



JACKSPEED CORPORATION LIMITED





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Sustainability Report



1 MESSAGE FROM THE EXECUTIVE DEPUTY CHAIRMAN AND CHIEF EXECUTIVE OFFICER

It gives me great pleasure to present our Sustainability Report for the financial year ended 28 February 2019 (“FY2019”). In this Sustainability Report, we highlight the progress and achievements of our organization over the previous 12 months, with particular focus on our commitment to working alongside our valued stakeholders to build a sustainable business based on our resilience, adaptability and innovation.

It is our belief that building a sustainable business is vital to our continued success and that we must be fully accountable for our impact on the environment, our customers, our people and our community as well as its financial performance.

The delivery of sustainable results is a critical aspect of our ability to remain strong and financially stable. Acknowledging this helps to put into focus our commitment to principles laid out in our Corporate Sustainability Policy. Our responsibility to society is to ensure that sustainable practices are incorporated into every link of our value chain. We must meet the needs not only of our customers, employees and the community we operate in, but also those of our environment and our future generations.

This report provides detail about how we have met our responsibilities with our key stakeholders during FY2019 and beyond.

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2 ABOUT THE REPORT

This Sustainability Report articulates our commitment to sustainability and transparency. The report is designed to provide a transparent and balanced view of Jackspeed Corporation Limited (the “Company”) and its subsidiaries (the “Group”), to reflect the interests of our key stakeholders, and to address those interests pragmatically. This report aims to include comprehensive and accessible information on the Company’s strategy towards sustainability, key issues as well as data according to recognized standards.

2.1 Report Scope

The report covers the performance of our consolidated entities in financial year 2019 (“FY2019”) from 1 March 2018 to 28 February 2019. The content of this report will focus on the sustainability performance, activities and initiatives that are under our direct control, including our Singapore offices and operations, our local supply chain as well as any overseas activities directly associated with us. This report excludes joint ventures which are not directly under our control. Material issues and topics described in this report have been selected according to their level of significance within the Company boundaries, the sustainability context and the expectations of stakeholders which are reflective of our core business in a consistent manner for comparability of our performance indicators across time. In this respect, this report covers our core business in our material operational boundaries in Singapore, Malaysia and Thailand.

This Sustainability Report focuses on the Group’s sustainability strategies and practices whilst highlighting the economic, environmental, and social and governance aspects of our activities and developments. The report aims to provide an overview of our approach, priorities and targets, as well as a performance review for our key sustainability areas.

2.2 Report Methodology

We have prepared our report in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We have chosen the GRI Standards reporting guidelines for its robust guidance which offers an international reference for the disclosure of governance approach and of the environmental, social and economic performance and impacts of organizations. This report also takes into consideration the primary components of the report content as set out by the Singapore Exchange’s (SGX’s) “Comply or Explain” requirements for sustainability reporting. Our data are reported in good faith and to the best of our knowledge. We will continue to improve our data collection processes.

We did not seek external assurance for this report.

2.3 Report Structure

This Sustainability Report is structured to reflect the interests of our key stakeholders. We have identified five key stakeholder groups, namely, the environment and future generations, employees, customers, suppliers and communities. For each stakeholder group, we lay out our management approaches that govern how our material issues are identified as well as how the issues are prioritized and managed. Further, we will present our initiatives relating to sustainability in the areas of environmental, social and economic issues relevant to our aspects and boundaries. Finally, we will provide the information of our key performance indicators, performance targets and outcomes.

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The information regarding the basis for report boundaries and our materiality assessment is provided in Section 4.

Altogether, this report provides the basis for our responses and disclosures in accordance with GRI Standards: Core option. Relevant sections in the report are referenced in the GRI Content Index provided in Section 7.

2.4 Report Contact and Feedback

We welcome and value your feedback on the content of this report and encourage you to contact us through the following channels:

☐ In writing to:
Investor Relations
Jackspeed Corporation Limited
221 Henderson Road #06-15 Singapore 159557

☐ Email to: investor@jackspeed.com

This report is provided in PDF format only and is available for download on our website: www.jackspeed.com.

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3 CORPORATE PROFILE

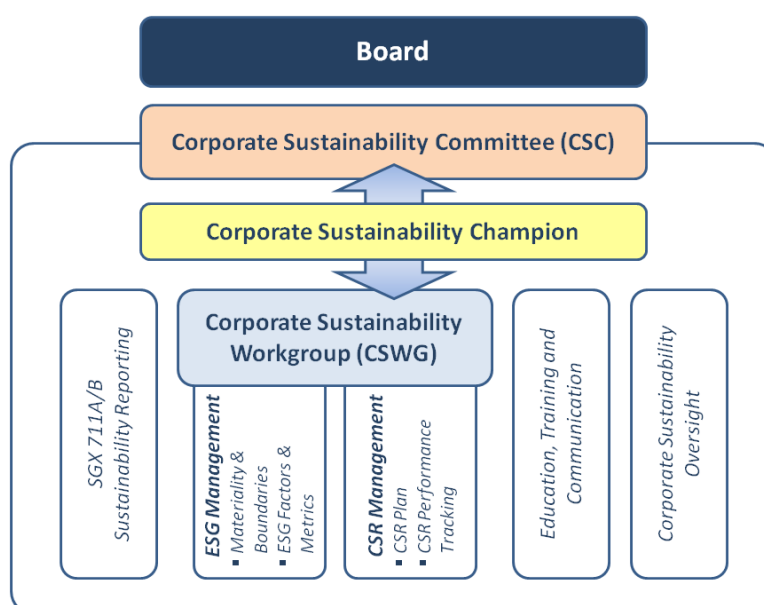
3.1 Vision and Mission

We believe it is our responsibility to manage the Group successfully on a sustainable long-term basis. We are committed to deliver greater value and returns to our shareholders, business partners and employees.

Our employees operate according to a set of core values that guide all aspects of our business. We recognize that cooperation, communication and trust are essential for us to collaborate to compete, and that care and concern through respect, patience, empathy and consideration are essential, both between each other and among the communities in which we operate.

3.2 Governance

Our Board of Directors (the “Board”) oversees all corporate governance and operational matters relating to our business. For corporate sustainability, the Board is supported by the Corporate Sustainability Committee (CSC) which is chaired by our Executive Deputy Chairman and Chief Executive Officer (CEO) and includes designated senior executives. CSC provides leadership and approval over corporate sustainability matters such as corporate social responsibility (CSR) plan, community investment and environmental initiatives. Supported by CSC, our Corporate Sustainability Champion (the “Champion”) is our subject matter expert in the area of corporate sustainability, and proactively raises awareness through education and training across the organization. Through the Corporate Sustainability Work Group (CSWG), our Champion engages businesses and functions in collectively executing the CSR plan, identifying and managing the environmental, social and governance (ESG) factors as well as engaging sustainability stakeholders. Businesses and functions provide back-to-back assurance over the quality of information for sustainability reporting.



Under the direct guidance of the Board, CSC identifies, assesses and determines material ESG factors. The Board has considered sustainability issues as part of its strategic formulation, determined the material ESG factors and overseen the management and monitoring of the material ESG factors.

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3.3 Ethics and Compliance

Being a listed company in the Singapore Exchange (SGX), we are managed to the highest standards of corporate governance as required in the listing rules. We strictly conform to local and international best practices. Our corporate governance framework covers ethics and compliance through a Code of Conduct as well as action guidelines which are to be adhered by the officers and employees across the organization. Every new employee is introduced to our Code of Conduct and our policies on ethics and compliances which includes areas such as anti-corruption. Communication channels, such as whistle-blower, are in place to enable all employees and individuals engaged in business activities to report complaints of unethical behaviour. We have a dedicated officer who maintains a register of incidences regarding ethics and compliance issues and escalates to the management where appropriate.

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4 INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

We believe corporate social responsibility is a key driver towards long-term sustainability. Such responsibility is pragmatically integrated into our business practices as one of the core values in our corporate culture. Embedding such responsibility into our management processes across the value chain allows us to establish credibility among our stakeholders. Through our action today, we play a part in influencing the environment for our future generations. Through integrating the notion of sustainability in our business, we ensure that our business strategy and operations are in line with a long-term vision towards a conducive and sustainable future.

4.1 Sustainability Management Framework

In July 2017, we took the initiative to establish our sustainability reporting framework. We performed an analysis on our business and operation models as the basis for our stakeholder mapping and materiality assessment. Through our analysis, we identified five key stakeholder groups within our sustainability context and their respective material issues are to be shown in this report.

4.2 Key Stakeholders and Material Issues

We have a regular review, assessment and feedback process in relation to environmental, social and governance (ESG) topics. Key to this is our regular Risk Assessment and Control Self-Assessment exercise which entails the identification, assessment and documentation of material risks and corresponding internal controls. Such material risks include fraud and corruption, environmental, health and safety, and human capital risks which are ESG-relevant. We are continuously improving the adequacy and effectiveness of our Risk Assessment and Control Self-Assessment processes in response to changing business and operation environment.

Through regular stakeholder engagement, we identify and review material issues that are most relevant and significant to us and our stakeholders. For external stakeholders, priority is given to issues important to society and applicable to us. Then, we prioritize our sustainability efforts and report issues that are most material to our business and stakeholders.

Stakeholders	Material Issues	Significance
Future Generation	<ul style="list-style-type: none"> ☐ Recycling of product material and packaging ☐ Environmental education of our employees and customers ☐ Reduction of carbon emissions ☐ Energy consumption ☐ Compliance with best practices and standards on green initiative 	Our sustainability agenda for the environment and future generation is embedded into the day-to-day business activities among our staff. We continue to strive to improve from a holistic perspective through the Company's culture and practices. Within the big picture of sustainability, we take steps to focus on key goals such as curbing global warming, conserving and recycling resources. Such areas are crucial to a sustainable economic ecosystem for our customers which are keys to our business sustainability.
Employee	<ul style="list-style-type: none"> ☐ Employee well-being through workplace safety and health and work-life balance ☐ Regular training of employees on critical skill sets to sustain competitiveness ☐ Competitive compensation scheme to retain talents ☐ Non-discrimination, diversity and equality 	An ethical and professional working environment is crucial in cultivating a corporate culture which motivates and empowers our employees to meet their full potential both professionally and personally.

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Stakeholders	Material Issues	Significance
	<ul style="list-style-type: none"> ☐ Senior management engagement with employees 	
Customer	<ul style="list-style-type: none"> ☐ Safety of our customers in our services delivery ☐ Customer data privacy ☐ Customer satisfaction and customer-centric approach 	The quality and safety of our services and products to our customers are the core focuses of our commitments. Through our quality and safety commitments to our customer, we will, in turn, be contributing to their own successful sustainable development.
Supplier	<ul style="list-style-type: none"> ☐ Environmental, labour and human rights impact in the supply chain 	To effectively and meaningfully implement our sustainability agenda, it is important that our suppliers and partners share our values in their business practices in the areas such as the environment, human rights, labour practices and corporate ethics. Such alignment of values is a crucial part of building mutually beneficial relations with supplier and channel partners to enhance both their own competitiveness and that of ours.
Community	<ul style="list-style-type: none"> ☐ Impact on communities and local economies, and future generation education ☐ Economic value generated and distributed to local community 	In our vision in moving our business to high value-added business areas, abilities to identify and attract people with knowledge and talent are crucial to sustainability of our businesses. Within a broad range of our community engagements, we focus on the education of today's youth and providing financial and practical support to targeted local and communities, through donation, sponsorship, fundraising and voluntary activities.
Common to All Stakeholder Groups	<ul style="list-style-type: none"> ☐ Compliance with prevailing laws and regulations ☐ Good corporate governance & ethics, transparency and non-financial reporting ☐ Ethical business practices such as anti-corruption ☐ Grievance mechanisms 	Legal compliance and ethical practices are the core foundation of our business. Such culture is established and sustained through strong corporate governance, transparent reporting and open communications with all our stakeholder groups.

4.3 Alignment with International Initiatives

4.3.1 Sustainable Development Goals (SDGs)

Established in 1945 under the Charter of the United Nations (UN), the General Assembly occupies a central position as the chief deliberative, policymaking and representative organ of the United Nations. Comprising all 193 Members of the United Nations, it provides a unique forum for multilateral discussion of the full spectrum of international issues covered by the Charter. It also plays a significant role in the process of standard-setting and the codification of international law.

On 25 September 2015, the UN General Assembly adopted the 17 Sustainable Development Goals (SDGs) to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years. Although the SDGs are primarily aimed at governments, they represent an important opportunity for businesses to also act for a more sustainable world. We will use SDGs as one of the guiding principles for our sustainability initiatives.







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We acknowledge that our participation in reaching the SDGs has room for improvement. As we advance on our sustainability journey, we will continue to assess our alignment with the SDGs and, whenever possible, redirect our internal priorities and sustainability strategy to more effectively and comprehensively address the goals.

SDGs Logo Source: <http://www.un.org/sustainabledevelopment/news/communications>

SDG Goal	Relevant Targets to Our Businesses (Source: http://sustainabledevelopment.un.org)	Our Participation
	13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	We have our own internal processes and environmental policies to reduce electricity and fuel consumption. Our approach to mitigating climate change includes staff training and implementing energy-efficient measures. We monitor and report our GHG emissions and set reduction targets.
	15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.	We encourage our offices to use papers that are either certified by Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) or made from Khanna. Through that, the Company supports efforts in mitigating global warming and the creation of positive rural community engagement, job opportunity, and better livelihood for the farmers and members of the community.

				The following SDG goals are relevant to our business, operations and value chain. They are addressed in our various policies at group level. Such goals are also embedded in various initiatives carried out across the organization.
				
				

				We do not believe these goals are relevant to our business or industry. They are not within our boundaries and scope of influence; therefore, we are currently unable to make noticeable contributions to such goals.
				

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4.3.2 United Nations Global Compact (UNGC)

The United Nations (UN) Global Compact is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UN Global Compact is a principle-based framework for businesses, stating ten principles in the areas of human rights, labour, the environment and anti-corruption.

Following are the references of our report to the 10 principles of the UN Global Compact.

Principle		Report Section
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	5.2.2.1, 5.2.6
Principle 2	make sure that they are not complicit in human rights abuses.	5.2.2.1, 5.2.6
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	5.2.2.1, 5.2.6
Principle 4	the elimination of all forms of forced and compulsory labour;	5.2.2.1, 5.2.6
Principle 5	the effective abolition of child labour; and	5.2.2.1, 5.2.6
Principle 6	the elimination of discrimination in respect of employment and occupation.	5.2.2.1, 5.2.6
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	5.1.1
Principle 8	undertake initiatives to promote greater environmental responsibility; and	5.1.2, 5.1.3, 5.1.4
Principle 9	encourage the development and diffusion of environmentally friendly technologies.	5.1.2, 5.1.3, 5.1.4
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	3.3

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4.4 Awards and Achievements

Financial Year	Description
2003	European Quality Award
2003	Enterprise 50 Award
2003	Singapore Promising Brand Award
2003	Prestige Brand Award
2005	Business of the Year
2006	Golden Bull Award
2009	Honda Access Quality Excellence Award
2010	Honda Access Quality Excellence Award
2013	SGCarMart.com Premium Dealer Award
2015	SGCarMart.com Premium Dealer Award
2017	AutoAlliance Thailand Top Supplier Award
2018	Ford Q1 Preferred Quality Award

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5 STAKEHOLDER ENGAGEMENT

We believe that good corporate social responsibility (CSR) practice goes hand-in-hand with good corporate management practice. We also recognize that it is vital that our management approaches are adaptable to the dynamics of business and operation environment in such a way that we can continuously assess our impacts, develop sustainability objectives and respond in a proper manner to meet our stakeholders' expectations. Our CSR framework is based on our approach to sustainability and includes policies and measurement mechanisms to monitor the impacts made by our businesses and operations.

Key to the success of our sustainability programme is regular and up-to-date communication about our CSR policies and activities to all our stakeholders, and the provision of appropriate feedback mechanisms so that we can monitor and evaluate how we are doing and explore new possibilities stimulated by stakeholder responses. We see our sustainability reports as being a critical component of this continuous cycle of communication and evaluation. The overall sustainability context of the stakeholder engagements is managed through our CSR plan for our sustainability governance oversight.

Stakeholder	Management Approach	Initiatives	Outcome and Responses	Boundaries
Future Generation	Environmental Management System (EMS), environmental policy, EMS guidelines, waste recycling/management, green campaigns, ISO 14001 certification	Internal awareness and education	Energy efficient lighting (e.g. LED), digital filing of document to reduce paper consumption	Singapore, Malaysia and Thailand operations
Employee	Code of Conduct, fair employment practices, training and career development, pension scheme, workplace safety and health framework, OHSAS certification	Staff communication sessions, staff feedback process, staff exit interviews	Training programmes, employee benefits, re-engagement	Singapore, Malaysia and Thailand operations
Customer	Customer relationship management system, policies on quality assurance, data security for customer information, privacy policy, ISO 9001	Customer feedback process, competitive benchmarking survey, customer data protection awareness and education program	Customer complaints, compliments statistics	Singapore, Malaysia and Thailand operations
Supplier	Supplier selection and regular review process	Feedback and communication with suppliers through supplier performance review	Incident register, supplier engagement	Singapore, Malaysia and Thailand operations
Community	Selection of community initiatives in alignment with organization goals	CSR programme, awards and accolades, corporate rebranding	Increase visibility of Company's CSR efforts, internship programmes (support young talents who are disciplined, creative, and innovative), education scholarships, awards and accolades programmes	Singapore, Malaysia and Thailand operations

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5.1 Protecting Our Environment for the Future Generations

5.1.1 Our Approach

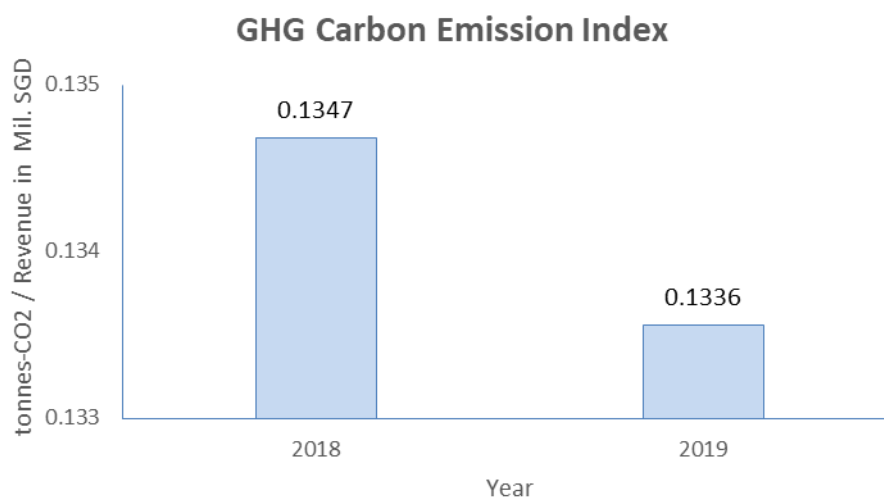
We are committed to maintaining and building on stringent environmental policies and standards. We continually seek new and innovative ways to reduce the environmental impact of our products and services while maintaining the highest levels of quality. We recognize our responsibility to protect the environment for the health and well-being of future generations.

5.1.2 Reduction of Carbon Footprint

We recognize that the effective management and monitoring of our carbon footprint can reduce operating costs, raise brand profile, create a competitive edge and increase stakeholder value. Our carbon footprint is measured in terms of greenhouse gas (GHG) emission. However, GHG emission is an absolute measure of how much carbon dioxide equivalent (CO₂e) is emitted. Our GHG emission is predominantly indirect (Scope 2) emission. We have insignificant direct (Scope 1) emission, and we do not include the GHG emissions generated by our suppliers (Scope 3).

Considering the changes and dynamics of business and operations, we established our GHG emission efficiency index for consistent tracking of carbon footprint over time. To this end, we have set a target for GHG emission efficiency improvement of 10% from our FY2018 (base year) level by FY2030 to 0.1212. Our target for GHG emission improvement is 0.8% per year. Although various business lines and operations account for different percentage of GHG emissions across the organization, they all support this target and have aligned our environmental objectives accordingly.

In FY2019, our GHG emission index stands at 0.1336. This is a 0.8% improvement from last year, which is also our base year, and we are on track towards our target by FY2030.



5.1.3 Reduction of Paper Consumption

All our employees are urged to minimize paper wastage at work by adhering to our Internal Paper Usage Reduction Guidelines. For example, double-sided printing is set as a default, lower grammage paper is used for daily printing, and blank sides of unneeded single-sided copies are used for printing drafts. Paper reuse and recycling habits are also cultivated through initiatives such as our in-house reminders posted near the copy machines.

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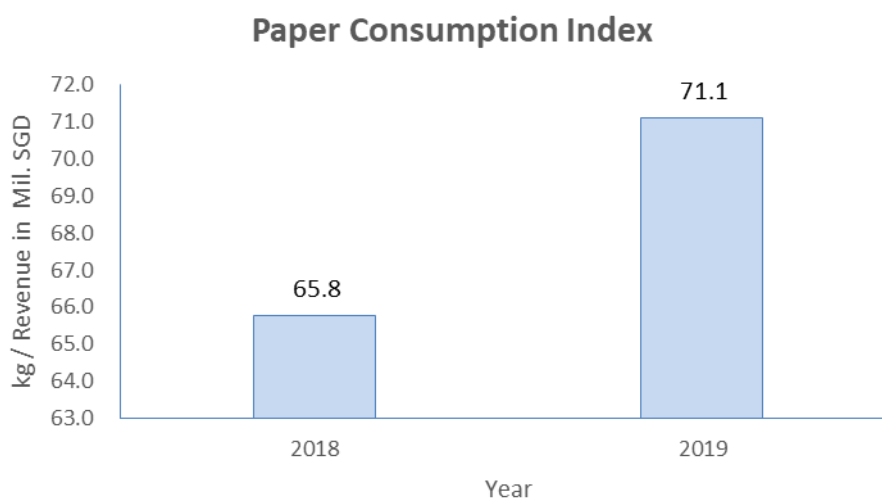


We encourage all employees to adopt digital documents instead of paper documents with an aim to further reduce paper consumption.

Considering the changes and dynamics of business and operations, we established our paper consumption index for consistent tracking of paper consumption over time. To this end, we have set a target for a paper consumption improvement of 10% from our FY2018 level by FY2030. Our target for paper consumption improvement is 0.8% per year. Although various business lines and operations account for different percentage of paper consumption across the organization, they all support this target and have aligned our environmental objectives accordingly.

In FY2019, we consumed total of 3,319 kg of paper, 82% of which are either certified by Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) or made from Khanna.

Our paper consumption index stands at 71.1 in FY2019. This is an increase of 8.1% from last year, which is also our base year. The increase is mainly because, while there is a 11% decline in our revenue from S\$52.4 million last year to S\$46.7 million in FY2019 as a result of change in sales mix in the non-accessories business segment, the business transaction volume and its corresponding paper usage remained relatively the same.



5.1.4 Promoting Green Practices

We have embraced various green practices in our business and operation such as ISO 14001.

The ISO 14000 family of standards provides practical tools for companies and organizations of all kinds looking to manage their environmental responsibilities. ISO 14001 sets out the criteria for an environmental management system and can be certified to. It maps out a framework that a company or organization can follow to set up an effective environmental management system. It can be used by any organization regardless of its activity or sector. Using ISO 14001 provides assurance to our management and employees as well as external stakeholders that environmental impact is being measured and improved.

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5.2 Caring for Our Employees

5.2.1 Our Approach

Our people are our most valuable resource and investing in their professional and personal well-being is vital to our business sustainability. Our goal is to establish work ethics among our employees, which are in line with our core values and Code of Conduct. They are the foundation upon which we build all our business initiatives and conduct our day-to-day activities.

We recognize that a motivated workforce will convey a positive and powerful message to all our key stakeholders, such as our customers, suppliers and the members of the community. By attracting, nurturing, empowering and rewarding our employees, we create an environment conducive for innovation and inspiration to further boost our competitiveness. Such commitment to our employees promotes a corporate culture of passion, quality, excellence and trust within the organization which reflect in our ability to create values to our stakeholders.

Our human resource (HR) management principles and policies have been developed and established based on fair employment practices with the goal of attracting, supporting and maintaining a motivated workforce. Our HR policies cover key areas such as remuneration, benefits, health and safety, career development and training. Such policies are communicated to all employees through our comprehensive Employee Handbook which is regularly reviewed by our management and we constantly seek feedback from our staff to ensure that our decisions are aligned as much as possible with their needs.

Our business operates in an environment which comprises diverse races, cultures and geographic locations. With this in mind, our HR policies are implemented across the organization within the principles with pragmatism, taking into consideration of the prevailing laws and regulations as well as local culture, norms and racial sensitivity.

5.2.2 Employment Practices

Our employment practices focus on maximizing the strength of our employees by providing equal opportunities based on merits, and help our employees to develop strength through our comprehensive training and development programme. We regularly review the performance and development of our employees to effectively match their strength to their job specifications. Our performance based reward scheme provides guidance and motivation to our employees to perform to their potentials in alignment with the objectives of the Company.

5.2.2.1 The Tripartite Guidelines on Fair Employment Practices

We proactively pursue and adopt best practices in HR management. Our HR practices are guided by the Singapore Tripartite Alliance for Fair and Progressive Employment Practices. The Singapore Tripartite Alliance comprises the Ministry of Manpower, Singapore National Employers Federation and National Trades Union Congress. The Tripartite Alliance has formulated guidelines on fair employment practice for adoption by Singapore employers, embracing the recruitment, training, treatment and reward of employees.

5.2.2.2 Communications

As our Company grows, effective communications across the organization are crucial to ensure continuous alignment of objectives of the employees and the organizational objectives. We achieve this through our various communication sessions customized based on target employees.

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Communication sessions for our managers are held on a regular basis. Agendas covered at these sessions are customized in appropriate to the target functional scope of the managers. For example, in managerial meetings, operational agendas such as leadership and operation issues may be discussed, while at the senior management meetings, high level topics discussed include strategic business directions, new service launches, ongoing developments and key project reviews.

5.2.2.3 Employee Feedback

We value our employees' expertise in their areas of responsibilities. Therefore, their feedbacks are important in the improvement of overall management and operation of the organization. Through various established processes of employee engagement, such as employee objective setting, performance review as well as exit interview in the case of resignations, we gather such valuable feedbacks for the continuous improvement of our organization.

In addition, there are other feedback channels for areas specific to business and function, such as health and safety issues and compliance issues. Such feedbacks are managed by the leaders and managers of their specific business and function domain. We have also established reporting and escalation channel should the feedback requires the attention of higher management.

5.2.2.4 Career Development and Training

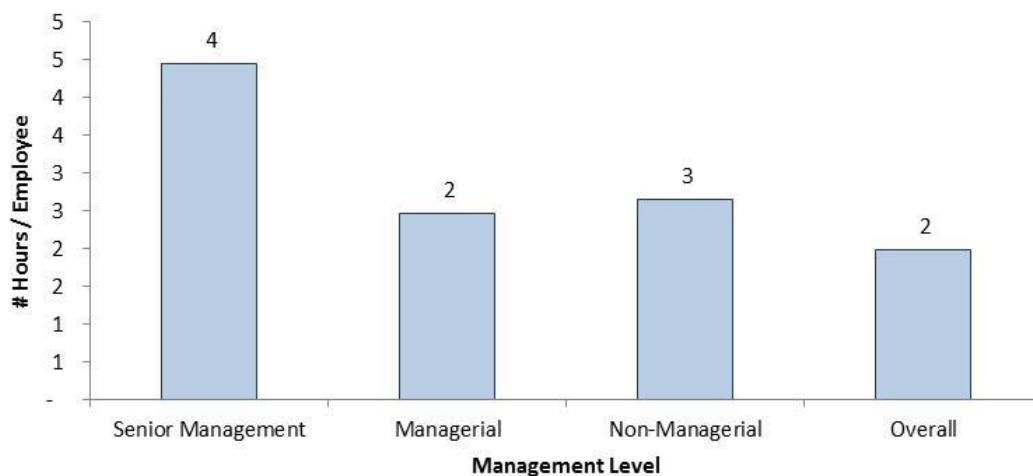
We recognize that consistent and ongoing education is critical to maintaining a competitive, skilled, productive and motivated workforce. Employee career development and performance management are established based on merits and contributing skill sets towards the organization objectives through objective settings and regular performance reviews. We continue to review and improve our career development and performance review process in light of the changing business and operation environment.

Our training programme covers a variety of areas catering for employees with difference job scopes and skill set requirements. Our core training curriculum and contents are developed guided by well-established industry and international standards such as ISO 9001, IATF 16949, ISO 14001 and OHSAS 18001. In addition, specific training curriculums are developed based on the specific requirements of the specific businesses and functions. Training topics range from soft skills development in areas such as communications and leadership, to technical programmes covering project management and office productivity tools.

In FY2019, employees each received an average of 2 hours training. We recognize that the training requirements vary depending on the levels of management responsibilities. Each senior manager registers an average of 4 hours training while managerial and non-managerial staff receive an average of 2 hours and 3 hours of training respectively. In light of changing business requirements and opportunities in a variety of training methodologies, we continue to revise our training curriculum and programme to align with organization objectives and to strive for effectiveness and efficiency in our training approach.



Average Training Profile

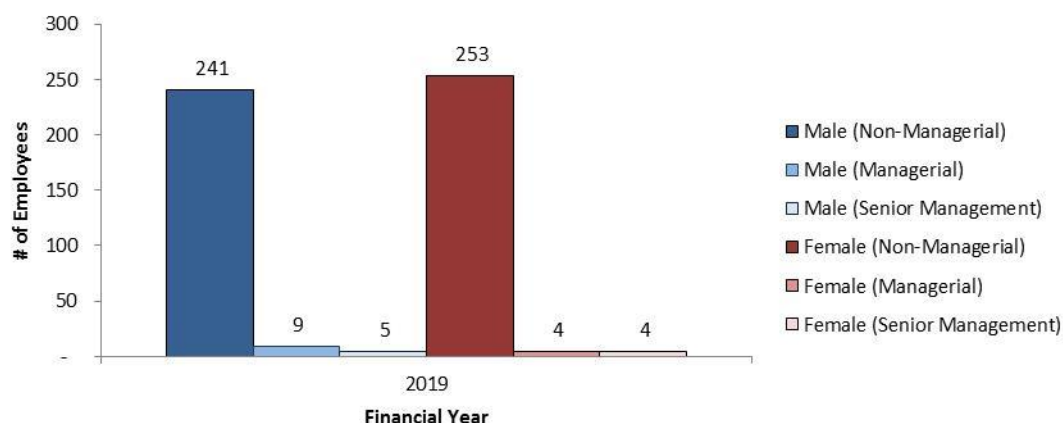


5.2.3 Workforce Diversity

Our business thrives on diversity. As such, we leverage on a host of strengths and skills that can only come from a diverse workforce embracing employees from various ethnic groups, religion, age and gender.

In FY2019, 261 of our employees were female, comprising 51% of our workforce, while 255 (49%) employees were male. In terms of management function, 8 (36%) females held managerial positions or higher compared to 14 (64%) males, while 253 (51%) females and 241 (49%) males held non-managerial positions. From age profile perspective, there were 254 (49%) employees below 30 years old. The number of employees between 30 and 50 years old was 242 (47%) as compared 20 (4%) employees above 50 years old.

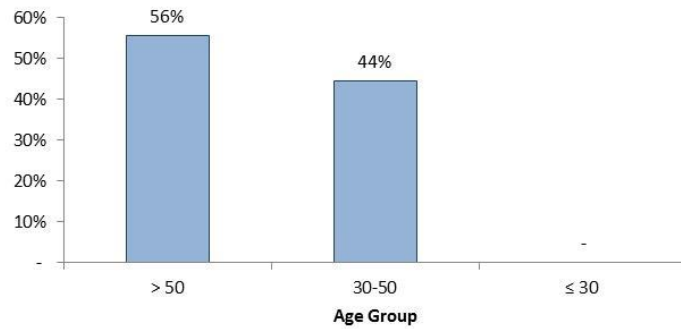
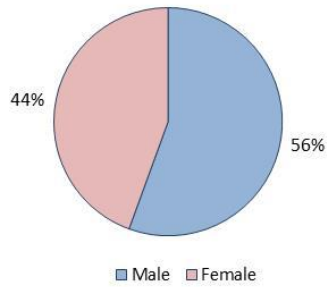
Workforce Profile



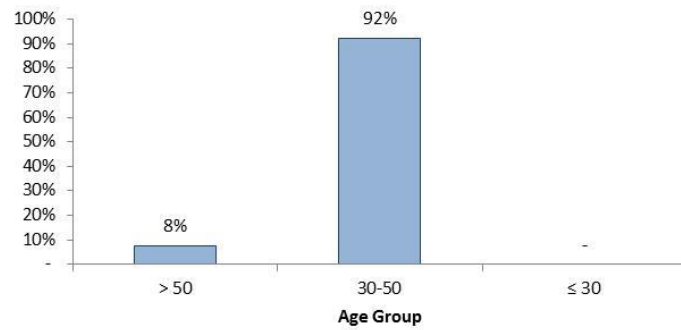
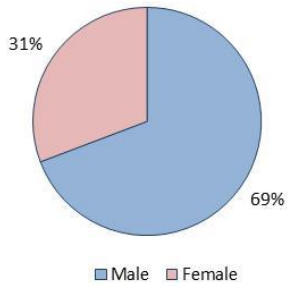
Sustainability Report



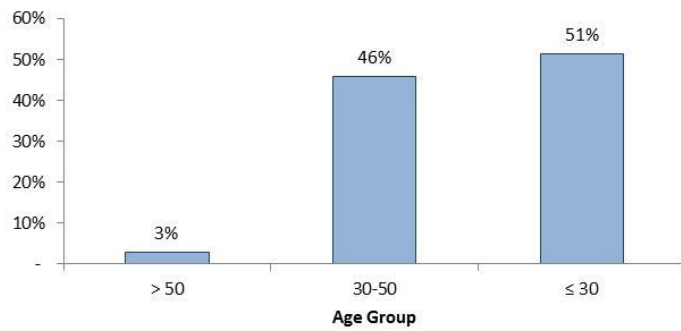
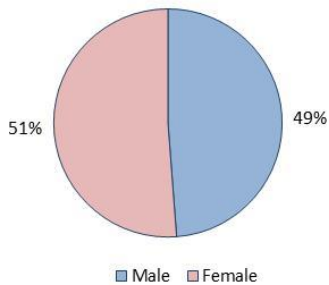
Senior Management



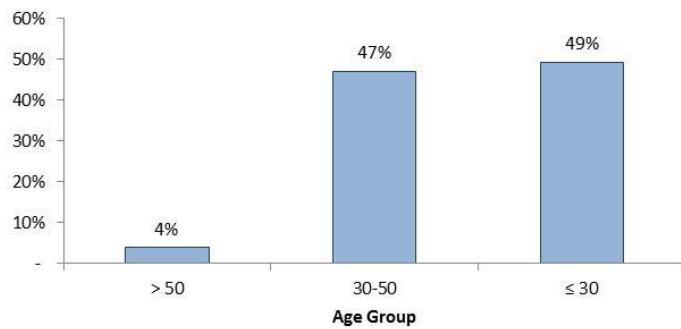
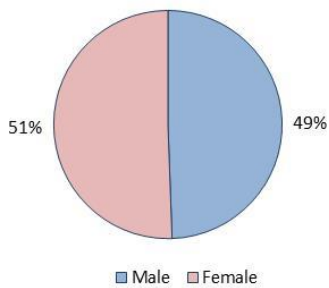
Managerial Staff



Non-Managerial Staff



Overall

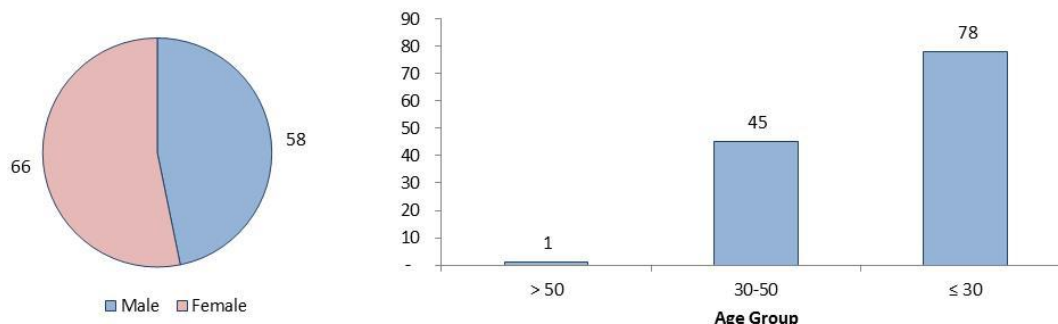


Sustainability Report

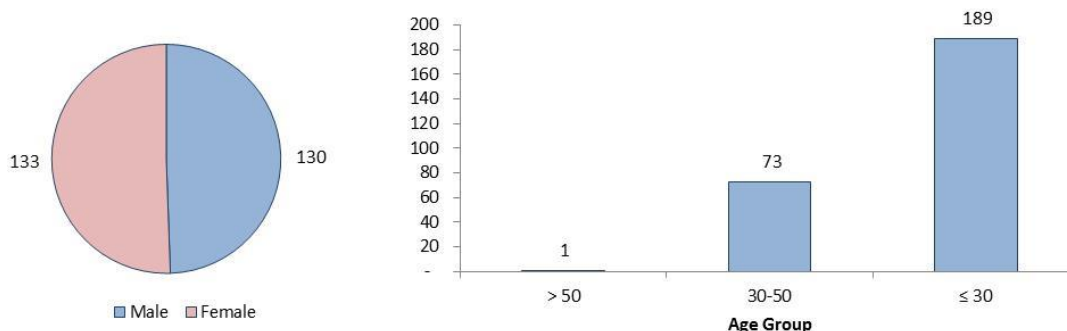


In FY2019, we hired a total of 124 new employees, while 263 resigned during the same period. As a result, we have a net decrease of 139 in our workforce. Out of the new hires, 63% were below the age of 30; 36% were between 30 and 50 years old while 1% were above 50 years old. The gender ratio of new hires was 58 males to 66 females. For the resignees, 72% were below the age of 30; 28% were between 30 and 50 years old while 0% were above 50 years old. The gender ratio of resignees was 130 males to 133 females.

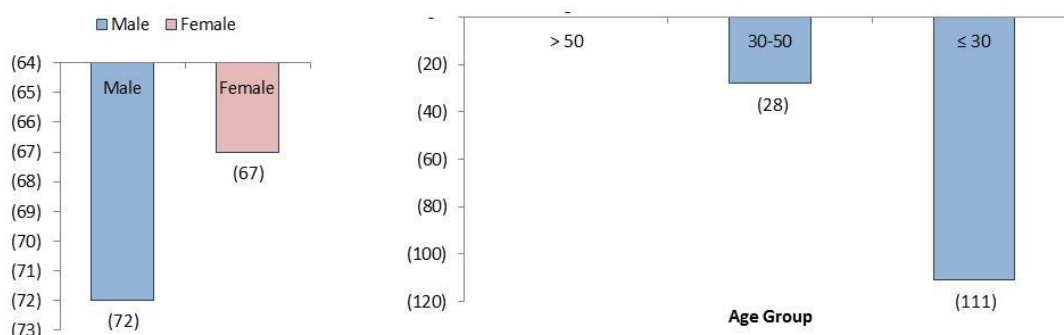
New Hire



Resignee



Net Employee Movement



In addition to the human resources we managed under our payroll internally, we also engage external contracted companies as our outsourced vendors which provide outsourced personnel, such as cleaners and security guards who might work within our premises. Although we supervise these people, they are employed by contracted companies and are not included in our headcount. We do not employ other types of non-contract workers.

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We expect that all the contracted companies we work with will share our core principles of HR management practices. In our vendor selection process, we take into consideration of their HR management practices as one of the key selection and performance criteria. We regularly review the performance of our vendors based on these criteria as a key basis to determine whether to continue to engage the vendors with their services.

5.2.4 Employee Benefits

All non-managerial employees in Singapore, save for those who do not meet certain criteria, are covered by the Employment Act, which provides basic employment terms and working conditions including contract requirements, remuneration, hours of work, overtime, rest days and annual leave entitlement.

In addition to the statutory benefits outlined in the Employment Act, we provide beyond-compliance-level benefits to our full-time employees. Examples of these benefits include paternity leave and compassionate leave.

5.2.4.1 Work LifeBalance

While developing the talents of our employees and providing equal opportunities for them to excel are the key drivers for our Company, we also recognize that well-being and contentment of our employees are pivotal to the success and sustainability of our business and performance. Our employees are our most valuable asset, and we appreciate that their overall welfare need to be looked after in order for them to sustain their performance and realize their full potential.

We understand that workplace could be at times stressful due to the competitiveness of our workforce and our business. To support our employees in their effort of pursuing excellence, we have various programmes and initiatives to balance their work with fun to develop an environment and culture of mutual support.

5.2.4.2 Retirement and Healthcare

Our Company has presence in various geographic locations where there are various local laws and regulations on pension and healthcare for employees. Our HR management practices comply with such laws and regulations. In Singapore, we participate in the Central Provident Fund (CPF) personal savings scheme, which helps employees fund their retirement, home ownership, healthcare and education. Under this scheme, monthly deductions from employees' gross salaries are paid into their CPF savings accounts. We, the Company, make employer contributions to these accounts, according to rates stipulated in the CPF Act. In addition to CPF contributions, we provide comprehensive medical coverage for all employees. For more information on the CPF scheme and contribution rates, please go to www.cpf.gov.sg.

5.2.5 Safety and Health in the Workplace

We are committed to workplace safety and health and take every precaution to prevent occupational injuries among employees. We believe that optimum work conditions not only make our employees safer, but also boost morale. As an essential requirement, we are in compliance with the Ministry of Manpower's Workplace Safety & Health Act. In addition, we have attained certification for OHSAS 18001 and ISO 45001. These well-recognized standards provide us with the frameworks to manage risks associated with safety and health in our workplace.

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5.2.6 Individual Rights

Respecting and protecting basic human rights are fundamental to all our operations and deeply ingrained in our Code of Conduct, which applies to all employees. Labour rights, the prohibition of discrimination and harassment, protection of privacy, prohibition of forced and child labour, and workplace safety and health are all strictly observed within the work environment, and discrimination and harassment of any kind is not tolerated at our Company.

We also respect our employees' rights to freedom of association as well as their membership of trade unions and other professional bodies.

In FY2019, no incidents of forced labour, child labour or young workers were identified across the organization, and no human rights-related grievances have been reported.

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5.3 Focusing on Our Customers' Needs

5.3.1 Our Approach

Customer service, quality products and the highest level of product safety have always been our priorities, with customer satisfaction being the goal of all our corporate activities. Customer retention begins with trust, and we place the utmost importance on training our employees in customer service excellence as well as in continuously striving to improve the quality and safety of our products and services.

Open and frequent communication and responsive feedback are ingrained into our daily activities with customer interaction. In addition to striving for excellence in product service and support, we attach enormous importance to data privacy. We have processes and controls in place over confidential and sensitive data related to our customers such as contracts, customer orders and service delivery orders.

We have been certified under ISO 9001 standard for quality management systems. The certification has helped us increase the control of our internal processes and the quality of our services.

5.3.2 Customer Feedback and Satisfaction

We listen to our customers and take their opinions very seriously. We consolidate customer feedback through a range of communication channels including our website, regular customer survey, and our customer service personnel. Through our customer feedback system, we capture our customers' comments for analysis and action. Customer compliments are also tracked so that we can monitor where we are getting things right and cascade positive feedback to our employees, to their superiors and to our CEO.

5.3.3 Service Quality and Safety

Reliability and quality of our products are of paramount importance to us. Health and safety of our customers is always our priority. To ensure product safety to our customers, we have in place a set of key quality assurance processes and standards, such as ISO 9001, IATF 16949, OHSAS 18001 and ISO 45001, to ensure compliance with regulations and international standards. Ultimately, we aim to totally eliminate product safety incidents so as to foster a "Safety First" culture through employee training and quality control.

We have established a comprehensive Quality Policy with specific Quality Objectives. Such Quality Policy and Objectives underpin our product quality management approach and processes.

Our quality management approach identifies our stakeholders, key aspects of the product quality and the impacts on our stakeholders. Our quality management processes take an end-to-end quality view from the areas of planning, support down to operation, performance evaluation and improvement. At each key aspect of the end-to-end quality management processes, we have leadership in place to spearhead the quality improvement processes. We have mapped out the sequence and interaction of business processes to ensure seamless collective management of inter-dependencies of the quality management processes among the leaderships.

5.3.4 Data Safety and Privacy

Ensuring safety and privacy of our customers' data is of great priority to us. We have processes and controls in place for handling and communicating sensitive and confidential information of our

Sustainability Report



customers such as contracts, customer orders and service delivery orders. Our information security policies ensure our customers' data are managed in accordance to the level of confidentiality. We strictly observe all local laws and internal regulations applicable to personal information protection.

Every individual is responsible for shredding all papers, including confidential documents, before disposing into paper recycling boxes situated near photocopiers and printers. Such practice established within our office provides us with the confidence that sensitive information is protected during the whole life cycle of our documents.

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5.4 Partnering Our Suppliers

5.4.1 Our Approach

As a part of our ambition to realize sustainability throughout our value chain, we extend the application of responsible business practices to our local partners and suppliers. We recognize that we are only at the beginning of our journey to integrate sustainable business practice throughout our supply chain, and we commit in our pragmatic approach to continuous improvement. We aim to identify new opportunities for collaboration with our suppliers, gradually increase transparency and continue to build shared capacity to minimize our indirect environmental and social impacts.

5.4.2 Supplier Selection

Our key suppliers are carefully selected through our supplier selection process. When selecting our key suppliers, we examine criteria such as financial health, quality of products and services, as well as competitiveness of pricing. In addition, we also take into consideration of the overall sustainability policies adopted by our suppliers. Our final decision on supplier selection is based on the overall assessment which takes a balanced view across all selection criteria.

5.4.3 Supplier Review

We regularly review the performance of our key suppliers to determine whether to extend our partnership with them. During the key supplier review process, we engage with our key suppliers to communicate our expectations and mutual feedbacks. Such review process ensures alignment of our key suppliers' services and products to our business requirements and sustainability objectives through pragmatic and continuous improvement in our partnership with our key suppliers.

Sustainability Report



5.5 Supporting Our Community

5.5.1 Our Approach

We have been providing support to the communities. The key motivation driving all our community engagement initiatives is to enable and empower young people. By supporting young people today and helping to educate them about the world they are to inherit, our goal is to benefit not only the current generation, but also the next.

We also recognize that meeting the needs of today's youth goes beyond their own education, security and well-being, extending to that of their families, homes and neighbourhoods as well. To this end, our engagement programmes also encompass financial and practical support in carefully selected communities, through donation, voluntary activities and fundraising.

Our community initiatives are selected according to how closely they are aligned with our own community engagement goals of enabling and empowering young people, the anticipated staff participation rate, and the tangible impact on the beneficiary. Separately, we also engage on other community initiatives on an ad hoc basis. All our business units are involved in our community engagement programmes.

5.5.2 Our Community Initiatives Highlight

Event / Activity	Type of Engagement	Beneficiary/Fundraiser
Event	Donation	RHT Rajah Menon Foundation (Singapore)
Event	Donation	Lions Clubs of Singapore
Event	Donation	President's Challenge
Event	Donation	UOB Heartbeat
Event	Donation	Sengkang West Citizens' Consultative Committee
Event	Donation	Chinese temples

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6 PERFORMANCE TABLE

6.1 Energy Usage and CO₂ Emissions

GHG emissions are measured in tonnes (t-CO₂); the underlying measures for direct and indirect CO₂ emissions calculation are electricity consumption in kilowatt Hours (kWh) and fuel consumed. The electricity and fuel we purchase are both from non-renewable sources.

Our business and function grow over time; the GHG emissions and electricity consumption vary. To ensure consistency and comparability of the GHG emissions and electricity consumption measures over time, we create a GHG emission index and electricity consumption index for our performance monitoring. The index adjusts the GHG emissions and electricity consumption for the size of our activities. We normalize the amount of GHG emissions and electricity consumption by the amount of our revenues which we use as a proxy of the size of our activities. The GHG emission index is measured in t-CO₂ per SGD million and the electricity consumption index is measured in kWh per SGD million.

	Performance		Target	
	FY2018	FY2019	FY2019	FY2020
GHG emission index (t-CO ₂ / Revenue in SGD million)	0.1347	0.1336	0.1336 -0.8%	0.1325 -0.8%
Electricity consumption index (kWh / Revenue in SGD million)	21,820	21,439	21,638 -0.8%	19,650 -0.8%

FY2019 Performance

We have used FY2018 data as the base year for our performance tracking towards our goals of 10% improvement by FY2030.

In FY2019, GHG emission index stands at 0.1336 which is a 0.8% improvement as compared to last year. In reference to our FY2030 target, GHG emission index is 10.2% below target of 0.1212.

In FY2019, electricity consumption index stands at 21,439 which is a 1.7% improvement as compared to last year. In reference to our FY2030 target, electricity consumption index is 9.2% below target of 19,638.

We are on track and will continue to thrive for further improvements towards our FY2030 goals.

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6.2 Paper Consumption

We capture the data for paper consumption by how many reams of paper used where one ream is equivalent to 500 sheets of paper. To ensure consistency and comparability across various paper sizes, such as A3 and A4 papers, we measure the paper consumption by the weight of paper used which is adjusted for the various sizes and quality of papers.

Our business and function grow over time and the paper consumption patterns vary. We devise a paper consumption index for our performance monitoring. The index adjusts the paper consumption for the size of our activities. We normalize the amount of weights of paper consumed by the amount of our revenues which we use as a proxy of the size of our activities. The paper consumption index is measured in kilograms per million SGD.

	Performance			Target		
	Previously FY2018	Restated ¹ FY2018	FY2019	Previously FY2019	Restated ¹ FY2019	FY2020
Paper used for office printing						
Weight of paper consumption (kg) [% of paper with sustainable forest management certification]	42.3%	83%	82%	43.7%	84%	85%
Paper consumption index (kg / Revenue in SGD million)	65.8	65.8	71.1	65.2	65.2	70.0
					-0.9%	-0.8%

FY2019 Performance

We have used FY2018 data as the base year for our performance tracking towards our goals of 10% improvement by FY2030.

In FY2019, percentage of paper with sustainable forest management certification stands at 82% which is a slight decrease of 1.0% as compared to last year. In reference to our FY2030 target, percentage of paper with sustainable certification is 11% below target of 93%.

In FY2019, paper consumption index stands at 71.1 which is an increase of 8.1% as compared to last year. This is mainly because, while there is a 11% decline in our revenue from S\$52.4 million last year to S\$46.7 million in FY2019 as a result of change in sales mix in the non-accessories business segment, the business transaction volume and its corresponding paper usage remained relatively the same.

In reference to our FY2030 target, paper consumption index is 20.1% below target of 59.2.

We will continue to thrive for improvements towards our FY2030 goals.

Note ¹: Comparative and target are restated to include paper with Programme for the Endorsement of Forest Certification (PEFC).

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6.3 Employment Profile

	Performance		Target	
	FY2018	FY2019	FY2019	FY2020
Proportion of males and females in non-managerial positions	46% : 54% (Total = 418)	49% : 51% (Total = 494)	No Target	No Target
Proportion of males and females in managerial positions or higher	61% : 39% (Total = 23)	64% : 36% (Total = 22)	No Target	No Target

FY2019 Performance

In FY2019, there are no significant changes in the employment profile. We have not set a target for this ratio as the current ratio is relatively balanced.

We will continue to monitor our employment profile every year.

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6.4 Employees Engagement and Training

	Performance		Target	
	FY2018	FY2019	FY2019	FY2020
Average training hours per employee	3	2	No Target	No Target

FY2019 Performance

In FY2019, average training hours per employee stands at 2 hours which is a decrease of 33.3% as compared to last year. This is mainly because ISO/TS 16949 was superseded by IATF 16949 which required re-training of employees, resulting in one-off increase in training hours in prior year.

In reference to our FY2030 target, average training hours per employee is 60% below target of 5 hours.

We will continue to thrive for improvements towards our FY2030 goal.

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6.5 Customer Feedback

	Performance		Target	
	FY2018	FY2019	FY2019	FY2020
Customer satisfaction index	85%	90%	86%	91%

FY2019 Performance

In FY2019, customer satisfaction index stands at 90% which is a 5% improvement as compared to last year. In reference to our FY2030 target, customer satisfaction index is 8% below target of 98%.

We are on track and will continue to thrive for further improvements towards our FY2030 goal.

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6.6 Supplier Screening for Sustainability Criteria

	Performance		Target	
	FY2018	FY2019	FY2019	FY2020
Key suppliers under review (%)	100%	100%	No Target	No Target
Key suppliers screened for sustainability criteria (%)	25%	26%	No Target	No Target

FY2019 Performance

Although we have achieved 100% on annual key suppliers under review exercise, only 26% of the key suppliers have incorporated sustainability criteria in their company policies.

We cannot impose on our suppliers to comply with sustainability criteria, but we try to engage those that do adopt for better corporate governance practice.

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6.7 Community Contribution

	Performance		Target	
	FY2018	FY2019	FY2019	FY2020
Donation and fundraising	S\$4,235	S\$11,372	No Target	No Target
Number of beneficiaries	6	8	No Target	No Target

FY2019 Performance

We have not set a target for community contribution as we have always been committed to participate in local events, charitable and worthy causes year on year.

We will continue to monitor our community contribution every year.

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7 GRI CONTENT INDEX

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. We did not seek external assurance for this report.

N.B.: AR = Annual Report SR = Sustainability Report (this report)

GRI Standard	Disclosure	Response	
GRI 102: General Disclosures 2016			
Organizational profile	102-1	Name of the organization	SR Section 2
	102-2	Activities, brands, products, and services	AR Page 1, 2 66
	102-3	Location of headquarters	AR Page 2, 50
	102-4	Location of operations	AR Page 50 8587, 90 92
	102-5	Ownership and legal form	AR Page 50 123-124
	102-6	Markets served	AR Page 1, 69
	102-7	Scale of the organization	AR Page 1
	102-8	Information on employees and other workers	SR Section 5.2.3
	102-9	Supply chain	SR Section 5.4
	102-10	Significant changes to the organization and its supply chain	No significant changes
	102-11	Precautionary Principle or approach	SR Section 3.2 3.3 4, 4.1, 4.2 4.3 5
	102-12	External initiatives	SR Section 5.5
	102-13	Membership of associations	SR Section 4.4
Strategy	102-14	Statement from senior decision-maker	SR Section 1
Ethics and integrity	102-16	Values, principles, standards, and norms of behaviour	AR Page 4-36 (Code of Governance) SR Section 5.1, 3.3
Governance	102-18	Governance structure	AR Page 4-36 (Code of Governance) SR Section 3.2
Stakeholder engagement	102-40	List of stakeholder groups	SR Section 4.2 5
	102-41	Collective bargaining agreements	Nil
	102-42	Identifying and selecting stakeholders	SR Section 4.2 5
	102-43	Approach to stakeholder engagement	SR Section 5
	102-44	Key topics and concerns raised	SR Section 4.2 5
Reporting practice	102-45	Entities included in the consolidated financial statements	AR Page 8587, 90, 92
	102-46	Defining report content and topic Boundaries	SR Section 2.1, 2.2 2.3
	102-47	List of material topics	SR Section 4.2
	102-48	Restatements of information	SR Section 6.2
	102-49	Changes in reporting	Nil
	102-50	Reporting period	SR Section 2.1
	102-51	Date of most recent report	SR Section 2.1
	102-52	Reporting cycle	SR Section 2.1
102-53	Contact point for questions regarding the report	SR Section 2.4	

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GRI Standard		Disclosure	Response
	102-54	Claims of reporting in accordance with the GRI Standards	SR Section 2.2
	102-55	GRI content index	SR Section 7
	102-56	External assurance	SR Section 2.2
GRI 200: Economic			
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	AR Page 449
	201-3	Defined benefit plan obligations and other retirement plans	SR Section 2.4.2
	201-4	Financial assistance received from government	AR Page 71
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	SR Section 4.2
	205-2	Communication and training about anti-corruption policies and procedures	SR Section 3
	205-3	Confirmed incidents of corruption and actions taken	Nil
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Nil
GRI 300: Environmental			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	SR Section 1.2
	302-4	Reduction of energy consumption	SR Section 1.2.6.1
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	SR Section 1.2.6.1
	305-2	Energy indirect (Scope 2) GHG emissions	SR Section 1.2.6.1
	305-3	Other indirect (Scope 3) GHG emissions	SR Section 1.2.6.1
	305-5	Reduction of GHG emissions	SR Section 1.2.6.1
GRI 307: Environmental Compliance 2016	307-1	Non-compliance with environmental laws and regulations	Nil
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	SR Section 4.2.6.6
GRI 400: Social			
GRI 401: Employment 2016	401-1	New employees hires and employee turnover	SR Section 2.3
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR Section 2.4
	401-3	Parental leave	SR Section 2.2.15.2.4
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	SR Section 2.5
GRI 404: Training and	404-1	Average hours of training per year per employee	SR Section 2.2.4.6.4

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GRI Standard		Disclosure	Response
Education 2016	404-2	Programs for upgrading employee skills and transition assistance programs	SR Section 2.2.46.4
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	SR Section 2.3
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Nil
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Nil
GRI 412: Human Rights Assessment 2016	412-2	Employee training on human rights policies or procedures	SR Section 2.2.15.2.6
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	SR Section 4.6.6
GRI 415: Public Policy 2016	415-1	Political contributions	Nil
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	SR Section 3.15.3.3
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Nil
GRI 417: Marketing and Labelling 2016	417-2	Incidents of non-compliance concerning product and service information and labelling	Nil
	417-3	Incidents of non-compliance concerning marketing communications	Nil
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Nil
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Nil