GSH

CREATING WORLD-CLASS SPACES

SUSTAINABILITY REPORT 2020

GSH

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1. HIGHLIGHTS

1.1 CORPORATE PROFILE

GSH Corporation Limited ('GSH' or the 'Company'), together with its subsidiaries (the 'Group'), is a growing property developer in Southeast Asia, with five properties under development in Malaysia and China. It also owns and operates the Sutera Harbour Resort in Kota Kinabalu, comprising two five-star hotels, a 104-berth marina and a 27-hole championship golf course, and the idyllic Sutera@Mantanani Resort on the Mantanani Islands in Sabah.

GSH is listed on the Main Board of the Singapore Exchange.

1.2 SCOPE OF SUSTAINABILITY REPORT

The scope of the report covers information on material sustainability aspects of GSH, covering the Hospitality and Property segment, from 1 January 2020 to 31 December 2020 unless otherwise specified. This should sufficiently address stakeholders' concerns in relation to sustainability issues arising from the major business operations of the Group.

This report is prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core Option as it provides a set of an extensive framework that is widely accepted as a global standard for sustainability reporting. It also considers the Sustainability Reporting Guide in Practice Note 7.6 of the Singapore Exchange Securities Trading Limited (SGX-ST) Listing Manual. In preparing our report, we applied the GRI's principles for defining report content and report quality by considering the Group's activities, impacts and substantive expectations and interests of its stakeholders.

The data and information provided within the report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy.

1.3 RESTATEMENTS

No restatements were made from the previous report.

1.4 SUSTAINABILITY CONTACT

We welcome your views and feedback on our sustainability practices and reporting at sr@gshcorporation.com.

1.5 MESSAGE TO STAKEHOLDERS

On behalf of the Board of Directors of GSH Corporation Limited, I am pleased to present the Sustainability Report for the financial year ended 31 December 2020 (**FY2020**).

GSH is committed to creating world-class spaces for living, business and leisure. We bring this commitment to life by embedding responsible business practices in all aspects of the way we work. We believe that doing the right thing in the right way instils pride among our people, and builds trust with our guests and local communities.

FY2020 Progress

FY2020 was an extremely challenging year, to say the least. The coronavirus (**Covid-19**) pandemic had affected all of our lives and businesses around the world. A year into the pandemic, the world has learnt to live and work in the new normal, and there is renewed hope as various countries begin their vaccination programmes.

In this FY2020 sustainability report, we continue to report on the Group's sustainability efforts and progress on Responsible Business, Environmental Sustainability, Empowering Lives, and Green Building. The sustainability report highlights our business principles and d approach, and how we operate in an economically, environmentally and socially responsible way, by adopting environmental-friendly practices and creating a positive impact within communities that we operate in. GSH continues to stay true to "Exploring, Discovering Value" by being responsible, mindful and ethical, while focusing on delivering results thereby positioning the Company for profitable and sustainable growth.

In addition, we also report on additional Covid-19 cleanliness specific guidance, training and information, consistent with our own high standards. This paves the way for the safe reopening of the hospitality sector in the days to come.

The Road Ahead

The continued Movement Control Order (**MCO**) restrictions in Malaysia imposed earlier this year has further affected the construction progress of Easton Residences in Kuala Lumpur and Coral Bay in Kota Kinabalu, which had an impact on our ability to recognise the progressive sales contributions from these projects. In addition, the movement restrictions had affected both international and domestic travel, and impacted our hospitality business in Kota Kinabalu. There is no certainty as to when international leisure travel will be allowed to resume. Depending on the type of measures taken by the Malaysia government to control the spread of Covid-19, and when such measures are subsequently relaxed to allow F&B dine-in and staycation packages, only then will the hotel industry be partially rejuvenated. We will have to continue monitoring the government advisories in this area.

We have continued to take all necessary measures to ensure the safety and well-being of our personnel and to mitigate the economic fallout of this existential health threat, travel curbs, quarantines, lockdowns and compulsory business shutdowns. This includes the implementation of business continuity plans, enhancement of online activities and austerity measures.

In demonstrating our solidarity to join the authorities' efforts to control the pace of the spread of Covid-19, we vigilantly complied with the standard operating procedures implemented by the Malaysia government.

Lastly, we wish to confirm that the Board has considered sustainability issues as part of its strategic formulation. The Board has determined the material environmental, social and governance (**ESG**) factors and overseen the management in monitoring these material ESG factors.

On behalf of the Board of Directors

2.OUR APPROACH TO SUSTAINABILITY

2.1 SUSTAINABILITY ORGANISATIONAL STRUCTURE

Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much influence our financial performance. In order to better accommodate our sustainability goals and values, we have developed a sustainability organisational structure to move things forward.

BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors establishes the sustainability while the Management sees through the implementation of the framework.

KEY MANAGEMENT PERSONNEL

Key management personnel in our subsidiaries are charged with organising and coordinating the Corporate Social Responsibility (**CSR**) work of all departments within the subsidiaries.

EMPLOYEES

Relevant head of various departments are responsible for the implementation of CSR works.

2.2 SUSTAINABILITY STRATEGY

At the Group, our sustainability strategy aims to create integrated values. Not only do we create economic value by maximising profits and shareholder value, but we also take on a broader responsibility as a global corporate citizen to create societal values. We commit to deliver value to all our stakeholders.

As we look back on our progress over the last year, our efforts to deliver value to all our stakeholders can be summarised as follows:

The sustainable strategy is underpinned by our Sustainable Procurement Practices, and Employee Code of Conduct, which establishes a clear tone at the top with regards to employees' business and ethical conduct.

Our sustainability strategy is guided by a variety of external sources, including the GRI Standards and Sustainability Reporting Guide set out in Practice Note 7.6 of the SGX-ST Listing Manual.

The rest of this report covers our progress and performance against each of these areas, and the impact we have on the economy, environment and society as a result.

2.3 CONSULTING OUR STAKEHOLDERS

We listen to our stakeholders and engage with them on an ongoing and ad hoc basis.

An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

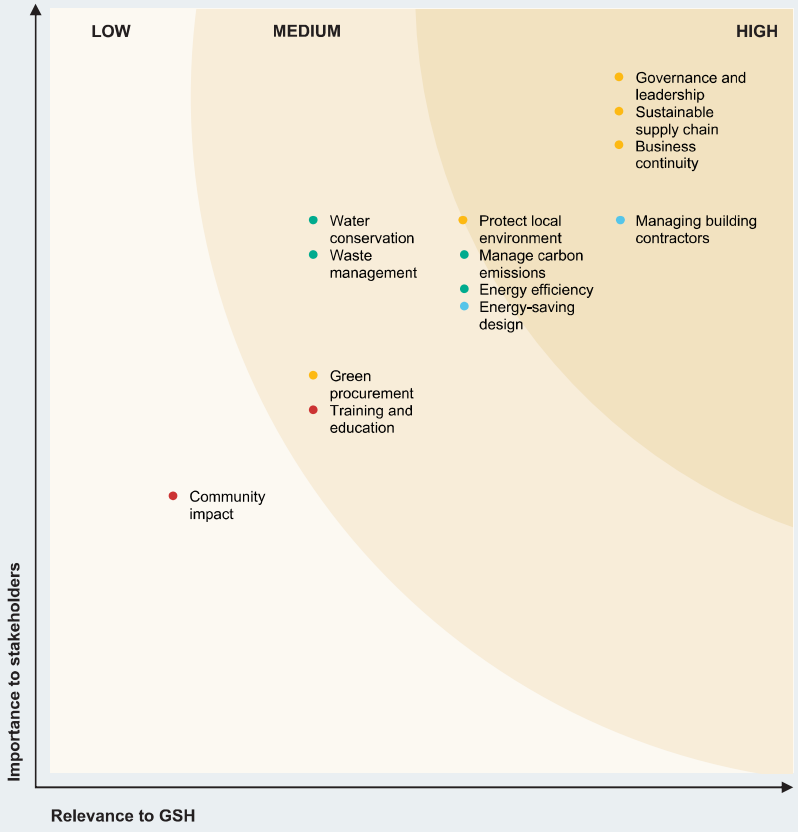
Stakeholders	How we listen	Why we do it	What you've told us
Builders and Suppliers	• Daily project meetings and updates • Informal meet-ups	• Ensure that construction activities are carried out in line with the best practices • Ensuring integrity in all purchasing decisions • Ensuring green procurement whenever possible • Adhering to agreement terms	• Fair vendor selection process • Ethical conduct • Timely payment
Community	• Informal meet-ups with members from the community • Invitation to special events held by the resort	• Foster relationship with community through investments in training and development of local employees	• Fulfil needs of local community (access roads, schools, hospitals, facilities, etc.) • Sustainability matters • Environmentally friendly activities
Customers and Hotel Guests	• Guest satisfaction survey forms • Email enquiries	• Safeguard investment value of customer • Ensure service standard of resort staff • Maintain star-rating for resort	• Desire for premium real estates with good location and reasonable launch price • Improved service standards
Employees	• Employee's handbook • Periodic staff meetings • Staff trainings • Email feedbacks from employees	• Ensure workplace health and safety enables the employees to work comfortably and safely • Employment benefits should address basic needs and help to manage stress and improve health • Training and career development should be in place to improve effectiveness and productivity	• Manage occupational health and safety • Maintain work life balance • Provide training and education
Government and Regulators	• Letters from and meetings with government and regulators	• Keep up with the latest rules and regulations • Engage with regulators	• Compliance with relevant rules and regulations
Investors	• Shareholders' meeting • GSH website • Regular updates and communication	• Committed to delivering economic value to our capital providers through a strong financial performance and our methods of engagement with them	• Long-term profitability • Company's performance against targets • Compliance with all relevant requirements • Ensure business continuity

2.4 SUSTAINABILITY MATERIALITY

Based on the stakeholder engagement, we developed our sustainability materiality matrix containing material aspects which are aligned with our principal business and operational risks, and formed our sustainability strategy which has shaped our approach to sustainability reporting, as illustrated in the diagram below.

We have also developed metrics to help us measure our progress, as indicated in our sustainability scorecard in **Appendix B**. We will review and adjust the matrix each year as the external and business context changes.

The aspect boundaries 'within' the organisation are limited to our Hospitality and Property segment, whereas the aspect boundaries 'outside' the organisation include builders and suppliers, community, customers and hotel guests, employees, government and regulators, and investors.



3. OUR PERFORMANCE

3.1 HOW WE MEASURE OUR PERFORMANCE

Our sustainability strategy is embedded into the appropriate parts of our business, with dedicated teams for each focus area, and coordination by our relevant departmental managers.

Progress will be tracked in two key ways: measuring performance against metrics, and evaluating how well the programmes have advanced through a series of 'commitments'.

Metrics and targets

We have established key performance indicators for each of the four focus areas outlined in our sustainability strategy. Periodically, we plan to introduce new metrics and update targets to ensure alignment with our strategy.

Commitments

To ensure we have a robust sustainability programme in place, we have included the key commitments for each area of our sustainability strategy. The progress we have made against each key commitment is indicated using the symbols shown in the table below. We track and review our sustainability programme with the Board of Directors at least once a year.

Symbols used to indicate progress against commitments

Symbol	Meaning
N	*New Commitment this year*
	Not Started
	In progress
	Complete
	Ongoing commitment: no end date

3.2 RESPONSIBLE BUSINESS

Overview

Our culture of responsible business extends to everyone we engage with – guests, colleagues, partners and local communities. This can only be delivered through our people and the programmes and policies we have in place.

Governance and leadership

The process to uphold this culture of responsible business involves the following:

- Strong governance and leadership, which promotes responsible business attitudes and behaviours throughout GSH;
- Ensuring our employees understand key legal and reputational issues;
- Ensuring the safety and security of employees, guests and other visitors to our hotels and properties;
- Operating effective risk management and internal controls;
- Engaging in responsible procurement; and
- Protecting the local environment.

We have comprehensive Group-wide policies and approaches to address key issues and risks. For example, our Employee Code of Conduct includes bribery. We regularly review our policies to ensure we comply with best practice.

We take the safety of guests, colleagues and visitors to our two hotels very seriously. We manage safety and security through a centralised management system that includes safety standards, risk guidance, training and toolkits for both hotels.

We are committed to operating with integrity and to complying with all relevant laws. GSH has a zero-tolerance approach to bribery and corruption and this position is clearly set out in our Employee Code of Conduct.

In addition, data privacy and the way we handle the personal data of guests, colleagues and others' data is extremely important to us. See our Privacy Statement at www.gshcorporation.com/privacy_statement.html.

As part of our strategy, GSH has committed to full regulatory compliance.

In FY2020, the Group was not in violation of any of the relevant laws and regulations in our countries of operation that have a significant impact on the Group.

Sustainable Supply Chain

Effective management of environmental, social and economic performance throughout our supply chains can help us conserve resources, optimise processes, increase productivity and promote positive corporate values. We are dedicated to the consistent implementation of our procurement policies and procedures across our entire operation.

Our suppliers must abide by the general Terms and Conditions of our Purchase Orders. It is for us to develop strong relationships with our suppliers to ensure the proper alignment of our policies that will help us maintain a high level of quality and integrity in the procurement of goods and services for the Group.

We also seek to create long-term economic benefits for our communities through the development of local suppliers, supporting a reliable local supply network to drive economic growth.

As part of our strategy, GSH has committed to purchasing at least S$50 million of our goods and services from local suppliers. In FY2020, total procurement spending on local suppliers amounted to S$68 million.

Green procurement

The Group also strives to balance quality, price and environmental impact when procuring materials. We have developed a Sustainable Products List to encourage the use of locally sourced and environmentally responsible materials. The Policy articulates the importance of buying responsibly sourced paper, avoiding non environmentally-friendly packaging materials whenever possible, and recycling metals and plastics.

As part of our strategy, GSH has committed to using environmentally-friendly cleansing products to perform at least 65% of our tasks by FY2025. In FY2020, we used environmentally-friendly cleansing products to perform 71% of our tasks at the Sutera Harbour Resort, representing an increase of 8% from the previous year. Total spending on green items in FY2020 amounted to S$85,000.

Protect local environment

Safeguarding the environment is central to the Company's goal of sharing the original beauty of our locations with our guests. We also support specific initiatives to instill environmental awareness among our associates, our guests, and the local communities supporting our resort.

Since FY2018, the Sutera Harbour Resort (**SHR**) has partnered with the Borneo Marine Research Institute (**BMRI**) and Universiti Malaysia Sabah (**UMS**) on the Sustaining Kota Kinabalu's Marine Heritage Project, to protect and save Sabah's coral reefs.

The reef cover in Malaysia is approximately 3,600km² in which 75% of it is located off the coast of Sabah. Kota Kinabalu lies on the fringes of the Coral Triangle, a region that is home to the highest marine biodiversity in the world with 2,500 species of marine fishes, 600 species of hard corals, 34% of the world's coral reefs and 30% of the world's mangrove forests.

Due to Covid-19, completion of this project is currently on hold. We are hopeful that the project will be resumed in the near future, when the situation improves.

Business continuity

The global outbreak of Covid-19 has a significant toll on the hospitality and tourism industry worldwide. As a result of the Covid-19 outbreak, the travel restrictions as well as suspension of international and domestic flights by various countries heavily impacted the hospitality industry in Sabah, including our two hotels in Sutera Harbour Resort.

There is no certainty as to when international leisure travel will be allowed to resume. Depending on the type of measures taken by the Malaysia government to control the spread of Covid-19, and when such measures are subsequently relaxed to allow F&B dine-in and staycation packages, only then will the hotel industry be partially rejuvenated. We will have to continue monitoring the government advisories in this area.

We have continued to take all necessary measures to ensure the safety and well-being of our personnel and to mitigate the economic fallout of this existential health treat, travel curbs, quarantines, lockdowns and compulsory business shutdowns. This includes the implementation of business continuity plans, enhancement of online activities and austerity measures.

In demonstrating our solidarity to join the authorities' efforts to control the pace of the spread of Covid-19, we vigilantly complied with the standard operating procedures implemented by the Malaysia government.

Covid-19 response

We are closely monitoring developments of the Covid-19 situation around the world and are in contact with relevant government authorities for local requirements, to ensure that our hotels adhere to comprehensive health and safety procedures and laws.

In addition, we provide our hotels with best practices and guidelines and have supplemented these resources with additional Covid-19 cleanliness specific guidance, training and information, consistent with our own high standards.

- Activation of response teams to provide around-the-clock assistance to our hotels.
- Hotels have increased the frequency of cleaning public areas (including lobbies, elevators, door handles, public bathrooms) and high-touch points in guest rooms.
- All hotels have been advised on cleaning products and protocols which are effective against viruses.
- We continuously review food and beverage (**F&B**) service in accordance with official recommendations. New standards and service approaches to buffets, banquets, room service and catering have been implemented. While F&B options may vary at this time, we are committed to protecting the well-being of our guests.

Safe reopening

Sabah's government is working on an exclusive travel bubble plan to allow Singapore tourists into the state after Hari Raya Aidilfitri 2021. The travel bubble approach would be the way forward for tourism as the hospitality sector recovers from the Covid-19 pandemic. The State Tourism, Culture and Environment Ministry is currently in talks with the Malaysia Airports Holdings to tighten the standard operating procedures for a safe reopening. As part of the proposed travel bubble between Singapore and Sabah, Sutera Harbour Resort (**SHR**) and the newly expanded Sutera @ Mantanani is in talks to provide a separate, safe travel route from Singapore directly to Kota Kinabalu and Mantanani island (Kota Belud). It is uncertain when this travel bubble will be approved.

Awards and accolades

As a testament to our responsible way of doing business and commitment to excellence, we have won a string of awards and accolades as shown in **Appendix A**.

Commitments: Responsible business

Achieve full regulatory compliance

Achievements

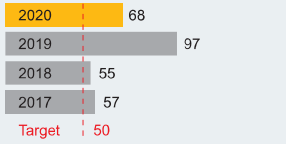
- Achieved full regulatory compliance in respect of corporate governance, health and safety, bribery and corruption, and data privacy protection

FY2020 progress

- The Group was not in violation of any of the relevant laws and regulations in our countries of operation that have a significant impact on the Group.

Purchasing at least S$50 million of our goods and services from local suppliers

Purchases from local suppliers (S$'m)

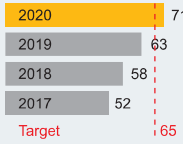


FY2020 progress

- We purchased S$68 million of our goods and services from local suppliers.
- We seek to create long-term economic benefits for our communities through the development of local suppliers, supporting a reliable local supply network to drive economic growth.

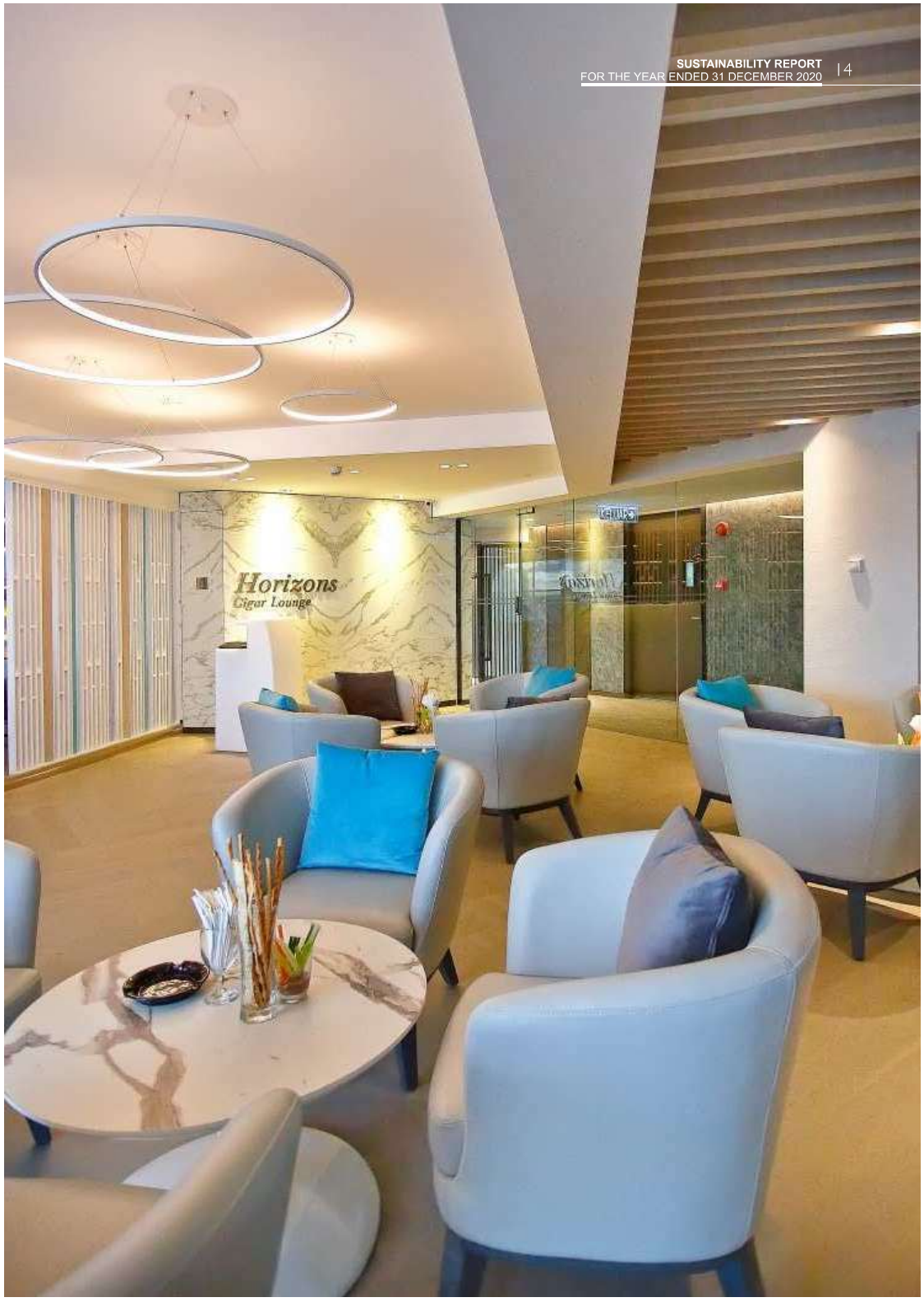
Using environmentally-friendly cleansing products to perform at least 65% of our tasks by FY2025

% Tasks performed using environmentally-friendly cleansing products



FY2020 progress

- 71% of our tasks at SHR were performed using environmentally-friendly cleansing products, representing an increase of 8% from the previous year.
- Total spending on green items in FY2020 amounted to S$85,000.



3.3 ENVIRONMENTAL SUSTAINABILITY

Overview

We are committed to constructing and managing world-class sustainable buildings that add tangible value to the communities we serve and to operate and maintain those buildings with a strong emphasis on the triple bottom line of economy, environment and society.

Our Environmental Policy provides guidance on undertaking activities in an environmentally responsible manner, with consideration of general environmental management, sustainable use of resources, climate change and the conservation of biodiversity and natural habitats.

Managing greenhouse gas emissions

Climate change is a global challenge that affects us all. We support the Paris Agreement as adopted at the 21st Conference of Parties to the United Nations Framework Convention on Climate Change (**COP21**). To help manage our impact on climate change, we monitor and review our carbon footprint on a regular basis.

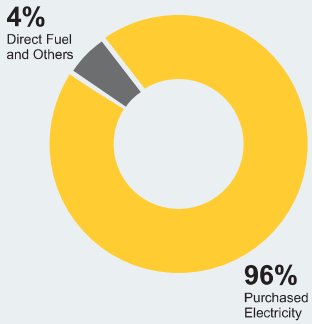
We are committed to positive action on climate change and dedicated to reducing the risk in the most efficient way for society by reducing GHG emissions in our operations.

To determine the carbon footprint, we collect energy usage data from our Hospitality and Property Segment and then calculate our total annual GHG emissions.

In FY2020, we recorded a carbon footprint intensity of 6.5 tonnes carbon dioxide emission (**tCO_2e**) per thousand square feet. The emission mainly arises from electricity consumption which accounted for close to 96% of the total carbon emission of GSH.

We follow the Greenhouse Gas Protocol established by the World Resources Institute and the World Business Council for Sustainable Development, the standard manual for measuring corporate greenhouse gas emissions
.
Using the "control method", we include 100% of the emissions associated with businesses which we directly control. Our carbon footprint includes:

- All fuels used directly by our companies (Scope 1 emissions)
- All purchased electricity used in our facilities (Scope 2 emissions)
- Impact of business air travel (optional Scope 3 emissions)



Our carbon footprint intensity decreased from the previous year as our business was negatively impacted by Covid-19 and its associated travel restrictions. As such, electricity usage decreased by close to 40% compared to the previous year.

As per previous years, we commit to ensure that our carbon footprint intensity does not exceed 16.0 tCO_2e/ 1,000 sq ft. We will continue in our efforts to optimise eco-efficiency in our building operations without compromising our level of service to our guests.

Energy efficiency

Buildings are energy-intensive structures and electricity often constitutes a significant proportion of operating expenses. By investing in energy efficiency, we not only help protect the environment but can also lower our financial costs.

To enhance our existing assets, we have allocated considerable resources to the refurbishment of the SHR since 2014. We have optimised eco-efficiency in our building operations to cut our energy consumption with the primary goal of reducing our carbon footprint.

Water conservation

Water scarcity is a growing concern around the world and a serious global challenge that we must work together to address.

We have adopted a wide range of measures to reduce water consumption at our properties, including installing water-efficient fittings and raising awareness of water scarcity issues among our employees, tenants, customers, and communities.

In FY2020, we recorded water consumption intensity of 193 m^3/ 1,000 sq ft, representing a large decrease from the previous year. The decrease is in line with decreased business activity due to Covid-19 and its associated travel restrictions. We will continue to monitor water usage at our properties and continue to promote awareness on water issues amongst our stakeholders.

Water recycling at Sutera Harbour Resort

SHR has long taken an active role in supporting projects that protect the environment and the eco-system. Various efforts related to these concerns have been put in place and practiced over the years, some of which are either continuously improved or new ones introduced.

Waste water from both hotels and the Marina & Golf Club are collected into the sewerage treatment plant for treatment using the Actybio system. The water is then pumped into the 13 ponds in our grounds and used to irrigate the 27-holes golf course.

As part of our strategy, GSH has committed to recycling at least 1,400 m^3 of water per day to irrigate our golf courses on an ongoing basis.

Waste management

Disposing of waste is a significant environmental challenge, particularly for resorts located close to environmentally-protected areas. Besides regularly maintaining the cleanliness of our properties, we are also taking steps to manage our waste production and encourage our guests, customers and suppliers to do the same. This includes reducing waste production at source and disposing of waste in a responsible way.

In FY2020, we recorded recycled waste intensity of 52 kg/ 1,000 sq ft, representing a large decrease from the previous year. The decrease is in line with decreased business activity due to Covid-19 and its associated travel restrictions. The recycled waste mainly relates to used oil and scrap metals sold to waste recyclers. We will continue to monitor waste management at our properties and continue to promote awareness on waste management and recycling issues amongst our stakeholders.

Commitments: Environmental sustainability

Ensure carbon footprint intensity does not exceed 16.0 tCO_2e/ / 1,000 sq ft

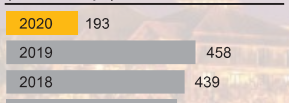
Carbon footprint intensity (tCO_2e/ 1,000 sq ft)

FY2020 progress

- We recorded a carbon footprint intensity of 6.5 tCO_2e/ 1,000 sq ft. The emission mainly arises from electricity consumption which accounted for close to 96% of the total carbon emission of GSH.
- Our carbon emission intensity decreased from the previous year as our business was negatively impacted by Covid-19 and its associated travel restrictions.
- As per previous years, we commit to ensure that our carbon footprint intensity does not exceed 16.0 tCO_2e/ 1,000 sq ft.

Monitor water consumption intensity

Water consumption intensity (m^3/ 1,000 sq ft)



FY2020 progress

- We recorded water consumption intensity of 193 m^3/ 1,000 sq ft, representing a large decrease from the previous year.
- The decrease is in line with decreased business activity due to Covid-19 and its associated travel restrictions.
- We will continue to monitor water usage at our properties and continue to promote awareness on water issues amongst our stakeholders.

Recycle at least 1,400 m^3 of water daily to irrigate our golf courses.

Achievements

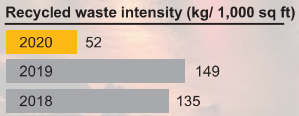
Recycle at least 1,400 m^3 of water daily to irrigate our golf courses.

FY2020 progress

- We have recycled at least 1,400m^3 of water daily, which is pumped into the 13 ponds in our grounds and used to irrigate the 27-hole golf course.

Monitor recycled waste intensity

Recycled waste intensity (kg/ 1,000 sq ft)



FY2020 progress

- We recorded recycled waste intensity of 52 kg/ 1,000 sq ft, representing a large decrease from the previous year.
- The decrease is in line with decreased business activity due to Covid-19 and its associated travel restrictions.
- We will continue to monitor recycled waste management at our properties and continue to promote awareness on waste management and recycling issues amongst our stakeholders.

3.4 EMPOWERING LIVES

Overview

At our properties, we work to have a positive impact by creating jobs and learning opportunities, and contributing our efforts towards issues facing the community. We are creating more sustainable communities through skills-building opportunities.

Supporting our staff

The Covid-19 pandemic has created unimaginable circumstances for the hospitality industry globally. Travel around the world has been paused for most people. This means that unfortunately our hotels are temporarily suspending operations and some of our staff are placed on unpaid leave, while others are retrenched.

While this is the biggest test our industry has ever faced, we are hopeful to welcome back these employees in the future when it is safe for borders to reopen.

Training and education

Personal and professional development is an ongoing journey. The Group considers an effective learning and development program to critical for keeping our employees motivated and building a strong sense of loyalty and pride towards our business.

Through our training and education programme, we are developing people, improving their employability and growing their careers in the hospitality industry. Our hotels and corporate offices partner with local community organisations and education providers, to offer them on the job work experience. We're creating a pool of skilled, motivated and engaged people who are committed to providing a consistently great experience for our guests.

We are working to expand the number and range of our internal and external training programs. Our programs fall into one or more of the following broad categories:

- Staff orientation
- Customer service
- Professional development
- Leadership and team building
- Health and safety
- Security

In FY2020, despite reduced business activities due to Covid-19, we continued to organise training courses, tutorials and workshops to equip our people with the necessary skills and knowledge to help them excel as employees and individuals. Our operations staff received an average of 17.8 hours of training each in FY2020, compared to 59.6 hours in FY2019.

In line with enhanced precautionary measures due to Covid-19, we have stepped up on the following training programs for relevant housekeeping and F&B staff:

- Enhanced cleaning protocols, with extra attention being paid to all high-touch areas.
- Enhanced sanitation, safe food preparation techniques, and physical distancing.

As part of our strategy, we will continue to focus on training and has committed to achieve a minimum of 40 hours of training per employee per year on an ongoing basis for operations staff.

Rural Youth Hospitality Program

In FY2018, we embarked on a Rural Youth Hospitality Program targeting the rural youths. Under this program, the youths will undergo a 6-months skills, knowledge and hospitality culture course. Our external training providers also joint-ventured into this program and provides cost-free training in the various sections of Hotel Skills Training to the youths. The objective was to provide hospitality training and eventually hire these youths as skilled hospitality professionals.

Since 2018, a cumulative total of 72 youths have benefitted from the program. However, due to Covid-19, the Rural Youth Hospitality Program is currently on hold. We are hopeful that the program will be revived in the near future when the situation improves.

Please scan the QR code for more information on our Rural Youth Hospitality Program.

Community impact

To enable long term prosperity for the communities in which we operate, we do our part to through our business conduct and operations as well as by harnessing our competencies to address issues facing the community.

Our giving and community engagement is guided by our main areas of focus, which include:

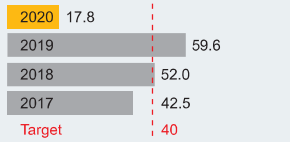
- Education and sports;
- Healthcare;
- Basic infrastructure building and maintenance; and
- Indigenous capacity and community building.

Due to Covid-19, the annual Sutera Harbour 7k Sunset Charity Run (**7k Run**), which has become an iconic annual event in Kota Kinabalu, had been cancelled. We are hopeful that this event will be revived in the near future when the situation improves.

Commitments: Empowering lives

Achieve minimum of 40 hours of training per employee

Training hours per employee (Hours)



FY2020 progress

- Despite reduced business activities due to Covid-19, we organised numerous training courses, tutorials and workshops to equip our people with the necessary skills and knowledge to help them excel as employees and individuals.
- Our operations staff received an average of 17.8 hours of training each in FY2020.

Providing career opportunities through our Rural Youth Hospitality Program

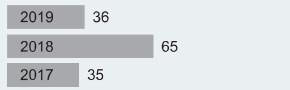
No. of rural youths benefited through our Rural Youth Hospitality Program

FY2020 progress

- Since FY2018, we embarked on a Rural Youth Hospitality Program targeting rural youths to provide hospitality training and eventually
- hire them as skilled hospitality professionals.
- To date, a cumulative total of 72 youths have benefitted from the program.
- However, due to Covid-19, the Rural Youth Hospitality Program is currently on hold. We are hopeful that the program will be revived in the near future when the situation improves.

Raising money for our beneficiaries through our annual Sutera Harbour 7K Sunset Charity Run

Proceeds raised (S$'000)



FY2020 progress

- Proceeds of close to S$150,000 has been raised from the Sutera Harbour 7K Sunset Charity Run since FY2017, providing much needed funds to our beneficiaries, the Sabah Thalassemia Society and Special Olympics Sabah.
- However, due to Covid-19, the annual Sutera Harbour 7k Sunset Charity Run had been cancelled. We are hopeful that this event will be revived in the near future when the situation improves.

3.5 GREEN BUILDING

Overview

On the property development front, we have adopted energy saving designs in our new builds from the onset and continue to emphasise on construction safety.

Energy saving design

Project conceptualisation is carried out in the initial phase for property development. This may be carried out in-house by the Group, or outsourced to professional consultants, such as architects, interior designers, surveyors or engineers (mechanical, electrical, civil and structure). In our recent projects, we have incorporated energy saving designs into our building plans.

To improve electricity efficiency, various energy saving practices have been implemented in the Group's offices, hotels and residential, industrial and commercial properties managed by the Group. For example, all air-conditioning units in Eaton Residences comply to the energy efficiency equivalent to 3 ticks of the BCA Greenmark. Hence, these units consume less energy and are more environmental-friendly.

Managing building contractors

Construction site safety is a top priority for the Group. Currently, our major construction projects are located in Malaysia. We have institutionalised our Construction Safety Management with the following objectives and commitments:

Objectives of Construction Safety Management	Commitments
• Minimise site injuries and to achieve zero fatalities	• Achieve zero site injuries and zero fatalities
• Ensure contractor compliance with the relevant safety regulations	• Ensure appointed main contractors to be ISO9001:2015, ISO14001 or OHSAS18001 certified
• Enhance the overall awareness of our staff and contractors of how to deal with safety concerns	
• Build up the knowledge and capacity of site workers on how to carry out their work safely	

The Group has also developed a comprehensive set of guidelines and operating procedures to enhance overall safety performance at our project sites.

While the Real Estate Division acts as a coordinator for all matters related to construction safety, the Group has delegated specific responsibilities to different parties, to facilitate the incorporation of safety considerations and manage the potential safety hazards from multiple perspectives at different stages of a construction project.

Commitments: Green building

	Achievements	FY2020 progress
Achieve zero site injuries and zero fatalities	• Achieve zero site injuries and zero fatalities.	• We commit to ensure the safety of our employees, those who work with us and anyone affected by our works as our number one priority.
Ensure appointed main contractors to be ISO14001 and OHSAS18001 certified	• All appointed main contractors are ISO14001 and OHSAS18001 certified.	• All our appointed main contractors are ISO14001 and OHSAS18001 certified.

APPENDIX A: Awards and accolades

Date	Description of award	Recipient(s)
March 2021	• Innovative Developer Award 2019/2020 (Skypool for Eaton Residences)	• GSH Corporation Limited
January 2020	• Asean Mice Venue Standard (Category: Meeting Room) 2020/2021	• Sutera Harbour Resort
December 2019	• Most Recommended Award (2019 C-Trip Hotel Guide/Trip.Com)	• The Magellan Sutera Resort • The Pacific Sutera Hotel
November 2019	• Excellence in Hotel Service 5-Star (Sabah Tourism Awards 2019)	• The Magellan Sutera Resort
November 2019	• Best Dining Experience (Hotel/Resort) Sabah Tourism Awards 2019	Ferdinand's Restaurant • The Magellan Sutera Resort
October 2019	• Top Service Quality Award (Trip.com Awards Night)	• The Magellan Sutera Resort
August 2019	• Asia Pacific Tourism & Travel Federation Annual Awards 2019 • The Best Luxury Family Retreat Resort Award • The Best Family Retreat Destination Award • The Best Golf Resort in Malaysia	• The Magellan Sutera Resort • The Pacific Sutera Hotel • Sutera Harbour Marina, Golf & Country Club
November 2017	• CTRIP Best Supporting Hotel Award 2017	• The Pacific Sutera Hotel • The Magellan Sutera Resort
September 2019	• Outstanding Contributor in Sabah for Sabah Best Residential Property 2019: Coral Bay	• GSH Corporation Limited
April 2019	• Malaysia Best Employer Brand Award 2018	• Sutera Harbour Resort
March 2019	• Industry Excellence in Hospitality (Sabah Top Achievers Award 2019)	• Sutera Harbour Resort

Appendix B: Sustainability scorecard

Financial results (Group)

Performance indicators	Units	FY2017	FY2018	FY2019	FY2020
Revenue	S$'m	110	100	154	120

Responsible business

Performance indicators	Units	FY2017	FY2018	FY2019	FY2020
Regulatory and compliance incidents	Number	-	-	-	-
Purchases from local suppliers	S$'000	57,059	54,804	97,073	68,398
Purchases from green suppliers	S$'000	156	142	184	85

Environmental sustainability

Performance indicators	Units	FY2017	FY2018	FY2019	FY2020
Carbon emission intensity	tCO_2e/ 1,000 sq ft	10.5	10.0	10.5	6.5
Water consumption intensity	m^3/ 1,000 sq ft	424	439	458	193
Recycled waste intensity	kg/ 1,000 sq ft	n.a.	135	149	52

Empowering lives

Performance indicators	Units	FY2017	FY2018	FY2019	FY2020
Training hours per employee	Hours	42.5	52.0	59.6	17.8
Rural youths benefited through the Rural Youth Hospitality Program	Number	n.a.	21	51	-[1]
Amount raised for charities	$'000	35	65	36	-[2]

Green building

Performance indicators	Units	FY2017	FY2018	FY2019	FY2020
Number of accidents per 100,000 man-hours	Number	-	0.2	-	-
% of appointed main contractors who are ISO14001 and OHSAS18001 certified	%	100	100	100	100

[1] Rural Youth Hospitality Program is temporarily suspended due to Covid-19.
[2] The annual Sutera Harbour 7k Sunset Charity Run has been cancelled due to Covid-19.

Appendix C: GRI content index

GRI Standards Content Index

The GRI Content Index references the GSH Corporation Limited Sustainability Report 2020 (SR), the Annual Report 2020 (AR) and the GSH Corporate Website (Web).

Disclosure number		Disclosure title	Page reference and remarks
GRI 102: General disclosures			
Organisational profile	102-1	Name of organisation	• AR: Corporate Profile (Page 1)
	102-2	Activities, brands, products, and services	• AR: Corporate Profile (Page 1)
	102-3	Location of headquarters	• AR: Domicile and Activities – Note 1 to the Financial Statements (Page 80)
	102-4	Location of operations	• AR: Our Footprint (Page 26) • AR: Our Property Portfolio (Pages 6-14) • AR: Subsidiaries – Note 6 to the Financial Statements (Pages 118-120) • Web: Our Business – Property Development • Web: Our Business – Hospitality
	102-5	Ownership and legal form	• AR: Domicile and Activities – Note 1 to the Financial Statements (Page 80)
	102-6	Markets served	• AR: Operating Segments – Note 29 to the Financial Statements (Pages 144-147)
	102-7	Scale of organisation	• AR: Corporate Profile (Page 1) • AR: Operating Segments – Note 29 to the Financial Statements (Pages 144-147)
	102-8	Information on employees and other workers	• SR: Empowering Lives (Page 19-20)
	102-9	Supply chain	• SR: Responsible Business (Pages 9-14)
	102-10	Significant changes to the organisation and its supply chain	• Web: Our Company
	102-11	Precautionary Principle or approach	• AR: Corporate Governance Report (Pages 27-61)
	102-12	External initiatives	• Not applicable
	102-13	Membership of associations	• Not applicable
Strategy	102-14	Statement from senior decision-maker	• AR: Message to Shareholders (Pages 4-5) • SR: Message to Stakeholders (Page 4) • Web: Message to Shareholders
	102-15	Key impacts, risks, and opportunities	• AR: At A Glance (Pages 2-3) • AR: Independent Auditors Report (Pages 66-72)
Ethics and integrity	102-16	Values, principles, standards, and norms of behavior	• SR: Sustainability Strategy (Page 5) • Web: Our Company Mission & Vision
	102-17	Mechanisms for advice and concerns about ethics	• AR: Corporate Governance Report (Pages 27-61)
Governance	102-18	Governance structure	• AR: Corporate Governance Report (Pages 27-61)
	102-19	Delegating authority	• AR: Corporate Governance Report (Pages 27-61)
	102-20	Executive-level responsibility for economic, environmental, and social topics	• SR: Sustainability Organisational Structure (Page 5)
	102-21	Consulting stakeholders on economic, environmental, and social topics	• SR: Consulting Our Stakeholders (Page 5-6)
	102-22	Composition of the highest governance body and its committees	• AR: Corporate Governance Report (Pages 27-61)

Disclosure number		Disclosure title	Page reference and remarks
GRI 102: General disclosures			
	102-23	Chair of the highest governance body	• AR: Corporate Governance Report (Pages 27-61)
	102-24	Nominating and selecting the highest governance body	• AR: Corporate Governance Report (Pages 27-61)
	102-25	Conflicts of interest	• AR: Corporate Governance Report (Pages 27-61) • AR: Statistics of Shareholdings (Pages 171-172) • AR: Directors' Statement (Pages 62-65) • SR: Sustainability Strategy (Page 5)
	102-26	Role of highest governance body in setting purpose, values, and strategy	• AR: Corporate Governance Report (Pages 27-61)
	102-27	Collective knowledge of highest governance body	• AR: Corporate Governance Report (Pages 27-61)
	102-28	Evaluating the highest governance body's performance	• AR: Corporate Governance Report (Pages 27-61)
	102-29	Identifying and managing economic, environmental, and social impacts	• SR: Sustainability Materiality (Page 8)
	102-30	Effectiveness of risk management processes	• AR: Corporate Governance Report (Pages 27-61)
	102-31	Review of economic, environmental, and social topics	• SR: Sustainability Report (Pages 1-28)
	102-32	Highest governance body's role in sustainability reporting	• SR: Sustainability Organisational Structure (Page 5)
	102-33	Communicating critical concerns	• SR: Sustainability Materiality (Page 8)
	102-34	Nature and total number of critical concerns	• SR: Sustainability Materiality (Page 8)
	102-35	Remuneration policies	• AR: Corporate Governance Report (Pages 27-61)
	102-36	Process for determining remuneration	• AR: Corporate Governance Report (Pages 27-61)
	102-37	Stakeholders' involvement in remuneration	• AR: Corporate Governance Report (Pages 27-61)
	102-38	Annual total compensation ratio	• AR: Corporate Governance Report (Pages 27-61)
	102-39	Percentage increase in annual total compensation ratio	• AR: Corporate Governance Report (Pages 27-61)
Stakeholder engagement	102-40	List of stakeholder groups	• SR: Consulting Our Stakeholders (Pages 5-6)
	102-41	Collective bargaining agreements	• Not applicable
	102-42	Identifying and selecting stakeholders	• SR: Consulting Our Stakeholders (Pages 5-6)
	102-43	Approach to stakeholder engagement	• SR: Sustainability Strategy (Page 5)
	102-44	Key topics and concerns raised	• SR: Consulting Our Stakeholders (Pages 5-6)
Reporting practice	102-45	Entities included in the consolidated financial statements	• AR: Subsidiaries – Note 6 to the Financial Statements (Pages 118-120) • AR: Associate – Note 7 to the Financial Statements (Pages 120-121)
	102-46	Defining report content and topic Boundaries	• SR: Sustainability Materiality (Page 8)

Disclosure number		Disclosure title	Page reference and remarks
GRI 102: General disclosures			
	102-47	List of material topics	• SR: Sustainability Materiality (Page 8)
	102-48	Restatements of information	• SR: Restatements (Page 1)
	102-49	Changes in reporting	• Not applicable
	102-50	Reporting period	• SR: Scope of Sustainability Report (Page 1)
	102-51	Date of most recent report	• 31 December 2019
	102-52	Reporting cycle	• Annual
	102 53	Contact point for questions regarding the report	• SR: Sustainability Contact (Page 1)
	102-54	Claims of reporting in accordance with the GRI Standards	• SR: Scope of Sustainability Report (Page 1)
	102-55	GRI content index	• SR: GRI Content Index (Pages 25-28)
	102-56	External assurance	• No external assurance
GRI 200: Economic disclosures (applicable sections only)			
Economic performance	201-1	Direct economic value generated and distributed	• SR: Sustainability Scorecard (Page 24)
Procurement practices	204-1	Proportion of spending on local suppliers	• SR: Responsible Business (Pages 9-14)
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	• There is no incidences of corruption.
Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	• There is no legal actions for anti-competition.
GRI 300: Environment disclosures		(applicable sections only)	
Energy	302-1	Energy consumption within the organisation	• SR: Environmental Sustainability (Pages 15-18)
	302-4	Reduction of energy consumption	• SR: Environmental Sustainability (Pages 15-18)
Water	303-3	Water recycled and reused	• SR: Environmental Sustainability (Pages 15-18)
Emissions	305-1	Direct (Scope 1) GHG emissions	• SR: Environmental Sustainability (Pages 15-18)
	305-2	Energy indirect (Scope 2) GHG emissions	• SR: Environmental Sustainability (Pages 15-18)
	305-3	Other indirect (Scope 3) GHG emissions	• SR: Environmental Sustainability (Pages 15-18)
	305-4	GHG emissions intensity	• SR: Environmental Sustainability (Pages 15-18) • SR: Sustainability Scorecard (Page 24)
	305-5	Reduction of GHG emissions	• SR: Environmental Sustainability (Pages 15-18)
Effluents and waste	306-1	Water discharge by quality and destination	• SR: Environmental Sustainability (Pages 15-18)
	306-2	Waste by type and disposal method	• SR: Environmental Sustainability (Pages 15-18) • SR: Sustainability Scorecard (Page 24)
Laws and regulations	307-1	Non-compliance with environmental laws and regulations	• There is no non-compliance with environmental laws and regulations.

Disclosure number		Disclosure title	Page reference and remarks
GRI 400: Social disclosures (applicable sections only)			
Occupational health and safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	• SR: Green Building (Pages 21-22)
Training and education	404-1	Average hours of training per year per employee	• SR: Empowering Lives (Pages 19-20) • SR: Sustainability Scorecard (Page 24)
	404-2	Programs for upgrading employee skills and transition assistance programs	• SR: Empowering Lives (Pages 19-20)
Child labor	408-1	Operations and suppliers at significant risk for incidents of child labor	• Child labour is strictly prohibited.
Forced or compulsory labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Forced and compulsory labour is strictly prohibited.
Local communities	413-1	Operations with local community engagement, impact assessments, and development programs	• SR: Empowering Lives (Pages 19-20)
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	• SR: Responsible Business (Pages 9-14) • SR: Sustainability Scorecard (Page 24)
Socioeconomic compliance	419-1	Non-compliance with laws and regulations in the social and economic area	• SR: Responsible Business (Pages 9-14) • SR: Sustainability Scorecard (Page 24)