



GOODLAND GROUP LIMITED

良園集團

Incorporated in the Republic of Singapore
Company Registration No. 200405522N

SUSTAINABILITY REPORT

LETTER FROM THE CHAIRMAN / CHIEF EXECUTIVE OFFICER

Dear Stakeholders,

The Board of Goodland Group Limited and its subsidiaries ("Goodland" or the "Group") is pleased to present our inaugural Sustainability Report for the financial year ended 30 September 2018.

The Board recognizes that sustainability is intrinsic to our business at both the strategic and operational levels.

Goodland started a systematic approach to sustainability. In 2006, the Group received both ISO 9001:2000 certification for its quality management system and OHSAS 18001 certification for its occupational health and safety management system. We are currently ISO 9001:2015, ISO 14001:2015 (environmental management system) and OHSAS 18001:2007 certified.

In 2015, we received further independent assessment of our conscious effort in adopting environmentally friendly and gracious practices during the project construction phase by our participation in the Green and Gracious Building Scheme (GGBS) under the Building and Construction Authority of Singapore (BCA). Since, then, we have participated in GGBS annually.

On the community investment side, we continued to make our contribution, which include SGX's Bull Charge Charity Golf as well as Wat Ananda Metyarama Thai Buddhist Temple's 100 years anniversary celebration and the building of its Buddhist temple in Chiang Rai.

We aim to be highly disciplined in our sustainability commitments, and at the same time strive for continuous improvement. As we progress in sustainability reporting, we strive to provide stakeholders with a more comprehensive picture of how we operate and bring into sight the risks and opportunities which can be better managed for future returns.

On behalf of the Board,

Ben Tan Chee Beng
Executive Chairman

Dr. Alvin Tan Chee Tiong
Chief Executive Officer

30 September 2019



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SUSTAINABILITY REPORT

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1. ORGANISATIONAL PROFILE

Goodland Group Limited and together with its subsidiaries (“**Goodland**” or the “**Group**”) is a property developer specializing in residential, commercial and industrial developments. Goodland's segments include property development, construction and property investment. The property development segment is engaged in developing properties for sale. The construction segment is engaged in constructing residential and commercial properties. The property investment segment is engaged in investing in properties for leasing income and capital appreciation. Goodland's geographical segments include Singapore, Malaysia and Cambodia. We plan to increase its footprint in the residential, commercial and industrial property segments, and is strategically placed for sustained growth for years to come.

2. BOARD STATEMENT

The Board of Directors (the “Board”) of Goodland Group Limited and together with its subsidiaries (the “Group”) is committed to sustainability and recognises the important role that sustainability has played in helping achieve our mission of “Goodland, Good Living”. The Board considers sustainability issues in our long-term strategy formulation. Managing sustainability allows us to safeguard the well-being of and deliver long-term value to our stakeholders.

3. ABOUT THE REPORT

This sustainability report describes the Goodland's commitment towards sustainability in its business practices. This report is to be read in conjunction with its financial statements for the financial year 2018 and addresses the Group's material environmental, social and governance (“**ESG**”) topics during the period.

No hard copies of this report have been printed as part of our efforts to promote environmental conservation.

Reporting Scope

In this report, we have scoped in the development properties located in Singapore, which include a mixed development comprising residential apartments and commercial shops at the first storey and landed terrace houses.

Reporting Standard

This report complies with the SGX-ST Listing Rules 711A and 711B and is with reference to the Global Reporting Initiative (GRI) Standards.

4. FEEDBACK

We welcome your feedback to help us improve our performance in sustainability and meet stakeholder's expectations. Please send your feedback to the Sustainability Committee at goodland@goodlandgroup.com.sg.

5. STAKEHOLDER ENGAGEMENT

The Group's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise customers, community, employees, regulators, shareholders and suppliers. For each material factor identified, key stakeholders are determined based on the extent of which they can affect or are affected by operations of the Group.

We actively engage our key stakeholders through the following channels:

S/N	KEY STAKEHOLDER	ENGAGEMENT CHANNEL
1	Customers	Customers can send their feedback by contacting us at goodland@goodlandgroup.com.sg .
2	Community	We welcome feedback on minimising the social and environmental impacts to the communities in which we operate by contacting us at goodland@goodlandgroup.com.sg . The Group participates in philanthropic activities through its Corporate Social Responsibility efforts.
3	Employees	Senior management regularly communicates with employees for effective flow of information and alignment of business goals, including emails, staff meetings, induction programmes and annual staff evaluation sessions, whereby employees can pose questions in person.
4	Regulators	Channels for information exchange between regulators and the Group on proposed regulatory changes that impact on the Group's business are widely available, including helpdesks, email and websites.
5	Investors	The Group conveys timely, full and credible information to shareholders through announcements on SGXNET, the Group's website goodlandgroup.listedcompany.com , investor relations email account goodland@goodlandgroup.com.sg , annual general meetings, extraordinary general meetings (where necessary), annual reports and other channels such as business publications.
6	Suppliers	The Group works closely with suppliers to ensure smooth delivery of products. In general, new suppliers are screened in accordance with the purchasing policies and existing suppliers are assessed by respective work teams based on specified criteria. Feedback is also provided by the procurement teams to suppliers to ensure standards of products or services delivered by suppliers.

Through the above channels, the Group seeks to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

6. GOVERNANCE STRUCTURE

The Group's sustainability strategy is developed and directed by the senior management in consultation with the Board of Directors.

The Group's Sustainability Committee, formed by the senior management, led by the Group's Chief Executive Officer ("CEO"), is tasked to develop the sustainability strategy, and drive sustainability efforts across the whole Group via the following process:

1. Reviewing the ESG factors identified as material to our business;
2. Considering stakeholder priorities;
3. Setting goals and targets;
4. Measurement performance data; and
5. Monitoring and reviewing performance on a regular basis.

7. MATERIALITY ASSESSMENT

The Sustainability Committee ("SC") conducted materiality assessment through meetings and discussions to identify, prioritise and validate ESG topics that are material to the Group. In prioritising the material ESG factors, the SC considered the likelihood and potential impact of issues affecting business continuity and development as well as environment and social impacts to stakeholders.

The SC identified 9 factors which are material to the Group listed in the table 7.1 below. These factors will be the focus of this inaugural sustainability report.

The material topics are identified are as follows:

Table 7.1 – Material ESG Topics

ESG FACTOR	MATERIAL TOPIC
Environmental	Energy and water consumption efficiency
	Waste Management {Reduce, Reuse, Recycle}
	Implement green practices
Social	Noise, vibration and air pollution management
	Prevention / Reduction of accidents / incidents
	Site workforce management
	Supplier chain
	Talent Retention
	Corporate social responsibility ("CSR")
Governance	Anti-corruption
	Compliance with legal and other requirements

8. SUSTAINABILITY FACTORS, RISKS, OPPORTUNITIES, GOALS AND TARGETS

In today's multi-faceted business climate, effective risk management is required to achieve continuous profitable growth. As such, ESG factors are thoughtfully considered before being integrated into the Group's organisational decision-making processes.

8.1 Environmental Factors

The Group is committed to minimising its environmental impact as a real estate owner, developer and manager. It believes that lowering the environmental footprint of its buildings through innovation creates value for its stakeholders.

The incorporates environmental sustainability in our projects, from feasibility, design, procurement, construction, operation to redevelopment. Monitoring environmental impacts is integral to its business operations, as efficient use of environmental resources such as energy and water contributes to the operational efficiency and long-term sustainability of the company.

We strive to improve our environmental performance over time and to initiate additional projects and activities that will further reduce the impact of the Group's activities on the environment and the public.

Our commitment to the environment extends to our customers, staff and the community in which we operate. We are committed to:

- minimise or prevent pollution and ensure that working environment is kept clean and in good order at all times whenever possible
- train all staff on our environmental management program and empower them to contribute and participate
- continually improve over time by measuring and monitoring our environmental impacts
- communicate our green and gracious builder commitment and efforts to our customers, staff and our community
- minimise the social impact of our activities and avoid damage to the environment through regular audits
- care and consideration for the safety of site personnel, visitors and the general public
- understand, implement and comply with all applicable environmental regulations

Energy

The Group's efforts on mitigating energy consumption include:

- use of energy saving equipment such as the use of solar panel to power equipment such as the noise monitoring equipment
- efficient design of site office/work
- alternating use of AC Grid power supply and diesel-powered generators

Water

The Group's efforts on mitigating water consumption include:

- use of treated re-cycled water for cleaning purposes on site
- provision of perimeter drains, silt traps, and sealing up of gaps at the base of hoardings to help contain surface run-off within the site

Waste

The Group's efforts on managing waste include:

- continuously monitoring building materials requirement throughout the project
- consolidation and re-use of used building materials for future projects

8.2 Social Factors

Occupational Health and Safety

Occupational health and safety (OHS) of our staff, tenants, contractors, suppliers and the communities who use its properties, is of utmost importance to the Group. Effective OHS management is part of risk management and deemed to enhance staff productivity and morale. The Group's efforts on public safety include the use of proper full-height hoarding of the construction site, provision of site safety information and sufficient signages to visitors and the use of traffic cones or barriers to raise awareness of construction activities

Noise and Vibrations

The Group's efforts on reducing noise and vibrations includes:

- installation of instruments to manage noise and vibration levels
- use newer equipment/machinery to achieve lower noise emissions

Supply Chain

Building materials are purchased by contractors. As such, the Group has limited control over the type and quantity of materials purchased for the development projects. Instead, the scope of disclosure for materials is confined to areas it has operational control: the promoting of responsible sourcing practices along the supply chain, and to encourage the use of eco-friendly and recycled materials. For example, we used green products that are certified by PSB Singapore for construction, such as Davco Eco-friendly waterproofing and plastering, tile adhesive & etc.

Talent Retention

Goodland advocates and invests in the development of employees to fulfil their potential and contribute towards the progress of the Group, including the sponsorship of degree and diploma programmes. Our employees are encouraged to attend conferences and seminars to acquire knowledge to meet their relevant work requirements. Goodland conducts In-house training regularly to enhance employee's understanding of the Group's products and operations and to align staff with the Group's objectives.

Community

The Group's social and relationship capital can be built up through community investments. In the longer term, this strengthens the Group's social licence to operate and ability to deliver sustainable value. We are committed to continually engaging our employees in our corporate social responsibilities efforts and recreational activities that build team work.

In giving back to the community, Goodland:

- joined in the celebration of the 100 Years Anniversary of the Wat Ananda Metyarama Thai Buddhist Temple, the oldest Thai Buddhist temple in Singapore; which was attended by honourable guests Prime Minister Lee Hsien Loong & Ms Indranee Rajah. The temple gives back to the youth community and donated wheel chairs to Kwong Wai Shiu Hospital. The Group contributed S\$50,000 to the Temple donation fund.
- contributed S\$30,000 to the building fund of a Meditation House for Wat Ananda Metyarama Thai Buddhist Temple in Chiang Rai.
- participated in the Food Fiesta 2017 at Ren Ci Community Hospital on Sunday 1 October 2017, whereby management, staff and their families attended. The Group contributed S\$5,000 at this event.



- contributed S\$2,000 to the SGX Bull Charge Charity Golf event.
- contributed RM50,000 to the Back to School 2017 Program to underprivileged parents in Perak, where the Group has a business presence, to aid in the purchase of the school necessities for their kids in preparation of starting the school term.

8.3 Corporate Governance

Goodland is committed to ensuring and maintaining a high standard of corporate governance and business conduct to safeguard the interests of its stakeholders. We are dedicated to uphold integrity and honesty in our operations. The Board acknowledges that it is responsible for the governance of risks and the overall internal control framework, but recognises that no cost effective internal control system will preclude all errors and irregularities, as the system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities. The Board will, on a continuing basis, endeavour to further enhance and improve the Group's system of internal controls and risk management policies.

ANTI-CORRUPTION

The Group has incorporated "whistle blowing" procedures as part of the Group's system of internal controls. This is to provide a channel for employees of the Group to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting and other matters. The objective of the policy is to ensure that there is independent investigation of such matters and that appropriate follow up actions will be taken. For FY2018, there were no reports received.

In addition, the Group's sets out expectations of employees in relation to issues such as fraud, conflicts of interest and anti-competitive conduct in the employees' handbook. For FY2018, the Group achieved the target of zero confirmed incidents of concerning employees or business partners.

COMPLIANCE WITH LAWS & REGULATIONS

The Group adheres to the Code of Corporate Governance 2012, listing rules and regulations set out by SGX, the MAS Securities and Futures Act, the Singapore Code of Advertising Practice, the Personal Data Protection Act, as well as all other applicable laws and regulations.

For our developments, the Group is subject to regulations administered by Urban Redevelopment Authority (URA), Building and Construction Authority (BCA), National Environment Agency (NEA), Public Utilities Board (PUB), Land Transport Authority (LTA) and others.

There were no incidents of non-compliance with laws and regulations, including environmental regulations and marketing guidelines, resulting in significant fines or sanctions in FY2018.

8.4 Performance Measurement

The factors identified and the corresponding performance measurement during the financial year ended 30 September 2018 are shown in Table 8.1 below.

We have set the same qualitative and quantitative sustainability targets for FY2019, as shown in Table 8.1 below.

Table 8.1 - Performance Measurement of ESG Topics

ESG FACTOR	POLICY - RISKS AND OPPORTUNITIES	GOAL	TARGET	ASSESSMENT OF ACTUAL PERFORMANCE IN FY2018
Environmental	Energy and water consumption efficiency	Reduce utilities consumption - electricity, diesel, water	Reduce utilities consumption by 3%	The actual overall consumption for electricity, diesel and water for the projects listed on Paragraph 3 were less than projected consumption by more than 3%.
	Waste Management {Reduce, Reuse, Recycle}	Reduce wastage	Reduce concrete, re-bars wastage by 3%	The actual overall wastage of concrete and re-bars for the projects listed on Paragraph 3 were less than projected wastage by more than 3%.
	Implement green practices	Use green building materials to minimize negative impact on the environment	Use of green products in all our development projects	Green products that are certified by PSB Singapore for construction were used at our development projects, such as Davco Eco-friendly waterproofing and plastering.
Social	Noise, vibration and air pollution management	Minimise nuisance to the public	Zero complaints on noise, vibration and dust from interested parties	No complaints received from the public on noise, vibration and dust. In part due to the use of newer equipment with lower noise emission.
	Prevention / Reduction of accidents / incidents	Minimise reportable incidents/accidents	Zero fatality / major accidents	No fatality nor major accidents during the period.
	Site workforce management	Provision of welfare facilities on project sites, e.g. drinking water, acceptable and clean sanitation facilities.	Provision of welfare facilities on all project sites.	Provision of clean drinking water, proper work wear and foot wear and portable toilets or temporary toilets at construction sites.
	Supply Chain	Encourage the use of green products by suppliers and contractors	Actively source for suppliers and/or contractors who provide green products/materials for development projects	Davco's eco-friendly waterproofing and plastering that, certified by PSB Singapore, were used by some of our contractors for our development projects.
	Talent Retention	Provide in-house training and encourage staff to attend courses and seminars, etc to equip them to perform their roles more effectively	Send at least 1 staff from each department for course or seminar every year.	Training target was achieved.
	Corporate social responsibility ("CSR")	Contribute to the community through CSR actions.	Participate in 1 or more CSR activity with company-wide staff participation each year	See Paragraph 6.2
	Performance of services and products	Minimise project products/services rejects	100% completion of project on time	All construction projects were completed within the contractual period.
Governance	Anti-Corruption	Legal compliance	No major confirmed incidents.	No major confirmed incidents reported.
	Compliance with legal and other requirements	Legal compliance	No major confirmed incidents.	No major confirmed incidents reported.

9. INDEPENDENT ASSURANCE

Goodland strived, where applicable, to align its policies and practices to international standards. In reporting on sustainability, care is taken to give an accurate and balanced view. For this purpose, the Group has obtained independent assessment by external professionals to obtain the following certifications:

<u>Certification</u>	<u>Description</u>
• ISO 9001:2015	Quality Management Systems
• ISO 14001:2015	Environmental Management Systems
• OHSAS 18001:2007	Occupational Health and Safety Management

In addition, Goodland participated in the following schemes:

<u>Certification</u>	<u>Description</u>
• Green and Gracious Builder Scheme (GGBS) by the Building and Construction Authority of Singapore (BCA)	Environment protection and gracious practices
• BizSafe Star by Ministry of Manpower (MOM)	Workplace Safety and Health

*BCA – Building and Construction Authority of Singapore

*MOM – Ministry of Manpower, Singapore

10. SUMMARY

The Board recognizes that sustainability is intrinsic to our business at both the strategic and operational levels. We aim to be highly disciplined in our sustainability commitments, and at the same time strive for continuous improvement. As we progress in sustainability reporting, we strive to provide stakeholders with a more comprehensive picture of how we operate and bring into sight the risks and opportunities which can be better managed for future returns.

GRI INDEX CHECKLIST

GRI Standards (2016)		Notes/Page number(s)
General Disclosures		
Organisational Profile		
102-1	Name of the organisation	Goodland Group Limited
102-2	Activities, brands, products, and services	Corporate Profile Projects in FY2018, page 96 - 97
102-3	Location of headquarter	Corporate Information, page 24 Financial Statements, pages 57
102-4	Location of operations	Corporate Information, page 24 Financial Statements, page 86 - 88
102-5	Ownership and legal form	Corporate Information, page 24 Financial Statements, page 85 - 90
102-6	Markets served	Financial Statements, pages 86 - 88, 107 - 108
102-7	Scale of the organisation	Financial & Operational Review, page 4 - 9 Financial Statements, page 51 - 56
102-8	Information on employees and other workers	Sustainability report (Talent Retention), Page 7 The Group did not have any significant variation in employment numbers.
102-9	Supply chain	Sustainability report, page 7
102-10	Significant changes to organisation and its supply chain	No significant changes during FY2018.
102-11	Precautionary principle or approach	The Group does not specifically address the principles of the Precautionary approach.
102-12	External initiatives	Sustainability report, page 11
102-13	Membership of associations	Real Estate Developers' Association of Singapore (REDAS) Singapore Business Federation (SBF)
Strategy		
102-14	Statement from senior decision-maker	Board Statement, page 6 - 9
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behaviour	Board Statement, page 6 - 9 Corporate Governance Report, page 26 - 42
Governance		
102-18	Governance structure	Board Statement, page 26 - 35
Stakeholder Engagement		
102-40	List of stakeholder groups	Sustainability report , page 5
102-41	Collective bargaining agreements	There are no collective bargaining agreements in place at the Group
102-42	Identifying and selecting stakeholders	Sustainability report , page 5
102-43	Approach to stakeholder engagement	Sustainability report , page 5
102-44	Key topics and concerns raised	Sustainability report , page 6 - 8

Reporting Practice

102-45	Entities included in the consolidated financial statements	Financial Statements, page 51 - 56
102-46	Defining report content and topic boundaries	Sustainability report , page 6 - 8 All ESG factors are relevant within our organisation only
102-47	List of material topics	Sustainability report , page 6 - 8
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	1 October 2017 – 30 September 2018
102-51	Date of most recent report	Not applicable
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Sustainability report , page 4
102-54	Claims of reporting in accordance with GRI Standards	Sustainability report , page 4
102-55	GRI content index	Sustainability report , page 12 - 14
102-56	External assurance	Sustainability report, page 11

Management Approach

103-1	Explanation of the material topic and its Boundary	Sustainability report, page 5 - 10 Materiality and management initiatives are discussed within the section for each material factor
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

Material Topics

Anti-corruption

205-1	Direct economic value generated and distributed	Sustainability report , page 8
205-2	Communication and training on anti-corruption policies and procedures	Sustainability report , page 8
205-3	Confirmed incidents of corruption and actions taken	Sustainability report , page 8

Energy

302-1	Energy consumption within the organisation	Sustainability report , page 6 - 7
302-3	Energy intensity	Sustainability report , page 6 - 7 Energy disclosed in this report refers to purchased electricity only

Water

303-1	Water withdrawal by source	Sustainability report , page 6 - 7 The only water used by the Group is public utilities water
303-3	Water intensity	Sustainability report , page 6 - 7

Supplier Environmental Assessment

308-1 New suppliers that were screened using environmental criteria Sustainability report, page 7

Environmental Compliance

307-1 Non-compliance with environmental laws and regulations Sustainability report , page 9

Occupational Health and Safety

403-2 Types of injury and rates of injury, absenteeism, and number of work-related fatalities Sustainability report , page 7

Training and Education

404-2 Programs for upgrading employee skills Sustainability report, page 7

Supplier Social Assessment

414-1 New suppliers that were screened using Sustainability report, page 7

Customer Health and Safety

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services Sustainability report, page 7

Marketing and Labelling

417-3 Incidents of non-compliance concerning marketing communications Sustainability report, page 9

Socioeconomic Compliance

419-1 Non-compliance with laws and regulations in the social and economic area Sustainability report, page 9