

SUSTAINABILITY
REPORT
2020

KINGSMEN CREATIVES LTD



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ABOUT KINGSMEN

Established in 1976 and listed on the Mainboard of the Singapore Exchange since 2003, Kingsmen is a leading communication design and production group with a strategic network of 21 offices and full service facilities across Asia Pacific, Middle East and the United States of America to serve our global clients today.

Our commitment to quality standards has gained worldwide recognition in the fields of design consultancy, project management and construction. We operate in four main business segments:

- **Exhibitions & Events**
Transforming shows through bespoke solutions
- **Retail & Corporate Interiors**
Crafting sophisticated interiors that bring brands to life
- **Thematic, Museums & Attractions**
Delivering immersive moments through themed environments
- **Alternative Marketing**
Crafting unique brand experiences for engagement

Backed by a dedicated team of over 1,800 staff, our “One-Stop Shop” concept reflects a seamless workflow from sophisticated design capabilities, attention to design & production details, full warehousing facilities to service-oriented project management.

Helping brands to create and design meaningful experiences that go beyond the physical environment, we have a multidisciplinary team of creative designers from diverse cultures as well as experienced project teams. Supported by a combined manufacturing facility of over 1 million sqft with a full suite of services managed by an efficient team of skilled craftsmen, we are able to ensure both customer satisfaction and stringent quality control.

Kingsmen’s business culture is founded on creativity, quality, integrity and innovation. At Kingsmen, we take pride in delivering each project from conceptualization to production and fulfilment, ensuring each possesses its own unique character. Our continuous growth with our valued clientele is a reflection of our commitment to good design, effective project management and customers’ satisfaction.

OUR PHILOSOPHY

VISION

Design-led, Quality and Service-Driven

MISSION

- To maintain our position as one of the leaders in Asia Pacific
- To be an active global player and be recognized as one of the elite marketing communication houses globally
- To provide exciting and fulfilling career opportunities for all members through continual expansion and continuous learning

MESSAGE FROM GROUP CEO

2020 was an extraordinary year in many ways. We witnessed a heightened focus on sustainability to navigate the effects of the COVID-19 pandemic. From individuals, businesses to communities around the world, it called upon us to act with care, agility, and resilience. At the start of the pandemic, we did not have all the answers to what was happening, but we were prepared to explore all possibilities to support our clients and safeguard the health of our employees. As always, we continue to put people at the center of everything we do.

Following the onset of the pandemic, we formed a global response team that is monitoring and supporting our operations, focusing particularly on maintaining the safety and health, both physical and mental, of our employees, while ensuring business continuity. Our employees shifted from office to remote working quickly, and redeployed teams were able to respond and provide continuous support to clients globally.

While it was a very different year for our business, we endeavoured to keep our sustainability goals on track, made progress and met our 2020 targets. We accelerated the integration of our sustainability strategy, and helped our clients do the same. Focusing on the areas we could have a significant impact on, we deployed a wide range of digital and creative solutions to meet the needs of our clients. Over the past year, we launched several new initiatives that delivered on our promise of a sustainable, resilient business. These included group-wide training programmes on digitalisation, broadening our green offerings and integrating stability in our supply chain, to name just a few.

It is our responsibility to play an active part in creating solutions and to continue to build on the foundations for our business. Our purpose and values guide us in our work, and we are here in both the good and challenging times.

On behalf of the Board of Directors, I want to express my heartfelt thanks to my colleagues for their dedication in paving the way for a more sustainable and better future. The race is not run, and with the strong support of our employees, clients, partners and shareholders, we look to the future with renewed confidence.

Andrew Cheng
Group Chief Executive Officer



ABOUT THIS REPORT

This is a standalone Sustainability Report that covers the environmental and social aspects of our business operations and progress to date. The report is produced in accordance to the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines at Core level. The report is also prepared in accordance with SGX-ST Listing Rules (711A and 711B) – Sustainability Reporting.

With the support of top management, a sustainability reporting committee with representatives from different divisions was formed. A materiality assessment was conducted and the relevant information gathered. It covers the topics that have been deemed as material to Kingsmen's key stakeholders.

Your feedback is welcome and you can reach us at info@kingsmen-int.com

REPORTING PERIOD & SCOPE

The report covers the performance of Kingsmen and its subsidiaries (the "Group") from 1 January to 31 December 2020 (FY2020).

We have included the historical data for the previous year of FY2019 for comparison, where available. There has not been any restatement of figures for data disclosed in the previous year,

This report supplements Kingsmen's Annual Report 2020, which can be found on our corporate website www.kingsmen-int.com. In accordance with our efforts to be more environmentally friendly, this report will only be made available online.

OUR APPROACH TO SUSTAINABILITY

Our sustainability strategy is driven by three key pillars of responsible business practice and aims to bring shared values and constantly challenge the way we work in order to achieve our business objectives:



We strive to be relevant in the marketplace & generate profits to benefit our stakeholders & the community at large.



We will create sustainable value for our stakeholders & are committed to aligning our long-term business strategies with their interests.



We will continue to refine our sustainability framework and drive performance improvements around our key material issues.

Our vision is to become sustainably profitable, and we are prepared to constantly challenge the way we work in order to achieve this. Such thoughtful growth calls for the use of goals on sustainability that are rooted in our business ambitions.

In accordance with our intention to fully integrate sustainability into our corporate DNA, we constantly review our stakeholder engagements and our business processes to identify industry trends, sustainability risks and opportunities. Where feasible, we incorporate these issues into our business model and plans with a view to implement sustainable and responsible practices in order to ensure long-term value for our stakeholders.

MATERIALITY

The key topics covered in this sustainability report are based on an in-depth materiality assessment that identifies material issues that reflect our significant economic, environmental and social impacts – on our performance as a business and influencing the decisions of stakeholders.

We review our selected material sustainability factors regularly based on importance to our stakeholders and the sustainability impact to our business. FY2020 has clearly shown that sustainability-related issues such as digitalisation, environment, health and safety and ethics are now even more important in the way we conduct business. Our senior management is firmly committed to Kingsmen's sustainability strategy. For FY2020, the Management, Board of Directors and Sustainability Committee have signed off on the existing material factors:

Material Factors	Topics	Read more in our:
Economic Performance 	Economic Performance	Annual Report – Financial Statements, pages 40 - 131
Governance 	Governance	Annual Report - Corporate Governance, pages 25 - 39
People 	Employee Well-being Training & Education Talent Attraction & Retention Health & Safety	People section of our Sustainability Report, pages 9 - 11
Environment 	Waste & Resource Management	Environment section of our Sustainability Report, page 13
Community 	Community Involvement	Community section of our Sustainability Report, page 12

OUR APPROACH TO SUSTAINABILITY

STAKEHOLDER ENGAGEMENT

We value open and frank communication with our stakeholders and it was especially important to the Group to continue such engagement during the period of uncertainties that prevailed throughout much of FY2020. The Group recognises the importance of constantly reviewing its business strategy and values the input and opinions of stakeholders in all forms. Consequently the Group actively engages in meaningful dialogue with stakeholders through diverse communication channels. Through these interactions, we obtain feedback, concerns and views that help us manage and improve our sustainability strategy in order to generate long-term value and ensure that sustainability initiatives are imprinted into our business operations.

We identify stakeholders as groups that have an impact, or potential to be impacted by our business. As part of the process, the Group has identified four key stakeholder groups below:



Customers



Suppliers & business partners







Employees



Shareholders

Communicating with our stakeholders:

Stakeholders	Forms of engagement
Customers 	<ul style="list-style-type: none"> • Ongoing progress meetings • After-sales service • Quarterly Electronic Direct Mailers (EDM)
Suppliers & business partners 	<ul style="list-style-type: none"> • Established channels of communication such as meetings, emails and phone calls
Employees 	<ul style="list-style-type: none"> • Regular employee engagement • Bi-monthly newsletters • Training courses • Regular feedback sessions within teams • Annual performance appraisals • Team building activities
Shareholders 	<ul style="list-style-type: none"> • Annual General Meeting • Investor Relations (IR) team ensures that all material announcements are posted in the IR section of the corporate website • End-of-year financial results briefings • Announcements published on SGXNET whenever required by the Listing Manual

OUR PEOPLE

Sustainability is and will always be a continuous journey of learning and improving. Our central belief is that the progress of our Group goes hand in hand with helping our community thrive. We invest in sustainable employability by creating an environment for our employees that nurtures, engages, enriches and rewards. We encourage all employees to continuously learn and develop themselves beyond the conventional. At the same time, we value diversity and character building so as to build a cohesive and competitive workforce. This is achieved by prioritising talent attraction and retention, creating a safe and secure working environment as well as investing in training and development.

In FY2020, like many companies, Kingsmen was affected by the COVID-19 pandemic. Nonetheless, we managed to minimize and mitigate the impact of the global crisis on our employees. We supported those employees we could and helped to transition teams to a remote and/or hybrid work system. It was a groupwide effort to ensure both the safety and well-being of our employees during the pandemic – without neglecting ongoing projects.

Our human resource Policies and Code of Conduct cover fair remuneration, benefits, health and safety, career development and training and are regularly reviewed by our management. The policies comply with the legal standards in the areas we operate in.

TALENT STRATEGY

People are key to the success of our Group and we firmly believe in investing in our talent strategy to build a sustainable pipeline of talents. This includes offering continuous training and development, ensuring employee engagement and creating a sound foundation to nurture the future leaders of the organisation. As part of our leadership renewal plans, we participate in the Singapore-Industry Scholarship (SgIS) – a partnership between the Government and Kingsmen to develop a strong core of Singaporeans to anchor strategic sectors which are critical for Singapore's development.

Employees who are not in leadership positions but who have demonstrated clear leadership abilities and ambition are identified and we provide them with the opportunity and environment to develop their skills in management and leadership, with the goal of helping them build a strong foundation for their future development as managers and leaders. We also place importance on internal mobility and where relevant, we actively look for an internal candidate with the required skillset. Through this approach, we aim to retain talent. In FY2020, we saw a major shift in the demand for specific divisions and job functions. This allowed us to increase opportunities for internal mobility and redeployment, both on a temporary and permanent basis. To enhance our leadership development and growth we also continuously monitor the capabilities of our staff with an eye on their ability to undertake strategically critical roles.

OUR PEOPLE

TRAINING AND DEVELOPMENT – KINGSMEN ACADEMY

Maximising the talent present within the Group is one of our key areas of focus. We promote and support employee development and organizational effectiveness by providing high-quality training programmes that are aligned with the strategic needs of our organisation. By investing across creative, technical and leadership skills, we provide our people with opportunities for professional and personal development, keeping them engaged with the industry. All new Kingsmen employees undergo an onboarding programme, which exposes them to the culture of Kingsmen, a broad overview of the Company, and knowledge of their day-to-day job roles and responsibilities.

The training curriculum is guided by our strategy on employee development and consists of various programmes that range from core functional competencies to leadership capabilities and life skills. These include on-the-job training and coaching, and the mentorship programme which provides a unique opportunity for identified employees to engage and learn from senior management through casual engagement sessions.

In FY2020, the Kingsmen Academy identified additional channels for learning and development by offering online and hybrid training courses. In spite of the adverse physical restrictions consequent on the pandemic, we continued investing in employee learning and



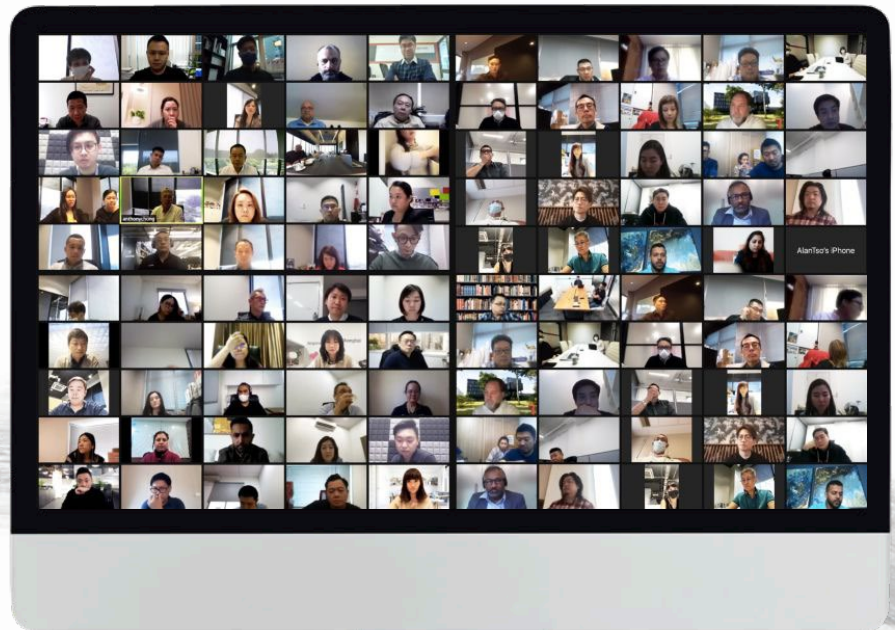
development, pivoting quickly to offer remote, virtual training sessions in place of our in-person courses. In addition, by deploying technology, we were able to increase the number of employees in remote offices participating in training programmes.

LEADERSHIP DEVELOPMENT

Through a structured leadership development framework, we develop skilled leadership competencies that creates a strong foundation to become future leaders. Our annual regional conferences are aimed at accelerating the development of a strong regional talent pool across the Group. The conferences addresses change,

culture, and thought leadership. These are opportunities for future leaders to sharpen their skills to be effective leaders in critical leadership positions.

In FY2020, we redesigned the leadership summit to comply with a 100%-digital format and saw 88 delegates attending the conference. This approach allowed us to continue our engagement with the core leaders of the Group so as to maintain the cohesiveness and collegiality that is critical to an environment of enterprise and achievement.



EMPLOYEE ENGAGEMENT

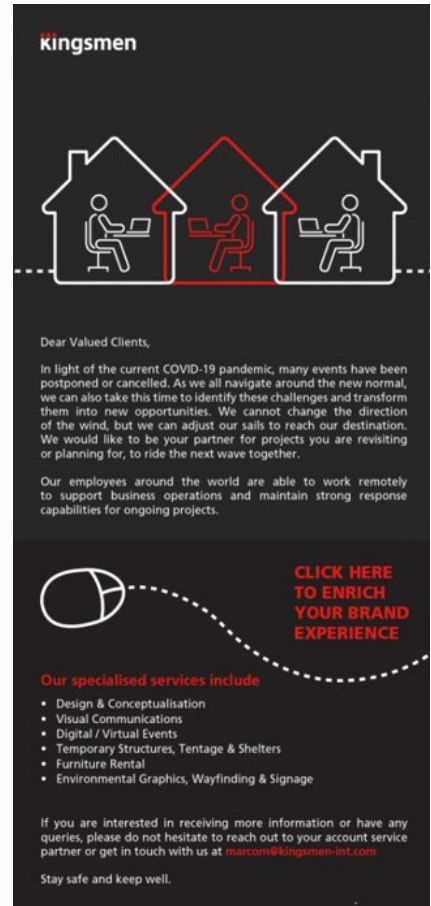
FY2020 saw us accelerating the transition to flexible work arrangements with many finding new ways to collaborate and communicate with colleagues, clients and partners, all while working remotely. It was a priority to ensure that employees were engaged and remained connected with their colleagues and managers so as to achieve the best possible working environment in what are trying circumstances. The Group also took steps to ensure that engagements with and between employees was as wide and involved as many as possible by employing virtual town hall sessions to keep employees abreast about developments in their teams and the Group as a whole.

The Group also implemented surveys as a tool to assist in identifying possible areas of concern so that they could be addressed quickly and the employees' morale and motivation maintained.

WORKPLACE HEALTH & SAFETY

We continue our commitment to ensuring the health and safety of all our employees and conduct our business in accordance with all workplace health and safety laws, standards, and codes of practice. The green committee ensures that we comply with all regulatory requirements, conduct safety onsite inspections, fire safety plans, and enforces safety-related trainings of all operational staff.

It was also a key priority in FY2020 to ensure health and safety in the working environment. With a global presence of offices and production sites around the world, we were able to learn from experiences of our colleagues in different countries and prepared the necessary measures in a nimble manner. Compliance and adherence with the legal requirements while keeping our employees happy and engaged was a critical goal for the Group. The team also focused on ensuring the supply of protective equipment and organised work in the office to be aligned with social distancing rules. Through regular communication with employees, management in the Group also monitored the morale and psychological well-being of our employees.



kingsmen

Dear Valued Clients,

In light of the current COVID-19 pandemic, many events have been postponed or cancelled. As we all navigate around the new normal, we can also take this time to identify these challenges and transform them into new opportunities. We cannot change the direction of the wind, but we can adjust our sails to reach our destination. We would like to be your partner for projects you are revisiting or planning for, to ride the next wave together.

Our employees around the world are able to work remotely to support business operations and maintain strong response capabilities for ongoing projects.

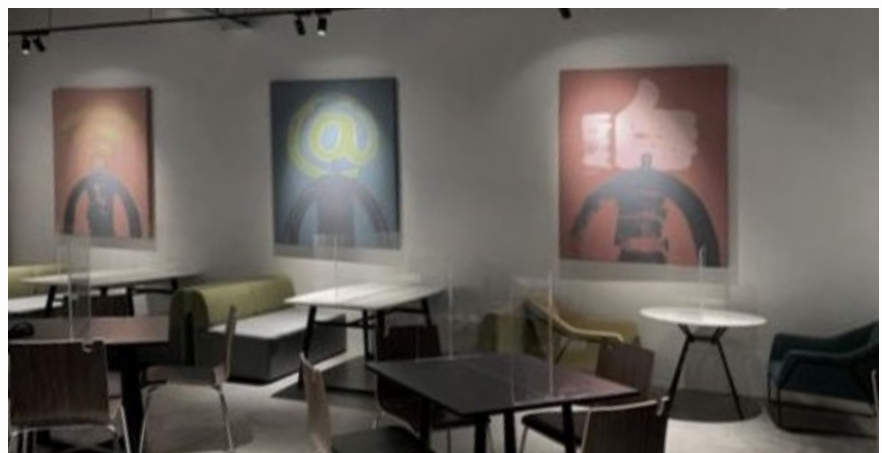
[CLICK HERE TO ENRICH YOUR BRAND EXPERIENCE](#)

Our specialised services include

- Design & Conceptualisation
- Visual Communications
- Digital / Virtual Events
- Temporary Structures, Tentage & Shelters
- Furniture Rental
- Environmental Graphics, Wayfinding & Signage

If you are interested in receiving more information or have any queries, please do not hesitate to reach out to your account service partner or get in touch with us at marcom@kingsmen-int.com

Stay safe and keep well.



OUR COMMUNITY

At Kingsmen, we believe we have a responsibility to improve the lives of those in the communities we operate in and focus on initiatives that will contribute where it matters and have a positive impact. Beyond corporate work, our community strategy is focused on areas of education, design, and youth.

Our focus on supporting youth empowerment is an extension of our motto of continuous learning that has become synonymous with Kingsmen. We therefore connect our employees with the marginalised youth through our support for the beneficiaries' community engagement work. We also participate in other community initiatives on selective basis, ensuring that it is aligned with our community engagement objective.

In FY2020, we reviewed our corporate social responsibility efforts to ensure that it reflects the latest development in our business and external environment. In order to ensure more people can participate in and benefit from our outreach, we launched 'Empowering Learners, Inspiring Change'.

Aimed at leveraging on our inherent capabilities and facilities around the world to empower innovation and creativity in the community, we hope to collaborate with educational institutions and industry partners to build future pool of creative talents.

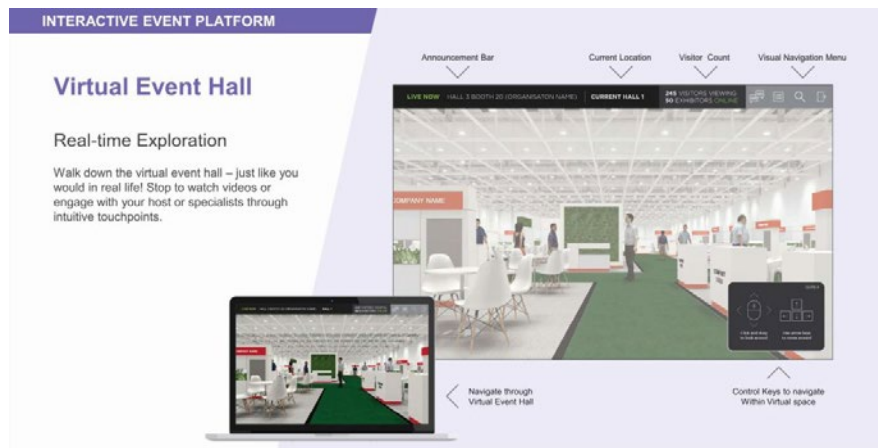
OUR ENVIRONMENT

Our sustainability approach ensures that we generate value for both our organization and our clients throughout the planning and execution phase of our projects. We understand that our business processes can have positive and negative environmental impacts and we do our part to minimise our environmental footprint while maximising the positive longer-term impacts.

SUSTAINABLE WORKING ENVIRONMENT

We are a part of the global effort to sustain and better manage resources and are constantly seeking ways to deliver more environmentally-friendly projects.

Some of our conservation initiatives include adopting environmentally-friendly practices into our processes, including all our offices and production plants to minimise the impact of our business operations on the environment. As part of our standard operating procedures, we also reduce energy and water consumption. In the production plants, equipment is regularly maintained and upgraded to enhance electricity efficiency. Project scheduling at production plants ensure that equipment is operating at optimal efficiency to reduce unnecessary energy consumption.



In FY2020, we managed to reduce our carbon emissions following a significant reduction in business related travel and an increase in the use of technology to replace physical meetings. We will continue to examine the benefits of further reductions in our carbon footprint, including how best to use a technology-driven hybrid working environment.

SUSTAINABLE SOLUTIONS




Our designers and project personnel advocate green design during the planning process and there is a constant collaborative effort to seek ways to make projects more eco-friendly with the introduction of new or innovative products and materials that minimize the amount of waste we generate. We also consider environmental impacts in our recommendations to clients both early in the design stage and throughout procurement.

In FY2020, we seek to support efforts at reducing carbon emissions by encouraging clients to consider innovative solutions where possible and to prioritise climate friendly alternatives where feasible. From mobile event apps, virtual events, software for remote co-creation and state-of-the-art AV solutions, we worked closely with clients to identify relevant solutions that allow them to continue business in a sustainable manner.

It is our ambition to work with all our business partners to raise their awareness of the need to reduce our carbon footprint wherever viable.



TARGETS

Performance Targets for FY2021	
People 	<ul style="list-style-type: none">• Implement programmes for upgrading digital competency skills• Further foster leadership development
Environment 	<ul style="list-style-type: none">• Undertake further initiatives to promote environmental responsibility
Community 	<ul style="list-style-type: none">• Focus our support on areas to connect our employees with purpose and leverage their expertise and skills, targeting long-lasting impact.

GRI TABLE

GRI Standard	Disclosure	Page Reference/Information
GRI 102: General Disclosures		
Organisational profile		
102-1	Name of Organization	Kingsmen Creatives Ltd
102-2	Activities, brands, products, and services	Sustainability Report – About Kingsmen (page 2); Annual Report – Financial Highlights & Performance Review (pages 10 to 15)
102-3	Location of headquarters	Singapore
102-4	Location of Operations	14 countries: Singapore, Cambodia, Hong Kong, India, Indonesia, Japan, Malaysia, Myanmar, People’s Republic of China, South Korea, Thailand, United Arab Emirates, United States of America, Vietnam
102-5	Ownership and legal form	Annual Report – Financials, Note 1 to the Financial Statements (page 59)
102-6	Markets served	Markets in Singapore, Bangkok, Beijing, Busan, Dubai, Hanoi, Ho Chi Minh, Hong Kong, Jakarta, Kuala Lumpur, Los Angeles, Macau, New Delhi, Osaka, Phnom Penh, Seoul, Shanghai, Shenzhen, Taipei, Tokyo, Yangon
102-7	Scale of the organization	Annual Report – Financial Highlights & Performance Review (pages 10 to 15)
102-8	Information on employees and other workers	The scope of the sustainability report only covers all employees in Kingsmen and its subsidiaries.
102-9	Supply Chain	Our supply chain integrates both in-house capabilities with best of breed expertise from external parties. These include sub-contractors and partners in the carpentry, metal works, mechanical and electrical, flooring, spray painting, lighting, air conditioning, painting, carpet, freight forwarding and travel sectors to deliver the optimal solution seamlessly.
102-10	Significant changes to the organization and its supply chain	No significant changes
102-11	Precautionary Principle or approach	Annual Report – Corporate Governance Report (pages 25 to 39)
102-12	External initiatives	Sustainability Report – Our Approach to Sustainability (page 6)
102-13	Memberships of associations	Refer to our Kingsmen Website – Awards and Affiliations
Strategy		
102-14	Statement from senior decision maker	Sustainability Report – Message from Group CEO (page 4)
Ethics and Integrity		
102-16	Values, principles, standards and norms of behavior	Annual Report – Corporate Governance Report (pages 25 to 39)
Governance		
102-18	Governance Structure	Annual Report – Corporate Governance Report (pages 25 to 39)

GRI TABLE

GRI Standard	Disclosure	Page Reference/Information
Stakeholder Engagement		
102-40	List of stakeholder groups	Sustainability Report – Stakeholder Engagement (page 8)
102-41	Collective bargaining agreements	0% of workforce are participating in collective bargaining agreements.
102-42	Identifying and selecting stakeholders	Sustainability Report – Materiality. Stakeholder Engagement (page 8)
102-43	Approach to stakeholder engagement	Sustainability Report – Stakeholder Engagement (page 8); Annual Report – Corporate Governance Report, Communication with Shareholders, Principle 12 (page 37 to 39)
102-44	Key topics and concerns raised	Sustainability Report – Materiality (page 7)
Reporting Practice		
102-45	Entities included in the consolidated financial statements	Annual Report – Notes 17 to 19 to the Financial Statements (pages 92 to 103)
102-46	Defining report content and topic boundaries	Sustainability Report – About this Report (page 5)
102-47	List of Material Topics	Sustainability Report – Materiality (page 7)
102-48	Restatements of information	Not applicable
102-49	Changes in reporting	Not applicable
102-50	Reporting period	1 January – 31 December 2020
102-51	Date of most recent report	Not applicable
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	info@kingsmen-int.com
102-54	Claims of reporting in accordance with the GRI Standards	Sustainability Report – About this Report (page 5)
102-55	GRI Content Index	GRI Content Index
102-56	External Assurance	We have not sought external assurance for our current Sustainability Report.
GRI 200: Economic Performance		
201-1	Direct economic value generated & distributed	Annual Report – Financials (pages 40 to 131)
202-2	Proportion of senior management hired from the local community at significant locations of operation	Annual Report – Board of Directors, Senior Management (pages 6 to 9)
GRI 300: Environment		
301-2	Recycled input materials used	Sustainability Report – Our Environment (page 13)
-	Eco-Innovation	Sustainability Report – Our Environment (page 13)

GRI Standard	Disclosure	Page Reference/Information
GRI 400: Social		
401-2	Benefits to full term employees that are not provided to part-time or temporary employees	Sustainability Report – Our People (page 9)
402-1	Minimum notice periods regarding operational changes	In the event of termination, a minimum notice period of one to three months needs to be fulfilled, depending on the employee’s job grade. The minimum notice period for non-executives has been specified in the employee’s contract.
403-1	Worker representation in formal joint management – worker health & safety committees	Sustainability Report – Our People (page 9)
404-1	Average hours of training per employee per year	Sustainability Report – Our People (page 9)
404-2	Programs for upgrading employee skills	Sustainability Report – Our People (page 10)
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report – Our People (page 10)
413-1	Operations with local community engagement, impact assessments and development programs	Sustainability Report – Our Community (page 12)

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