

G. K. Goh Holdings Limited



Sustainability Report

Year ended 31 December 2017

Board Statement

The Board of Directors and Management of G. K. Goh Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are committed to creating long-term value for all its stakeholders through sustainable business strategies and practices.

Together with Management, the Board identifies the key stakeholders, determines the material Environmental, Social and Governance (“ESG”) factors to be managed, and oversees the management and monitoring of these factors.

Organisation Profile

The Group has evolved from its origins as a leading Singapore-based regional securities business into an investment company owning operating businesses as well as a diverse portfolio of investments.

The Group has operating businesses in Corporate Services and Aged Care. The Corporate Services business is housed under Boardroom Limited (“Boardroom”), a Singapore-listed corporate services provider in Asia and Australia.

The Aged Care business is operated through Allium Healthcare Holdings Pte Ltd (“Allium”), which provides a range of geriatric care services in Singapore. Allium has also invested in Opal Aged Care Group, a leading Australian provider of residential aged care services; and Habitat Assets Pte Ltd, a fund that invests in a portfolio of operating retirement villages in Australia.

The Financial Investments arm holds a portfolio of listed and unlisted equities as well as third-party managed funds. The key long-term investments include Eastern & Oriental Berhad, a Malaysian property development and hospitality group, and euNetworks Group, which owns extensive assets in optic fibre networks in Europe.

The Group supported local businesses and helped to create jobs through the goods and services purchased from its suppliers, which included office space providers, technology and information services providers, as well as professional consultants.

Sustainability Reporting Approach

The Group’s Corporate Services subsidiary, Boardroom Limited, is listed on the Singapore Exchange and will be publishing a separate sustainability report on its website www.boardroomlimited.com.

Therefore this Sustainability Report will outline the sustainability policies, practices and performance of the Group’s Aged Care and Financial Investments business units for the financial year ended 31 December 2017 (“FY2017”), and it is prepared in accordance with the following regulations, guidelines and framework:

- SGX-ST Listing Rules (711A and 711B);
- SGX Sustainability Reporting Guide; and
- Global Reporting Initiative (GRI) Standards 2016 - Core. The GRI Content Index can be found at the end of this report.

The Board has determined the reporting content on the basis of materiality assessment and stakeholders’ interests, expectations and concerns. To ensure reporting quality, the Board has observed the principles of accuracy, balance, clarity, comparability, reliability and timeliness to help stakeholders assess the Group’s overall ESG performance.

Stakeholder Engagement

Stakeholder engagement is crucial in helping the Board make informed commercial and policy decisions, and this is done through various platforms and channels. Insights gained from such engagements are incorporated into the Group's business strategies. The table below summarises the Group's approach to stakeholder engagement:

Key Stakeholders	Forms of Engagement	Key Concerns
Customers	<ul style="list-style-type: none">• Customer feedback• Focus group discussions• Promotional roadshows	<ul style="list-style-type: none">• Quality of services• Customer privacy and information confidentiality
Employees	<ul style="list-style-type: none">• Team building sessions• Corporate events• Company intranet platform	<ul style="list-style-type: none">• Competitive wages and benefits• Opportunities for career growth and development• Work-life balance
Shareholders	<ul style="list-style-type: none">• Annual general meetings• Annual reports• Quarterly financial reports• SGX announcements	<ul style="list-style-type: none">• Stable and sustainable growth and profitability• Returns to shareholders
Business partners	<ul style="list-style-type: none">• Transaction meetings• Annual partners' meetings• Corporate events	<ul style="list-style-type: none">• Stable partnerships• Quality referrals• Good investment returns
Governments and Regulators	<ul style="list-style-type: none">• Engagements and meetings with local authorities• Consultations with regulatory bodies	<ul style="list-style-type: none">• Compliance with regulations• Corporate governance and ethical behaviour
Suppliers	<ul style="list-style-type: none">• Requests for quotations and proposals• Supplier briefings	<ul style="list-style-type: none">• Fair supplier selection process• Timely payment
Communities	<ul style="list-style-type: none">• Donations• Fund raising events	<ul style="list-style-type: none">• Corporate social responsibility initiatives

Material ESG Factors

Keeping in mind the key concerns of the Group's stakeholders, the Board has identified the following material ESG factors for FY2017:

- Employees;
- Environment; and
- Anti-corruption.

The Board will continue to identify and evaluate the material ESG factors against both the changing business landscape and key business developments to ensure that they remain relevant.

Employees

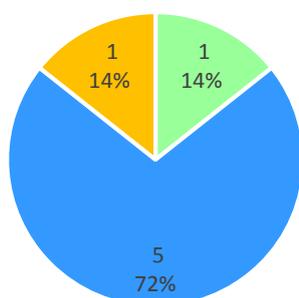
The Group recognises that its ability to remain commercially viable and competitive is influenced by its continued success in attracting and retaining talent. It is committed to building a safe, nurturing and inclusive workforce where all employees are treated respectfully and professionally, and are given equal opportunity based on merit. The remuneration framework for all employees comprises a fixed component in the form of a base salary and a variable component in the form of a bonus. The bonus is linked to the Group's and the employee's performance.

The Group encourages its employees to further their potential by supporting lifelong learning and skills development. Employees who attend courses that are related to their fields of specialty are able to seek reimbursement for the course fees. They are also entitled to 2 days of exam or study leave each year.

In caring for the well-being of the employees, the Group offers a range of benefits to allow employees achieve better work-life balance. These benefits include annual leave, parental leave, healthcare benefits and life and accident insurance. The Group also offers flexible work options such as staggered working hours and work-from-home arrangements.

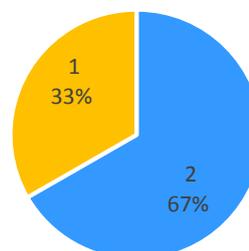
As at 31 December 2017, the Group's Aged Care and Financial Investments business units employed a total of 22 permanent full-time employees, all located in Singapore. There were no temporary or part-time employees. The rates of new employee hires and employee turnover during the year were 32% and 14% respectively. As the Aged Care business unit ramps up its operations in the coming years, these numbers are expected to increase significantly. The Group aims to keep the turnover rate below 20%.

New Hires by Age



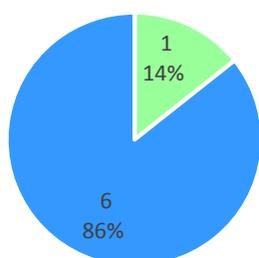
■ Below 30 ■ Between 30 and 50 ■ Over 50

Turnover by Age



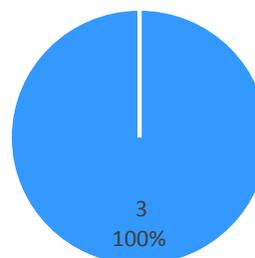
■ Below 30 ■ Between 30 and 50 ■ Over 50

New Hires by Gender



■ Male ■ Female

Turnover by Gender



■ Male ■ Female

Environment

The Group is in the process of building its first nursing home, Allium Care Suites, in Venus Drive and this accounts for the majority of its direct environmental impact. To manage its environmental footprint, the Group is committed to design and construct a green, sustainable building which is energy effective and resource efficient.

The building is designed with envelope thermal transfer value (“ETTV”) of less than 38W/m². ETTV is an indicator of the heat gain through the external walls and windows of a building. A lower ETTV implies that there is less heat gain by the building, thereby reducing the heat load and subsequent energy consumption of the building’s air-conditioning system. The building will also be equipped with energy-saving LED lighting, and a solar photovoltaic system to replace a portion of the total building energy consumption.

The Group targets to obtain the BCA Green Mark Platinum certification for Allium Care Suites upon its completion in 2019.

During the year, to help reduce greenhouse emissions from energy consumption, the Group replaced conventional lighting in its corporate office with LED lighting.

Performance indicators	2017
Energy consumption (kWh)	50,063
Energy intensity (kWh/m ²)	62



Allium Care Suites (artist's impression)

Anti-corruption

The Group adopts a zero-tolerance approach to bribery and corruption, and employees are expected to conduct their business activities in full compliance with applicable laws and regulations. All employees are guided by a code of ethics and business conduct (“Code of Ethics”) and code of best practices on securities transactions (“Code of Best Practices”), which are disseminated to them at the start of their employment. Further information on the Codes can be found in the Corporate Governance section of the Annual Report 2017.

The Group has also developed a Procurement Policy to ensure that its procurement process is fair, and to reduce the risk of complaints and legal challenges. The policy specifies the procedures in all aspects of the procurement process, from requests for quotations to dispute resolution, and will be reviewed periodically for relevance.

The most significant procurement transaction undertaken by the Group in 2017 was the selection of contractor for construction of Allium Care Suites. The internal auditor, PricewaterhouseCoopers LLP, was engaged to conduct a special review of the process and their recommendations for improvement had been adopted in full.

The Group is pleased to report that there were no incidents of bribery or corruption during the year.

Contact Information

Comments or feedback on this report can be sent to enquiries@gkgoh.com.

GRI Content Index

GRI Standard		Corresponding Sections	Page Number
General Disclosures			
Organisational Profile			
102-1	Name of the organisation	G. K. Goh Holdings Limited	-
102-2	Activities, brands, products and services	Organisation Profile	1
102-3	Location of headquarters	Singapore	-
102-4	Location of operations	5 countries: Singapore, Australia, Malaysia, Hong Kong and China	-
102-5	Ownership and legal form	Public limited company listed on the Singapore Exchange	-
102-6	Markets served	Singapore, Australia, Malaysia, Hong Kong and China	-
102-7	Scale of the organisation	Organisation Profile Employees Annual Report 2017 – Chairman's Statement	1 3 3-6
102-8	Information on employees and other workers	Employees	3
102-9	Supply chain	Organisation Profile	1
102-10	Significant changes to the organisation and its supply chain	No significant change during the reporting period.	-
102-11	Precautionary principle or approach	Environment	4
102-12	External initiatives	None	-
102-13	Membership of associations	None	-
Strategy			
102-14	Statement from senior decision-maker	Board Statement	1
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	Annual Report 2017 – Corporate Governance	17-30
Governance			
102-18	Governance structure	Annual Report 2017 – Corporate Governance Board Statement	17-30 1
Stakeholder Engagement			
102-40	List of stakeholder groups	Stakeholder Engagement	2
102-41	Collective bargaining agreements	There were no employees covered by collective bargaining agreements.	-
102-42	Identifying and selecting stakeholders	Stakeholder Engagement	2
102-43	Approach to stakeholder engagement	Stakeholder Engagement	2
102-44	Key topics and concerns raised	Stakeholder Engagement	2
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Annual Report 2017 – Group Structure	14
102-46	Defining report content and topic boundaries	Sustainability Reporting Approach	1
102-47	List of material topics	Material ESG Factors	2
102-48	Restatements of information	No restatement of information during the reporting period.	-
102-49	Changes in reporting	No significant change during the reporting period.	-

GRI Standard		Corresponding Sections	Page Number
102-50	Reporting period	1 January 2017 to 31 December 2017	-
102-51	Date of most recent report	This is the first report prepared by the Group.	-
102-52	Reporting cycle	Annual	-
102-53	Contact point for questions regarding the report	Contact Information	5
102-54	Claims of reporting in accordance with the GRI Standards	Sustainability Reporting Approach	1
102-55	GRI content index	GRI Content Index	6
102-56	External assurance	The Company has not sought external assurance for this reporting period and may consider it for future periods.	-
Topic-specific Disclosures			
Employment			
103-1	Explanation of the material topic and its boundary	Employees	3
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
401-1	New employee hires and employee turnover		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	The Group did not employ any temporary or part-time employees during the reporting period.	-
401-3	Parental leave	There were no employees who were entitled to parental leave during the reporting period.	-
Environment			
103-1	Explanation of the material topic and its boundary	Environment	4
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
302-1	Energy consumption within the organisation		
302-2	Energy consumption outside of the organisation	Not applicable	-
302-3	Energy intensity	Environment	4
Anti-corruption			
103-1	Explanation of the material topic and its boundary	Anti-corruption Annual Report 2017 – Corporate Governance	5 17-30
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
205-1	Operations assessed for risks related to corruption		
205-2	Communication and training about anti-corruption policies and procedures		
205-3	Confirmed incidents of corruption and actions taken		