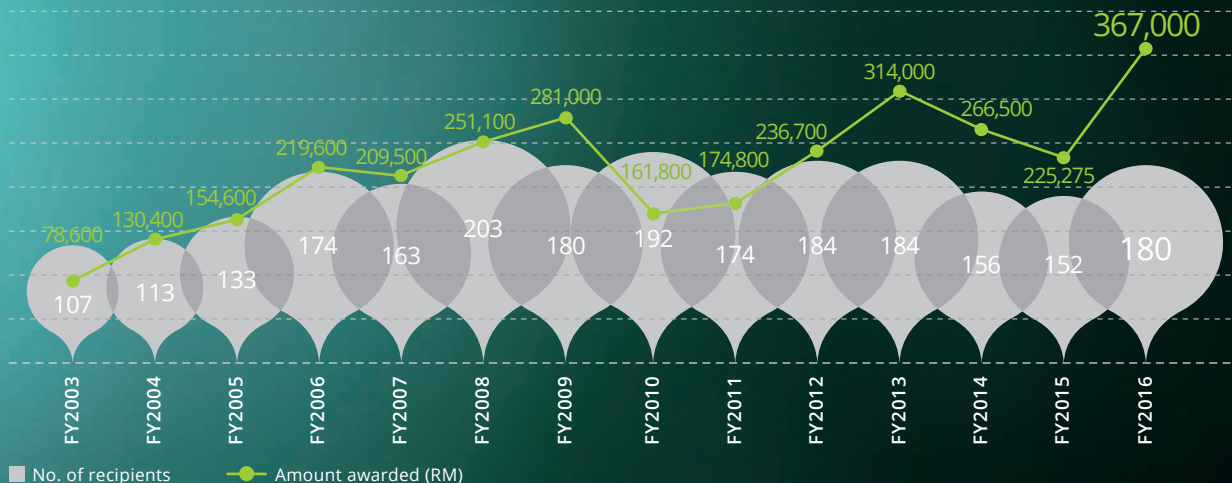
get invited to the "F&N Chairman's Award" presentation ceremony where the Chairman of F&NHB will present each of them with a cash award of between RM300 and RM5,000.

To date, F&NHB has disbursed over

**RM 3m**  
to close to  
**2,300**  
children  
of its employees



Key Highlights



# WORKPLACE

**Key Highlights**



38,647  
Training hours

596  
Training programmes



development and training programme, across all business units. Aimed at building leaders at the individual, team and organisational level, the programme instilled in participants the importance of self-management, influence, engagement and collaboration with others. This year, more employees continued to gain from the programme – 342 employees attended the training programme in Singapore, Malaysia and Myanmar. That puts total number of employees who have attended the 7 Habits programme at 835 over two years, and there are plans to engage more employees in the coming year.

In FY2016, the Group rolled out a total of 596 training programmes, achieving 38,647 training hours and benefitting close to 7,500 training participants in total.

The Group recognises that timely and effective performance evaluation empowers employees to give their best performance. As such, managers and their team members meet at least once a year to clarify performance



objectives, review performance and results, and determine required development, personal aspirations and career plans – the Total Performance Management System programme (“TPMS”). This in-house TPMS programme provides our People with a deeper understanding of the performance management process within the context of the Group’s framework, empowers employees to manage their own career development and maintains open and



effective communication between managers and their team members.

Knowledge sharing, skill development, effective talent path management and leadership training are all crucial to F&N’s efficient operation and ongoing competitiveness. The company’s integrated human resource development model encourages experts of their respective fields within the Company to conduct in-house training for cross-functional groups as a way to expand employees’ overall organisational understanding. Some examples of in-house courses are ‘Excel Skills’ conducted by Finance, and specialised product trainings such as Canned Milk, Beverages, and Dairies by Corporate Research and Development. The key benefit of this approach is that it enables employees from different departments to gain awareness, more in-depth knowledge of our range of products and a wider set of skills.

Likewise, the P&P division has initiated cross country mobility programmes for staff to share job knowledge and best practices with their counterparts in Malaysia. P&P believes that the cross country mobility programmes





will help to foster effective communication, collaboration and knowledge sharing among different units and reduce silo mentality and competitive relationships within the company. The Printing division in Singapore had several staff exchanges with its counterpart in Malaysia to share best practices for several plant processes such as maintenance, inventory management and print operations. Similarly, Times The Book Shop Singapore hosted colleagues from Times The Book Shop Malaysia to share their book shop operations practices.

The Group also offers external programmes to employees of all job levels to allow them to hone skills necessary for their career advancement. Some of the professional development courses made available to employees this year were:

- National University of Singapore Executive Development Programme
- Foundations of Manager Programme
- Social Media for Enterprise
- ISO, FSSC 22000, OHSAS 18001, HACCP and GMP
- Creative thinking, Excel and Powerpoint courses

## PEOPLE CARE

This year, the Group continued to organise numerous health and wellness activities, in and outside the workplace, to promote the overall well-being of our employees.

In Singapore, our business units work closely with the Health Promotion Board to implement health and wellness programmes. The Group's F&B and P&P divisions were awarded Gold and Bronze awards, respectively, in 2014. Awarded to companies once every

two years, the Singapore HEALTH (Helping Employees Achieve Life-Time Health) Award is presented by the Health Promotion Board to give national recognition to organisations with commendable Workplace Health Promotion programmes.

Our employees have benefitted from a wide range of activities throughout the year, such as:

- Fruits and Vegetables Day: To encourage consumption of at least two servings of fruits and vegetables daily
- Cholesterol Management: An intervention programme to help employees manage their cholesterol level
- Physical activities: Inter-group sports tournaments including badminton, bowling and golf, mass workouts, kickboxing, pilates and aerobics
- Annual health screenings
- Healthy cooking workshops
- Mental and physical wellness talks

Organised by F&NHB, the F&N Group Badminton Tournament is an annual event involving employees from F&NHB, as well as the Beverages and Dairies business units, and head office of the F&N Group. The tournament gives employees from different operating units and countries an opportunity to come together to build camaraderie and unwind through sports.

Held in Malaysia in September 2016, this year's tournament saw 148 employees from Singapore, Malaysia and Thailand form 64 pairs of men's doubles and 10 pairs of women's doubles, pitting their skills against one another. The top four winning

men's and women's teams walked away with trophies and cash vouchers worth a total of RM4,000.

A healthy workforce is also a productive one. By promoting health and wellness at work, the Group has witnessed a reduction in the average number of sick days reported per employee, below the national average of six days per year. Activities like these will be held at regular intervals to encourage a healthy lifestyle and build a healthy workforce.

## SAFETY AT WORK

At F&N, the safety of our workforce is our utmost priority. We care about the welfare of our People and promote health, safety and well-being at all levels of our businesses. Each business unit has in place safety procedures and adopt best practices that have gained industry recognition in the form of certification and awards.

A workplace safety and health risk assessment committee was formed in March 2016 and its members are made up of employees from various departments of the head office. These committee members underwent training and received their bizSAFE Level 2 and risk awareness training. bizSAFE is a five-step programme administered by Singapore's Ministry of Manpower and Workplace Safety & Health Council. The programme assists companies to build up their workplace safety and health capabilities so that they can achieve quantum improvements in safety and health standards at the workplace. The head office also attained bizSAFE Level 3, for putting in place a workplace safety and health policy, safe work procedures and risk management plan, conducting a risk assessment at the workplace, and engaging employees on safety and health concerns in the workplace.

Other initiatives to increase awareness of safety at work include regular talks and quizzes held for employees. The Company Emergency Response Team ("CERT") has been set up at both F&B and P&P divisions to prepare employees in the event of a crisis or emergency. Besides the certification of select employees in first aid, cardiopulmonary resuscitation ("CSR") and automated external defibrillator ("AED") trainings have also been conducted. Regular fire drills are also exercised at the different offices and manufacturing facilities of the Group.