



TLV

TLV HOLDINGS LIMITED

Sustainability
Report 2018

CONTENT OVERVIEW

Contents

03	Board Statement	04	About the report
04	Organisation Profile	07	Supply Chain Management

Material Topics

13	Economic Performance	14	Anti-corruption	15	Energy
16	Local Communities	17	Customer Privacy	18	Employment

Strategy & Approach

10	Sustainability Approach	11	Stakeholder Engagement
12	Materiality Assessment		

19 GRI Content Index

INTRODUCTION

Board Statement

Dear Stakeholders,

We are delighted to present TLV Holdings Limited's (the "Company") and together with its subsidiaries, the "Group") first inaugural sustainability report.

Sustainability has become a critical success factor for companies to ensure long-term value creation. The Group recognises the importance to maintain a balance between achieving long term profitable growth and considering the environmental and social impact of our operations to the planet and people.

This report marks a significant milestone for the Group, as we have assessed and identified the topics which are deemed to be material to our stakeholders through various stakeholders' engagement channels and materiality assessment. This sustainability report will be delineating the key sustainability topics on Environmental, Social and Governance ("ESG") issues which are crucial to our stakeholders, namely Economic performance, Anti-corruption, Energy, Employment, Customer Privacy and Local Communities.

The Board of Directors provides guidance on the development of sustainable business strategies and continuously reviews the effectiveness of the implementation of strategies across different functions of the operations. Certain sustainable goals are set in this respect. We seek to identify opportunities for improvement to our sustainability approach and management through this report. We are making an effort to integrate sustainability factors in formulating our strategies and across our business operations and wherever possible.

We would like to take this opportunity to thank our shareholders, business partners, the management, employees and all stakeholders for your continuous support in our sustainable journey.



ABOUT THIS REPORT

This report has been presented in accordance with the latest Global Reporting Initiative (“GRI”) Standards “Core Option”. This report covers the operations of TLV Holdings Limited in Singapore from 1 April 2017 to 31 March 2018 (“FY 2018”). Due to the GRI Standards’ universal application, we selected it as a guideline for the report so as to allow for comparability of our performance over the years. The report also takes reference from Singapore Exchange Securities Trading Limited’s (“SGX-ST”) ‘Comply or Explain’ requirements for sustainability reporting. We have not sought external assurance for this report.

The Group prints only limited copies of this sustainability report as part of our environmental conservation efforts. A current electronic edition of the report is available on the SGXNET and TLV Holdings Limited’s website. We welcome feedback and suggestions in relation to this Sustainability Report. Please address all feedbacks to taka.feedback@takajewellery.com.sg.

ORGANISATIONAL PROFILE

Founded in 1997, TLV Holdings Limited (the “TLV Holdings” or the “Company” and together with its subsidiaries, the “Group”) is an established jeweller that designs, manufactures and sells jewellery in both the local and international markets on a wholesale and retail basis.

Headquartered Singapore, the Group has a retail network of 16 outlets strategically located at various heartland districts, central and suburban malls. Its brands include Taka Jewellery, which sells quality jewellery at competitive prices, and Top Cash, which is in the pawnbroking business, and the trading and retailing of second hand jewellery and watches.

The Group sells to the international market through active participation in jewellery exhibitions since 2003. Its jewelleries are sold to wholesale customers in the United States, Europe, Middle East, East Asia and Southeast Asia. The Group participates in more than 20 international exhibitions annually.

OUR BUSINESS

Jewellery

The Group is principally engaged in the sale of jewellery on a retail basis in Singapore under the Taka Jewellery brand and in China under the Liutao-Taka Jewellery brand, as well as on a wholesale basis to global markets through active participation in international jewellery exhibitions.

Taka Jewellery

Taka Jewellery is an established brand that provides quality jewellery at competitive prices. With an extensive selection of classic and contemporary quality jewellery made from different raw materials, the brand caters to the mass market from homemakers to young working executives. Taka Jewellery has 13 retail outlets located at various heartland districts and suburban malls throughout Singapore.

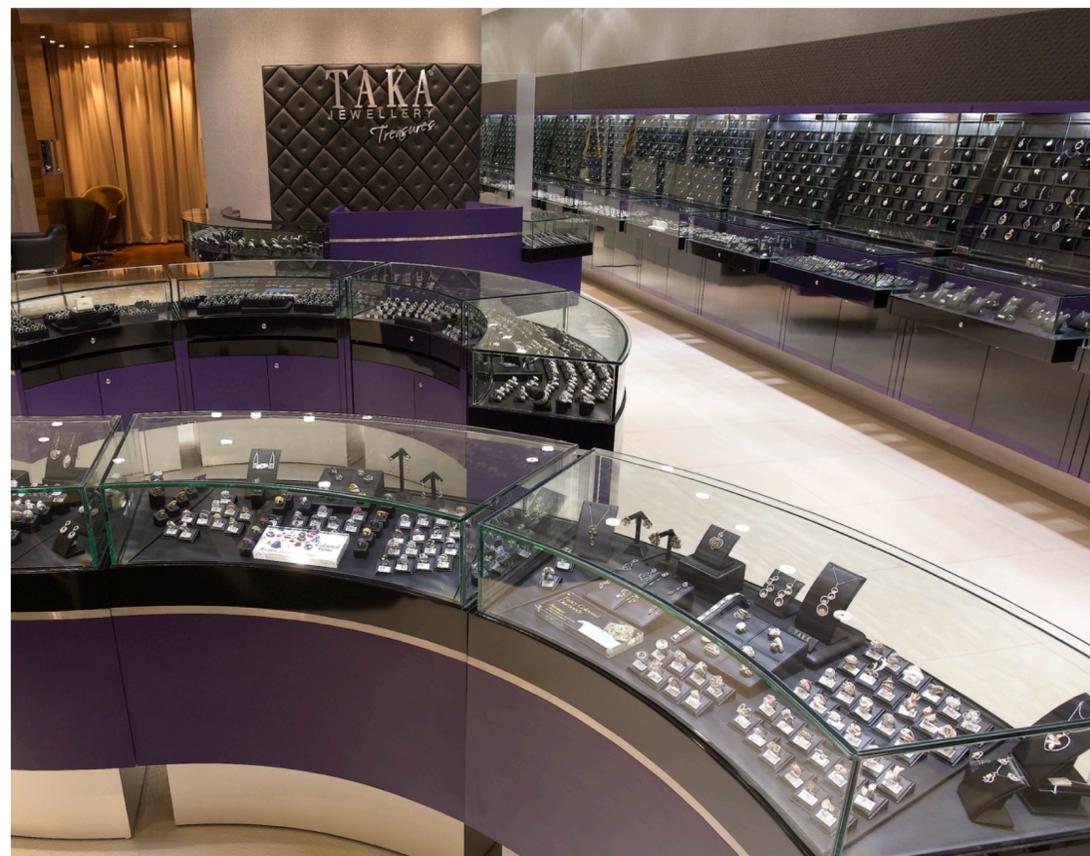
Exhibitions

The Group actively participates in jewellery exhibitions around the world, selling jewellery on a wholesale basis to customers from the United States, Europe, Middle East, East Asia and Southeast Asia. We participate in exhibitions under our brands Taka Jewellery, as well as Voi which was launched in 2007 to engage in the marketing and sale of a contemporary line of jewellery. In FY2018, the Group participated in more than 20 international exhibitions, notably the Hong Kong International Jewellery Show, Hong Kong Jewellery and Gem Fair, Baselworld in Switzerland and MidEast Watch and Jewellery Show.

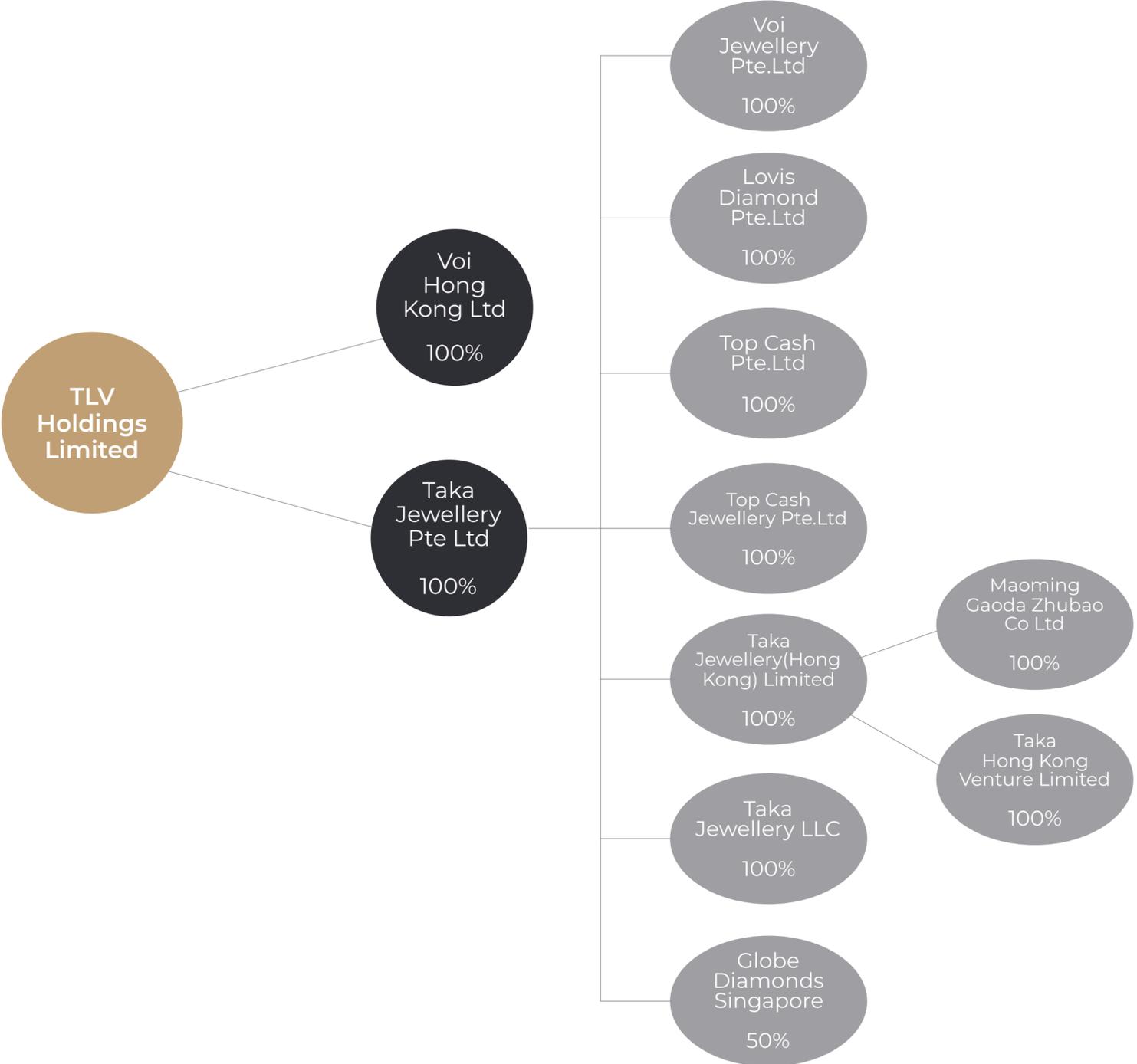
Pawnbroking

The Group ventured into the pawnbroking business and the trading and retail of pre-owned jewellery and watches under the Top Cash brand in 2013. Our pawnshops typically accept gold, platinum and silver bars and coins, value articles (such as precious stones, branded jewellery and watches) as collaterals for the loans we extend to our customers.

The Group has three pawnshops in Singapore, located in Yishun, Serangoon and City Plaza.



GROUP STRUCTURE



SUPPLY CHAIN MANAGEMENT

At TLV Holdings, we are committed to sourcing high-quality diamonds with integrity. Suppliers of our major materials such as diamonds and gold are carefully assessed and selected suppliers based on a, expertise, quality and past performance.

Purchasing policy is in place to provide guidelines and control principles at various stages of the procurement process including selection, comparison and periodic evaluation of suppliers. Our bold pricing policy relies on the three key factors of competitive profit margins, bulk purchasing power and a short supply chain with no middle man. In other words, we maintain competitive profit margins; we buy quality diamonds in bulk and pass on the savings to our customers; and because we are also a manufacturing jeweller, we make our own pieces rather than source them.

We are devoted to sourcing raw materials in an ethical and environmentally responsible manner while ensuring highest end product quality at remarkably affordable prices to our customers.

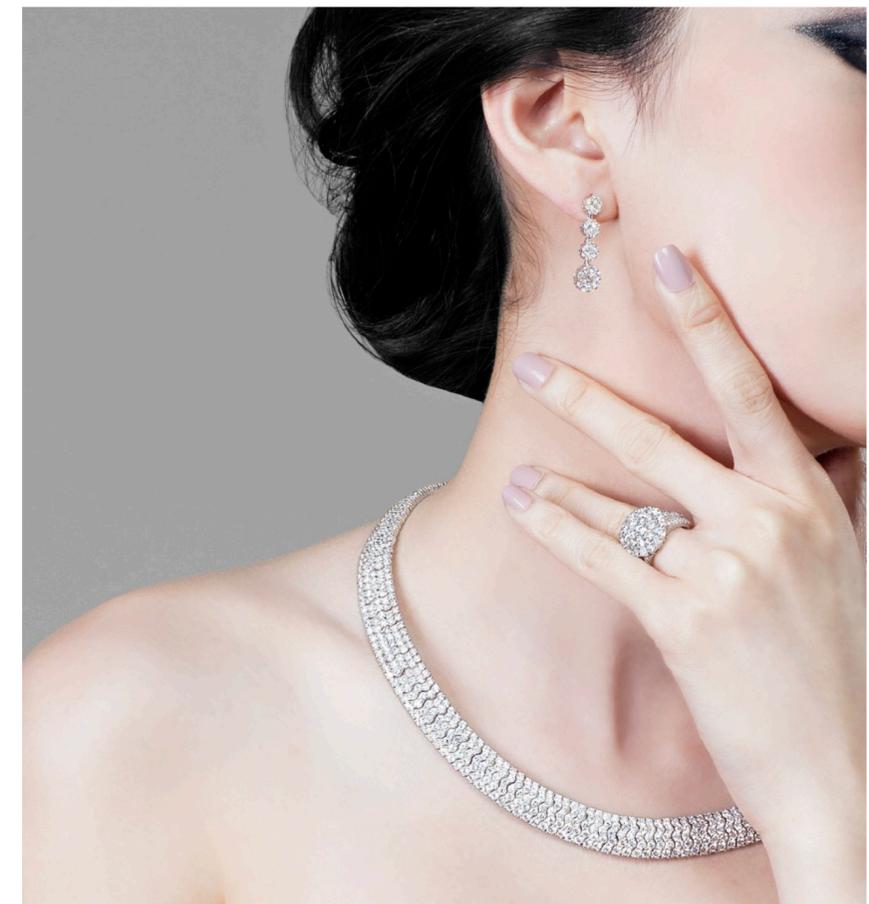
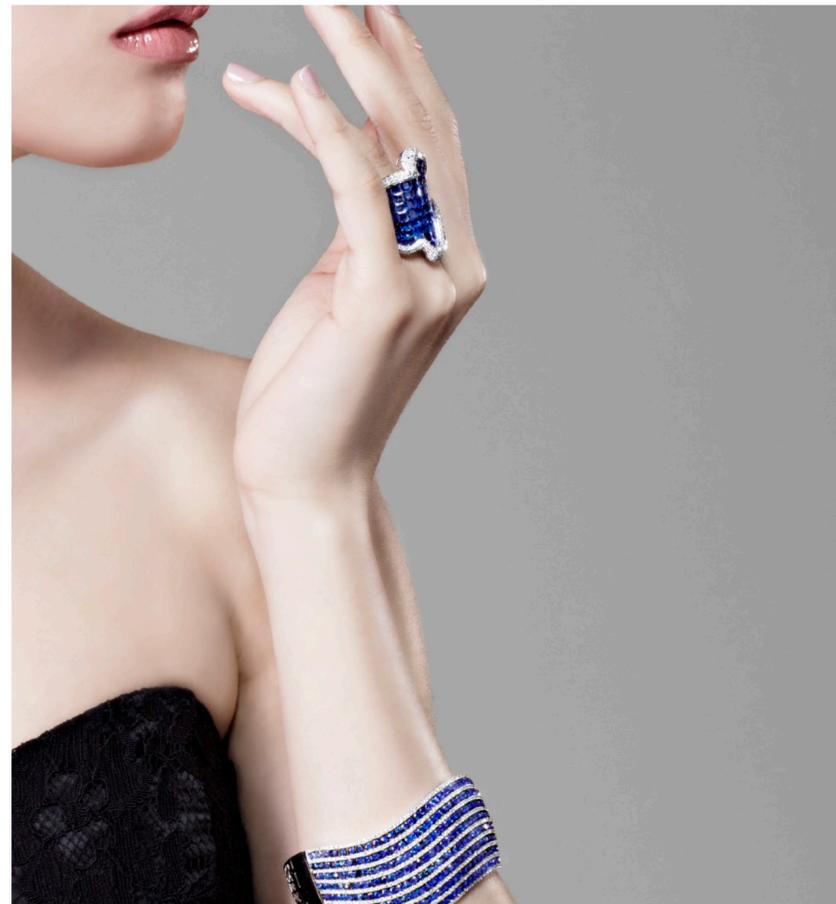
MEMBERSHIP OF ASSOCIATION



The Group is a member of Singapore Business Federation ("SBF") since 1997. SBF is the apex business chamber championing the interests of the Singapore business community in the areas of trade, investment and industrial relations. It represents the interests of 25,800 companies, as well as key local and foreign business chambers.



The Group's wholly owned subsidiary, Taka Jewellery Pte Ltd is a member of Singapore Jewellery Association ("SJA") since 2003. SJA is the only non-profit organisation representing jewellery operators in Singapore. Currently, there are about 360 corporate members which include most of the reputable and long-established jewellers in Singapore.



MEMBERSHIP OF ASSOCIATION (CONT'D)



Taka Jewellery (Hong Kong) Limited is also a member of Hong Kong Jewelry Manufacturers' Association since 2015. Established in 1988, Hong Kong Jewelry Manufacturers' Association ("HKJMA") is an organization representative of jewelry manufacturers and exporters. HKJMA is eager to understand the needs of its members, organising trading platforms for exhibitors and global buyers. Numerous seminars and courses are also held to provide professional trainings and latest industry information as well as technical support.



Taka Jewellery Pte Ltd joined the Singapore Chamber of Commerce & Industry ("SCCI"), which the organisation promotes the business growth through linking enterprise with investment community in Southeast Asia through educational conferences, workshops, research, networking with groups worldwide, contributing to improving the environment and corporate governance system for investing, and facilitating the matching of early stage companies with investors.



The Group's wholly owned subsidiary, Top Cash Pte Ltd has joined the Singapore Pawnbrokers' Association ("SPA") since 2014. SPA was registered in 1920 and is one of the oldest active associations in Singapore. With a staggering 91.1 percent of pawnshops in Singapore as members, the association currently has more than 200 members comprising of traditional, modern and public-listed companies.



LOCATION OF OUR OUTLETS



1. 53 Ang Mo Kio Avenue 3 #B1-53 AMK Hub S569933
Tel: +65 6481 8867

2. Blk 702 #01-2519 Ang Mo Kio Ave 8 S560702
Tel: +65 6459 5615

3. 2 Tampines Central 5, #01-29 Century Square S529509
Tel: +65 6781 5119

4. 205 Hougang Street 21 #01-133/135 Heartland Mall S530205
Tel: +65 6285 7050

5. 2 Jurong East St 21 IMM Building #01-28 S609601
Tel: +65 6899 8823

6. 2 Orchard Turn #B2-63 ION Orchard S238801
Tel: +65 6509 8797

7. 63 Jurong West Central #01-50/51/52 Jurong Point
Shopping Centre S648331
Tel: +65 6515 8545

8. 304 Orchard Road #01-82 / #01-17 Lucky Plaza S238863
Tel: +65 6733 4425/ 6734 1216

9. 1 Park Road #01-60 People's Park Complex S059108
Tel: +65 6538 3577

10. 186 Orchard Road Peranakan Place S238849
Tel: +65 6732 9556

11. 80 Marine Parade Rd #B1-05 & 06 Parkway Parade S449269
Tel: +65 6440 1183

12. 302 Tiong Bahru Road #01-136 Tiong Bahru Plaza S168732
Tel: +65 6252 8592

13. Blk 520 #01-62 Toa Payoh Central S310520
Tel: +65 6250 1955



1. Blk 103 Yishun Ring Road #01-115 S760103
Tel: +65 6758 1752

2. 83 Serangoon Road S217988
Tel: +65 6341 5871

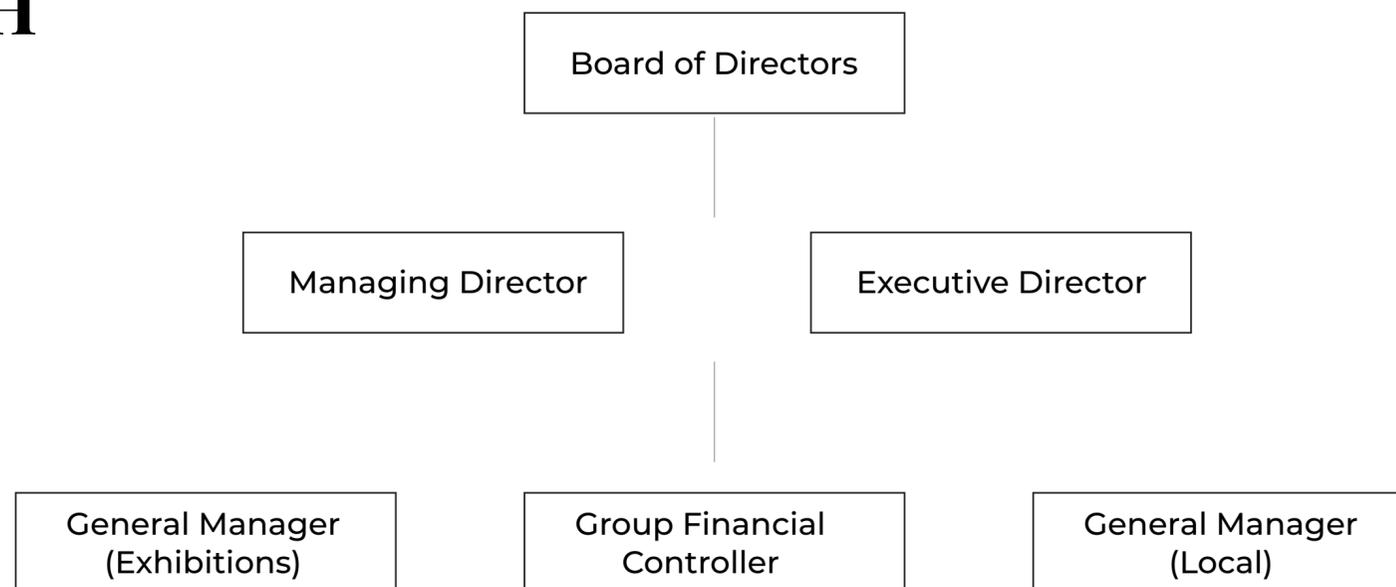
3. 810 Geylang Road #01-57 City Plaza S409286
Tel: +65 6741 0557



STRATEGY AND APPROACH

Sustainability Strategy

With sustainability being a thriving priority for businesses over the world, the Group seeks to integrate sustainability into our strategy and operation. The Group has established a Sustainability Committee (SC), comprised of various department heads from different operation units will be accountable to the Board of Directors for the coordination and implementation of sustainability strategies. The Board of Directors oversees and monitors the material ESG factors together with the management and, with the assistance of external professional service provider, and will continue conducting periodic review of the ESG performance with the management. Performance goals have been set on various material ESG matters for better monitoring of the Group's process against these goals. Our sustainability report will be reviewed and approved by the Board of Directors annually before they are published.



} Strategic formulation of sustainability issues, decision making, executive and risk management

} Execution and co-ordination to implement policies

STAKEHOLDER ENGAGEMENT

The Group has taken efforts to seek the opinion of many stakeholders either in a casual or formal way to better understand their thoughts and expectations. The feedbacks gathered from our stakeholders will be incorporated into our planning and actions whenever possible and relevant to our business.

Our Key Stakeholders	Engagement Activities	Key Topics
Customers	Enquiry and feedback channels	Good quality of products, After sales services
Sub-contractors/ Suppliers	Periodic discussion, Supplier discussion	Compliance with terms and conditions of purchasing policies and procedures, Maintain ethical standards
Employees	Induction and orientation program, Staff appraisal, Training	Staff rights and welfare, Personal development, Good working environment
Investors	Annual meetings, Board meetings, Circulars to shareholders	Profitability, Transparency Timely reporting
Government and Regulators	Discussions with government agencies and regulators, Participate in regulatory audits	Environmental-friendly business approach, Compliance with regulations, Timely reporting and resolution of issues

MATERIALITY ASSESSMENT

The Group has considered the interests and expectation of stakeholders to identify, prioritise, validate and review relevant sustainability issues. The Group has identified our material ESG issues based on the significance of our ESG and economic impacts and the degree of influence they have on stakeholder assessments and decisions.

The table below summarises the material ESG topics identified:

Material Topics	Description	Corresponding GRI Framework Disclosures	Reference
Economic performance	Business performance and efforts/ commitment in achieving greater results	GRI 201	Sustainability Report 2018 – Page 13 Annual report 2018
Anti - corruption	Policies and measures in place for anti-corruption and anti-bribery	GRI 205	Sustainability Report 2018 – Page 14
Energy	Energy conservation initiatives	GRI 302	Sustainability Report 2018 – Page 15
Employment	Hiring policies and staff benefits	GRI 401	Sustainability Report 2018 – Page 18
Local Communities	Initiatives in local community engagement	GRI 413	Sustainability Report 2018 – Page 16
Customer Privacy	Controls in place to protect customer's data and privacy	GRI 418	Sustainability Report 2018 – Page 17

MATERIAL TOPICS

Economic Performance

The core of our business is to create positive economic value and provide long-term sustainable financial growth to our shareholders. Despite the competitive business environment, revenue and profit remained stable in FY 2018 and to thank our shareholders for their continuous support, the Group had paid the first and final tax-exempt dividend of 0.219 Singapore cents per share. Currently, the Group does not have a formal dividend policy, nonetheless, the Group aims to distribute dividend attributable to shareholders depending on the financial performance of the Group.

The Group continuously monitor and analyse market trend and consumer behaviours to improve our products and services to adapt to the fast changing consumer market. The Group also participated in more than 20 international jewellery exhibitions every year including the HKTDC Hong Kong International Jewellery Show, Baselworld in Switzerland and Dubai International Jewellery Week, where we meet and connect with our global customers who are retailers, wholesalers and traders who attend these exhibitions. Through these interactions and feedback, we gained new perspectives and better understanding of market trends and consumer preferences.

Financial Highlights:

Financial Year	Revenue (S\$' million)	Gross Profit (S\$' million)	Gross Profit (%)	Net Profit (S\$' million)	Cash & Cash Equivalents (S\$' million)	Net Asset Position (S\$' million)
FY 2017	112.1	31.1	27.7	2.2	10.34	101.6
FY 2018	111.8	28.1	25.1	3.5	11.03	103.8

For further details of the Group's financial performance, kindly refer to our FY2018 Annual Report.

CORPORATE GOVERNANCE, ETHICS, ANTI-CORRUPTION AND ANTI-BRIBERY

The Group is committed to maintaining high standards of corporate governance to ensure accountability and transparency in conducting our business and to protect our shareholder's interests. We have complied with the principles and guidelines set out in the Code of Corporate Governance 2012, the disclosure guide developed by the SGX-ST in January 2015 and the SGX-ST listing rules, where applicable.

Whistle Blowing Policy

In our call to advocate good governance within the Group, we have also formalised and established a Whistleblowing Policy for our employees and external parties who have dealings with the Group. A whistleblowing channel which is accessible 24/7 has been set up for employees, shareholders, stakeholders and the public to raise concerns and feedbacks about any irregularities, impropriety, non-compliances or wrongdoings by management of staff in the course of their work. All concerns raised are reviewed by the Audit Committee ("AC") at its quarterly meetings to ensure independent investigation and adequate resolution.

Conflict of Interest Policy

The Group has also established a robust process of identification, evaluation, review, approval and reporting of interested person transactions. Conflict of Interest Policy has been adopted and communicated to all key management staff. All key management staffs are required to make conflict of interests annually or as and when necessary.

Anti-Money Laundering Policy

The Group has put in place an Anti-Money Laundering framework, which includes reporting suspicious cash transactions to the Suspicious Transaction Reporting Office of the Commercial Affairs Department of Singapore. New wholesale customers are required to provide their information to us as part of our know-your-client process and we also conduct reputation checks on our new wholesale customers. The Group also monitors any unusual cash transactions with new and existing customers on an ongoing basis.

Code of Ethics

Code of Ethics which underlines the business conduct and behaviour of all employees has been established and communicated to all employees. It describes the importance of protecting the interest of the Group and safeguarding sensitive and confidential information as an employee of the Group. Employees are expected to strictly abide to the code and act in a responsible and professional manner in the course of work.

Risk Management

The Board, supported by the AC, is responsible for the governance of risk. A comprehensive set of internal controls for key operation processes have been put in place to address financial, operational, compliance risks and information technology ("IT") risks. The effectiveness of these controls is subjected to independent audit from time to time and subjected to the review of the Group's management and Board of Directors.

For further details of the Group's Corporate Governance structure, kindly refer to our FY2018 Annual Report.

The Group is pleased to announce that no confirmed incidents of corruption and wrongdoings involving the Group's employees or business in FY 2018. There were also no legal cases of corruption brought against the Company in the same financial year. We aim to maintain this record in the upcoming year.

ENERGY

The Group places great emphasis on minimising its business impact on the environment. The Group's primary environmental footprint is from electricity where it is used for lighting and air-conditioning in all our outlets and offices.

The Group is currently monitoring energy utilisation rates and is taking conscientious efforts to conserve electricity. During the year, the Group's head office had consumed about 148.4 mWh of energy and its outlets had consumed about 428.8 mWh of energy. The average energy consumption of each Taka outlet was 26.7 mWh while the average energy consumption of each Top Cash outlet was 26.9 mWh.

The Group approaches to energy management through creating employees awareness to encourage them to turn off the lights, air-conditioning and office equipment in offices when they are not in use. The Group has also replaced conventional lights to lower energy consumption LED lights.

As the Group targets to open new outlets in the coming year, the Group will continue to monitor and try to maintain its energy intensity at equal or below FY 2018 average energy intensity per outlet and in head office whilst upholding our energy conservation initiatives moving forward.

LOCAL COMMUNITIES

We are mindful of contributing back to the communities that we operate in. Community investment and development not only enhances our business presence, increase brand awareness and boosts our business reputation but most importantly, we also strive to play our part to enhance social well-beings.

The Group has been encouraging the management and employees to participate in the Children's Society fundraising event - Walk for Our Children for 3 consecutive year. We also took up a carnival booth at the event to further help in raising funds. All proceeds were donated to the Children's Society.

We are proud to play a part in helping to better the lives of beneficiaries and will continue our support in the years ahead.



CUSTOMER PRIVACY

Customer's information and personal data may be collected during the course of business for various purposes. We recognise the importance of protecting the privacy our customers.

We strictly comply with the Singapore Personal Data Protection Act ("PDPA") Policy and regularly review the effectiveness of our control on customer data collection and handling processes. The collection and subsequent usage of customers' information are required to be clearly communicated to customers and documented consent from customers to be obtained prior to the use of data collected. We did not divulge or sell personal information to third parties for marketing or promotional purposes.

We are pleased to announce that there was no incident of loss of customers' data and no report of breaches of customer privacy in FY 2018 and we will strive to maintain this record.



EMPLOYMENT

The Group is only as strong as its employees, as the success of TLV Holdings is driven by its talented and dedicated employees. The Group strives to create and promote diversity and inclusion workplace for its employees because we believe that each of our employees can make a unique contribution to the Group.

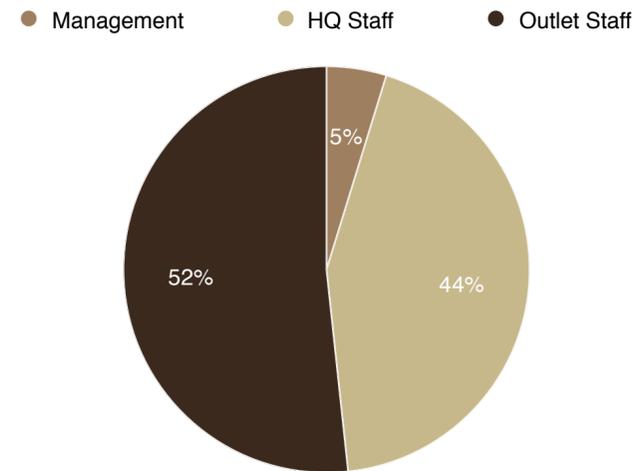
We recognise each employee's knowledge and skills as an important source of organisational capability and competitive advantage. Employees at all levels are provided with a variety of training and development opportunities. We also care for our employees' well-being and work-life integration. We provide comprehensive benefits to our employees such as Statutory contributions to Employees Provident Fund ("EPF"), hospitalisation leave, health care, parental and childcare leave.

The Group supports the government's pro-family policy and follows MOM regulations with regards to parental leave. 24 female employees and 17 male employees were entitled to parental leave in FY 2018. 21 female employees and 15 male employees returned to work after parental leave ended and were still employed 12 months after their return to work. The return to work and retention rates of employees that took parental leave was 87.5% for female employees and 88.23% for male employees.

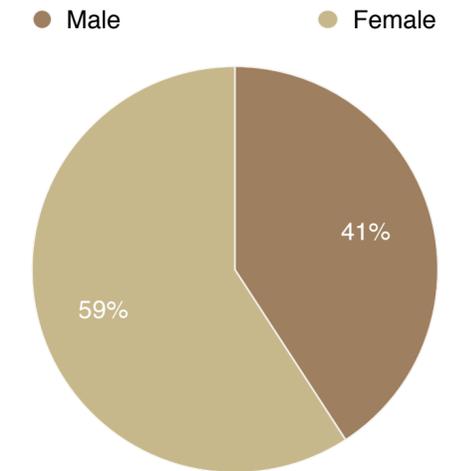
We adopt performance-based recognition where employees collaborate with their supervisors to set KPIs for the year. Performance review is conducted annually to appraise outcomes and identify development opportunities. We extend our appreciation to our employees by offering competitive compensation packages and also reward for their contributions during the annual Dinner and Dance.

As of 31 March 2018, there was a total of 147 employees under the Group. All our employees are full time employees and 66% of our employees are hired from the local community. The staff retention rate was 78% in FY 2018.

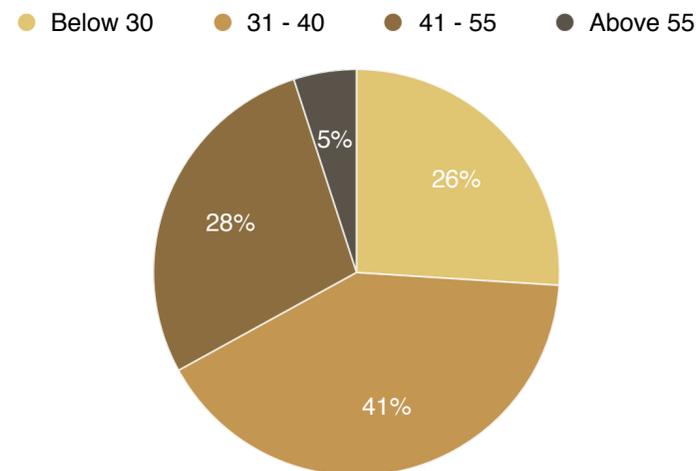
Employee by Function



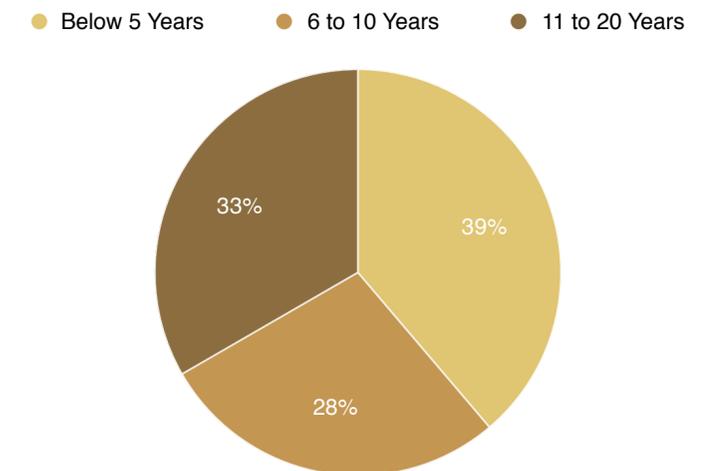
Employee by Gender



Employee by Age Group



Employee by Years of Service



GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable
GENERAL DISCLOSURE		
GRI 102: General Disclosures	Organizational Profile	
	102-1 Name of the organisation	Page 1
	102-2 Activities, brands, products, and services	Page 4 & 5
	102-3 Location of headquarters	Page 4
	102-4 Location of operations	Page 4 & 9
	102-5 Ownership and legal form	Annual Report Page 58 & 59
	102-6 Markets served	Page 4, 5, 9
	102-7 Scale of the organisation	Page 9, 13, 18
	102-8 Information on employees and other workers	Page 18
	102-9 Supply chain	Page 7
	102-10 Significant changes to the organisation and its supply chain	No significant changes to the organisation and its supply chain
	102-11 Precautionary principle or approach	Page 14
	102-12 External initiatives	Page 4
	102-13 Membership of associations	Page 7 & 8
	Strategy	
	102-14 Statement from senior decision maker	Page 3
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behaviour	Page 4
	Governance	
	102-18 Governance structure	Annual Report Page 14
Stakeholder Engagement		
102-40 List of stakeholder groups	Page 11	
102-41 Collective bargaining agreements	The management has not adopted any collective bargaining agreement	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (Cont'd)

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable
GENERAL DISCLOSURE		
GRI 102: General Disclosures (Cont'd)	Stakeholder Engagement (Cont'd)	
	102-42 Identifying and selecting stakeholders	Page 11
	102-43 Approach to stakeholder engagement	Page 11
	102-44 Key topics and concerns raised	Page 12
	Reporting Practice	
	102-45 Entities included in the consolidated financial statements	Annual Report Page 58 & 59
	102-46 Defining report content and topic boundaries	Page 4
	102-47 List of material topics	Page 13
	102-48 Restatements of information	N/A, this is our first report
	102-49 Changes in reporting	N/A, this is our first report
	102-50 Reporting period	Page 4
	102-51 Date of most recent report	Page 4
	102-52 Reporting cycle	Page 4
	102-53 Contact point for questions regarding the report	Page 4
	102-54 Claims of reporting in accordance with the GRI Standards	Page 4
	102-55 GRI content index	Page 19 - 22
102-56 External assurance	Page 4	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (Cont'd)

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable (page)
MATERIAL TOPICS		
Economic Performance		
GRI 201: Economic Performance	201-1 Direct Economic value generated and distributed	Page 13
Anti-Corruption		
GRI 205: Anti-Corruption	205-1 Operations assessed for risks related to corruption	Page 14
	205-2 Communication and training about anti-corruption policies and procedures	
	205-3 Confirmed incidents of corruption and actions taken	
Energy		
GRI 302: Energy	302-1 Energy consumption within the organization	Page 15
	302-2 Energy consumption outside of the organization	
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	
	302-5 Reduction in energy requirements of products and services	
Employment		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 18
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	
	401-3 Parental leave	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX (Cont'd)

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable (page)
MATERIAL TOPICS (Cont'd)		
Local Communities		
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Page 16
	413-2 Operations with significant actual and potential negative impacts on local communities	
Customer Privacy		
GRI 413: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 17
GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable (page)

Note:

The Group takes a phased approach to the adoption of GRI indicators and will review the relevance indicators marked “N/A” to its operations annually.