KORI HOLDINGS LIMITED

Sustainability Report 2021

Contents

Executive Chairman and CEO's Message

Dear Stakeholders,

I am pleased to present the Sustainability Report (the "**Report**") of Kori Holdings Limited (hereafter referred to as "**Kori**" or the "**Company**", and collectively with its subsidiaries, the "**Group**") for the period of 1 January 2021 to 31 December 2021 ("**FY2021**").

The Group is conscious of the pivotal role we play in sustainable urban planning and development. This awareness is critical in today's environmentally-conscious society where there are increasing expectations for corporations to embrace sustainability practices. To address these needs, we have taken measurable efforts to implement sustainability initiatives such as designing our steel components that allows for reuse, and recycling steel pre-casts for all our projects. We are also aligned with the greater initiative to transform the construction industry by incorporating digital innovation into our processes which will improve productivity.

With the ongoing COVID-19 pandemic, the Group prioritises the health and safety of our workforce and customers. We have implemented strict safety protocols in compliance with local COVID-19 regulations and educate all workers on the necessary safety measures to minimise risks of health and safety incidents. We provide our workers learning opportunities to develop their skills and allow them to enhance their productivity.

I would like to take this opportunity to thank our shareholders, business partners and all other stakeholders for their continuing support, expertise and engagement in helping Kori establish its role as a trusted partner in building a more sustainable economy.

Sincerely,

Mr. Hooi Yu Koh
Executive Chairman and CEO

Reporting Practice

The Report provides information about Kori's key sustainability topics, management policies and sustainability performance across all operations.

Reporting Principles & Statement of Use

This Report is produced in accordance with the Global Reporting Initiative ("**GRI**") Standards "Core" option, covering our Group's performance during the reporting period. The GRI standards were selected as it is a globally recognized sustainability reporting standard that is recommended by the SGX-ST and represents the global best practices for reporting on economic, environmental and social topics. The following principles were applied to determine relevant topics that define the report content and ensure quality of information: a) GRI principles for defining report content: Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness; b) GRI principles for defining report quality: Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness.

The Report also incorporates the primary components as set out by the SGX-ST's "Comply or Explain" requirements on sustainability reporting under Listing Rule 711B.

The United Nations Sustainable Development Goals ("**UN SDGs**") have also been incorporated into the Report, which highlights the Group's contributions to sustainable development.

The Board of Directors has reviewed and approved the reported information, including the material topics.

Reporting Scope

This Report covers the entirety of the Group's operations.

Restatements

There are no restatements of information made from previous reporting periods.

Assurance

Internal controls and verification mechanisms have been established by management to ensure the accuracy and reliability of narratives and data. We have also considered the recommendations of an external Environmental, Social and Governance ("**ESG**") consultant for the selection of material topics as well as compliance with GRI Standards and SGX-ST Listing Rules. The Board of Directors has therefore assessed that external assurance is not required for the Report. The Group will continue to assess the need to further enhance the credibility of our sustainability report through internal review or external assurance.

Availability & Feedback

This Report supplements the Group's Annual Report 2021 and is available online at SGXNet and https://kori.com.sg. A detailed section reference with GRI Standards is documented in the GRI Standards Content Index section of this report.

We welcome feedback from our stakeholders to assist us in improving our sustainability practices. Questions or feedback on this Report can be sent to: admin@kori.com.sg.

Sustainability Strategy Overview

At Kori, we recognise that implementing sustainable policies and measures is a priority in our business that is important for the long-term development and success of our business. The Group strongly advocates sustainable practices that create positive impacts to the environment and society.

Strong corporate governance practices and oversight enable us to address concerns of stakeholders and incorporate ESG considerations during decision making and transactions. The Group strives for strong economic performance to generate wealth for our employees and shareholders as well as support sustainability initiatives.

We have obtained our license in structural steel for specialising in the design, supply and erection of Earth Retaining or Stabilising Structures ("**ERSS**"), such as steel struts and steel retaining walls, as well as steel decking systems. To maintain the license, we are rigorously assessed by the Building and Construction Authority ("**BCA**") for renewal of the license every three years. This ensures that our operations are in strict compliance with environmental laws and regulations.

Our environmental impact is a key focus area for our Group considering the energy intensive nature of our operations. Materials are reused and recycled and we incorporate digital technologies to reengineer our process and increase productivity.

The safety of our employees and workers is a main priority. We have strict health and safety policies, and robust monitoring procedures to ensure such compliance. Regular risk assessments are conducted and control measures are in place to mitigate risks identified. We further support the wellbeing of our employees by providing them opportunities to develop and grow in their careers. Diversity is valued among our employees and we ensure that adequate remuneration, training and competitive employment benefits are provided.

The Group also strives to make a positive impact on local communities. We collaborate with the community to drive positive impacts to the economy, environment and society.

Contribution to the Sustainable Development Goals

The Group's business focus is aligned with the UN SDGs. The attainment of the UN SDGs is a continuing global effort and forms part of the Group's long-term focus on sustainability. The Group's contributions to the attainment of the relevant UN SDGs are highlighted below.

UN SDG	The Group's contribution	Read more in the following sections
4 QUALITY EDUCATION	**Promote full and productive employment and decent work for all** The Group is committed to enhancing our employees' skills and knowledge by providing appropriate trainings and promoting certification courses. This has ensured the retention of talent and the building of a safe and productive work environment.	**Focus 5: Our People, Our Assets**
5 GENDER EQUALITY	**Ensure equal opportunities for all** The Group provides equal opportunities in employment, remuneration and career development irrespective of gender. We recognise the importance of our diverse workforce in driving change and innovation in the Group.	**Focus 5: Our People, Our Assets**
7 AFFORDABLE AND CLEAN ENERGY	**Ensure access to affordable, reliable, sustainable and modern energy for all** The Group is committed to minimising energy consumption by utilising responsible energy saving best practices.	**Focus 4: Environment**
8 DECENT WORK AND ECONOMIC GROWTH	**Provide work opportunities and a conducive working environment to the community** The Group is committed to creating an inclusive and safe and work environment for all our staff and workers.	**Focus 5: Our People, Our Assets** **Focus 6: Corporate Social Responsibility**
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation** The Group believes innovation is the path to sustainable industrialization. We are constantly seeking ways to make our operations more sustainable by investing in new design concepts for our steel components and embarking on digital innovation efforts to improve productivity.	**Focus 3: Innovation and Product Quality**

UN SDG	The Group's contribution	Read more in the following sections
10 REDUCED INEQUALITIES	**Reduce region-wide inequalities** The Group aims to reduce inequalities within and among the countries it operates in. This encapsulates inequalities in income, age, gender, race, religion and origin among many others. By ensuring sustainable growth, the Group is able to continuously provide employment opportunities to the local populace and reduce these disparities.	**Focus 5:** **Our People, Our Assets**
11 SUSTAINABLE CITIES AND COMMUNITIES	**Ensure sustainable building for the community** The Group recognises the importance of sustainable urban planning. We work closely with our suppliers to ensure sustainability is incorporated into the fundamental designs of our projects.	**Focus 3:** **Innovation and Product Quality**
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Ensure sustainable consumption and production patterns** The Group encourages sustainable use of our materials. Steel components are designed for re-cycling and reuse which has helped minimise steel wastage and reduced our carbon footprint.	**Focus 4:** **Environment**
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels** The Group strictly adheres to the rules and regulations in all operating locations. We are committed to building strong working relationships with financial institutions and government bodies.	**Focus 1:** **Governance and Ethics**

ESG Performance Highlights

The Group has made significant strides forward in our sustainability journey in FY2021. Our notable achievements are highlighted below:

- Innovating the Design and Build concept for our Steelworks Segment by fine tuning the design to allow for reuse of steel
- Early adoption of Integrated Digital Delivery ("**IDD**") in our projects which will strengthen coordination and collaboration

Noteworthy Awards

The Group's notable awards and achievements include:

- GOLD^{PLUS} BCA Awards 2021 for Integrated Digital Delivery (IDD) Project Category for the project LTA Contract N110 – Design and Construction of North-South Corridor

(Tunnel) between Ang Mo Kio Avenue 3 and Ang Mo Kio – awarded by BCA for Recognising Excellence in the Built Environment.
- Best Contractor Award in relation of Good Performance in Occupational Safety, Health and Environment.
- BCA OHSAS Certification for Occupational Health & Safety Management System (2011)
- Workplace Safety & Health Council BizSAFE Level Star Certification (2011)
- BCA BC1 Compliance Certification for Re-usable Steel Strutting System in Earth Retaining or Stabilizing Structures (2012)
- Innovative Noise Management Award for Contract T216 (2017)
- ISO 45001:2018 Occupational Health and Safety Management Systems

Stakeholder Engagement and Materiality Assessment

The Group believes that sustainable growth is dependent upon meeting and exceeding the reasonable expectations of its key stakeholders. We actively engage in meaningful and productive dialogue with our stakeholders and participate in various industry and government forums to keep abreast of any material stakeholder issues. Stakeholders are identified as groups that have an impact, or have the potential to be impacted by the Group's business. The following table summarises our key stakeholders, engagement platforms and their key concerns.

Stakeholders	Key concerns	Engagement platforms	Our responses	Section reference
Employees	• Employee health and safety • Safety against COVID-19 • Remuneration • Staff benefits • Ethics and conduct • Compliance with local labour laws	• Performance evaluation system • Training courses, workshops and conferences	• Provide fair remuneration and benefits • Provide constructive feedback through performance evaluations • Ensure employees are educated on health and safety practices through regular meetings • Encourage open and ongoing communication with all employees	Focus 1: Governance and Ethics Focus 5: Our People, Our Assets
Suppliers and subcontractors	• Site inspections and site meetings • Supplier and subcontractor evaluation	• Health and Safety • Environmental compliance • Social compliance	• Provide fair remuneration and benefits • Provide constructive feedback through performance appraisals • Ensure employees are briefed on health and safety measures through regular meetings • Encourage open and ongoing communication with all employees	Focus 4: Environment Focus 5: Our People, Our Assets
Customers	• Product and service quality • Customer health and safety	• Project management meetings • Customer feedback	• Conduct regular inspections and enforce strict quality control standards	Focus 3: Innovation and Product Quality

Stakeholders	Key concerns	Engagement platforms	Our responses	Section reference
Governments and regulators	• Compliance with industry regulations • Environmental compliance	• Annual reports • Sustainability reports • Ongoing dialogues	• Comply strictly with relevant laws and regulations • Engage in open dialogues with government and regulatory bodies	Focus 1: Governance and Ethics
Community	• Environmental impact • Social development	• Engagement in community services	• Conduct corporate social responsibility programs to encourage community service engagement	Focus 4: Environment Focus 6: Corporate Social Responsibility
Shareholders and investors	• Anti-corruption • Compliance with government regulations • Profitability • Sustainability	• Annual reports • Half-yearly reports • Investor relations management • Annual general meetings	• Keep shareholders and investors well informed through informative half-yearly reports, annual reports and annual general meetings • Incorporate good investor relations management	Annual Report Focus 1: Governance and Ethics Focus 2: Economic Performance Focus 4: Environment

To identify material ESG topics and focus areas, our approach begins with gaining an understanding of the Group's overall risk environment and subsequently identifying the actual and potential impacts to our stakeholders. The significance of these impacts are assessed in relation to the key concerns raised by our internal and external stakeholders gathered during the stakeholder engagement. With the assistance of our ESG consultant, we have taken the following steps to identify and present the relevant material topics in this Report:

1. Identification: Initial selection of material topics based on the risks and opportunities to the sector.
2. Prioritisation: Material topics are prioritised in order of descending importance based on their alignment with the concerns of internal and external stakeholders including whether they are aligned with key organisational values, policies, operational management systems, goals and targets.
3. Review: Review the relevance of previously identified material topics.
4. Validation: Validate the order of disclosure for the selected material topics in the Sustainability Report with the Board.

The table below illustrates the material topics selected and their relevance to each of the Group's operating segments. The table indicates the respective focus areas where further information on the material topics can be found in the Report.

Focus area	Material topics	Applicable segments
Focus 1: Governance & Ethics	GRI 205: Anti-corruption	The Group
	GRI 207: Tax	
	GRI 419: Socio-economic Compliance	
Focus 2: Economic Performance	GRI 201: Economic Performance	The Group
Focus 3: Innovation and Product Quality	GRI 203: Indirect Economic Impacts	The Group
Focus 4: Environment	GRI 301: Materials	The Group
	GRI 302: Energy	
	GRI 305: Emissions	
	GRI 306: Waste	
	GRI 307: Environmental Compliance	
	GRI 308: Supplier Environment Assessment	
Focus 5: Our People, Our Assets	GRI 401: Employment	The Group
	GRI 403: Occupational Health and Safety	
	GRI 404: Training and Education	
	GRI 405: Diversity and Equal Opportunity	
	GRI 414: Supplier Social Assessment	
	GRI 419: Socioeconomic Compliance	
Focus 6: Contributions to Our Community	GRI 413: Local Communities	The Group

Focus 1: Governance and Ethics

Corporate Compliance
GRI 419-1

The laws and regulations that are applicable to the Group include the Code of Corporate Governance 2018, Listing Rules of the SGX-ST and the Securities and Futures Act, amongst others.
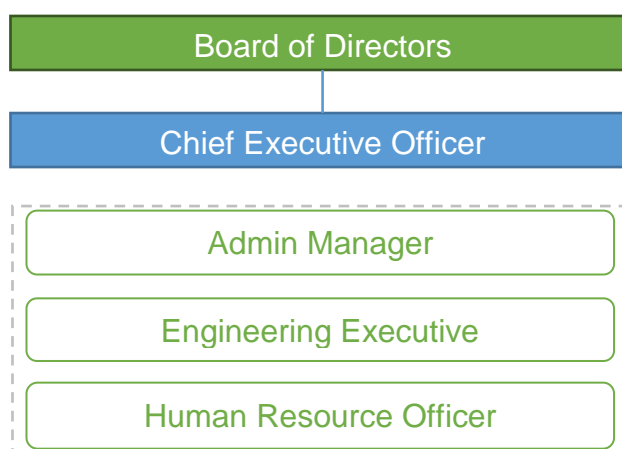
Review of new regulations and updates to existing regulations are regularly conducted by our employees, our secretarial firm and our auditors. Updates are disseminated to relevant staff and processes are in place to monitor the activities and associated performance on a regular basis.

Additionally, updates on relevant legal, accounting and regulatory developments are typically provided to Directors by email, or by way of briefings and presentations. The Company Secretary also circulates articles, reports and press releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors.

There were no incidents of non-compliance with social and economic laws and regulations in FY2021.

Governance and Statement of the Board

The Group prioritises sustainability at the Board level. We have established a Sustainability Task Force to implement and manage the Group's sustainability efforts. The Task Force is chaired by the CEO.

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The Board has incorporated sustainability issues into the formulation of the Group's strategies, and ESG management and risk assessments form part of the Group's comprehensive risk management framework. The Board approves material environmental, social and economic factors identified and ensures they are well-managed and monitored.

Please refer to the Corporate Governance Report in our Annual Report 2021 for more information on corporate governance practices and risk management structure.

Ethics and Integrity

Anti-Corruption
GRI 205-1, 205-2, 205-3

The Group takes a strong stance against corruption and malpractice and does not tolerate any impropriety, statutory non-compliance or wrongdoing by employees in their work. The Code of Conduct strictly prohibits any acts by employees to use their position to obtain advantages for themselves.

The Group is strongly committed to a high legal and moral standard in all of our business activities. We have adopted a Personnel Policy to place emphasis on high standards of professionalism and ethics. All employees are required to read, understand and agree to comply with the purposes and provisions of the Personnel Policy. Employees are held liable for their failure to comply which may result in disciplinary actions. The severity of these disciplinary actions depends on circumstances and the gravity of the misconduct.

Whistle-blowing
The Audit Committee of Kori has developed and approved whistleblowing procedures outlining their responsibilities and the procedures to receive certain complaints and allegations. Employees of the Group and any other persons may, in confidence, raise concerns about possible improper financial reporting or other matters to Chairman of Audit Committee, CEO or Administration Manager. The objective for such arrangement is to ensure independent investigations of such matters and for appropriate follow-up actions.

There were no reported incidents of corruption in FY2021.

Risk Management
ESG risk assessments and management form part of the Group's Enterprise Risk Management ("**ERM**") Framework. We have integrated the process for identifying, assessing and managing material ESG related risks into our organization's ERM framework.

Tax Compliance
GRI 207-1, 207-2, 207-3

The Group's strategy and approach to tax is to fully comply with relevant tax laws and regulations in all jurisdictions we operate in, which indirectly support the local governments and authorities in their economic, environmental and social development and objectives. The Group has zero tolerance for any intentional breach of tax laws and regulations.

The Group identifies tax related risks as part of its enterprise risk management framework which is reported regularly to the Company's Audit Committee. Implementation of tax compliance related policies and procedures are delegated to the respective business units and are monitored by the Group's Financial Controller.

Relevant staff attend tax related trainings to keep updated on key changes. The Group also engages qualified professional tax advisors in all jurisdictions to ensure compliance at the transaction levels as well as fulfilling required tax filings. The Audit Committee may also from time to time engage the Group's internal auditor to monitor compliance with the tax governance and control framework. Any instances of non-compliance are reported to the Audit Committee and resolved promptly.

Governance and Ethics Targets

Segment	FY2021 Targets	Status	Performance Update
Group	Zero incidents of socioeconomic non-compliance	✓ Met	Achieved zero incidents of socioeconomic non-compliance
Governance and Ethics FY2022 Targets			
Group	Zero incidents of non-compliance with SGX-ST listing rules or the Code of Corporate Governance		
	Zero reported corruption/significant whistle blowing reports		
	Zero incidents of significant tax related non-compliance		

Focus 2: Economic Performance

Financial Performance

GRI 201-1

The Group strives to achieve strong financial performance to create wealth for our stakeholders and support sustainability initiatives and practices. The financial performance of the Group is reviewed by the Audit Committee and the Board on a regular basis.

Details of our financial performance can be found in the audited financial statements, which have been prepared in accordance with Singapore Financial Reporting Standards (International) and the provisions of the Singapore Companies Act, Chapter 50. The audited financial statements can be found in the Group's Annual Report 2021 available online at SGXNet and https://www.kori.com.sg.

Focus 3: Innovation and Product Quality

GRI 203-2

At Kori, we understand the importance of driving innovation in order to achieve sustainability in our business operations. We are constantly innovating new sustainable designs and new ways to integrate digital information and technology in our processes.

Where steelworks are concerned, we have improved the design of our steel components to be modular which allows them to be fit in place and be reused early. We were also successful in creating a structural steel pre-cast road diversion deck which was a first for the construction industry. The design was new and innovative, and is relatively cheaper than the normal method of structural steel pre-cast iron used by most companies. This has helped reduce costs amid the sharp incline of steel prices in 2021, and was a result of the Group's innovative efforts.

The Group has made significant effort to embrace new digital developments and incorporate them into our processes. We are the early adopters of Integrated Digital Delivery ("**IDD**") in our projects, a major component to the Construction Industry Transformation Map ("**ITM**") outlined by the BCA. IDD is the use of digital technologies to connect processes and stakeholders along the value chain throughout the construction and building life-cycle which will help to strengthen coordination and foster collaboration. Under the Design for Manufacturing & Assembly ("**DfMA**"), there will be design upfront for ease of manufacturing and assembly. By having automated production facilities and efficient on-site installation, this increases productivity and reduces manpower costs by removing duplication of work processes. We have currently already put in place the processes and are preparing ourselves for the transformation programme.

Technology Adoption
GRI 203-2

With our unique and advanced expertise in steel decking works built through years of practice in various projects, we have successfully developed the Kori Large Panelling Traffic Decking System, which is a reusable steel platform for public traffic diversion with premix surface designed specifically for Singapore.

For the Kori Large Panelling Traffic Decking System, we use steel panels which consist of a special type of rugged grid-pattern beam sections as a temporary platform which permits more efficient and stable decking works. This sustainable design improves the efficiency and stability of decking works and is now widely adopted throughout infrastructure projects in Singapore. We are the first in the construction industry to provide services/solutions for the design of reusable pre-cast road diversion deck panels. This is more cost-saving and resource efficient than conventional steel road diversion deck panels. This has been duly acknowledged as a productive and innovative method by the BCA under the Productivity Innovation Project ("**PIP**") scheme.

The Group is committed to continuously monitor, develop and implement technology in our operations to improve our productivity and reduce material usage.

Focus 4: Environment

The Group recognises that environmentally responsible practices have the potential to improve operating efficiency and competitive advantage. The Group actively reuses and recycles steel components in steel struts and decks and aims to maintain our strong track record in steel reuse and recycling.

Strict standards are set for our suppliers concerning their environmental responsibilities and we are vigilant in ensuring these are adhered to. By undertaking such efforts, the Group hopes to reduce our carbon footprint and contribute to the global initiative in tackling climate change.

Steel Reuse and Waste Management
GRI 301-2, 306-1, 306-2, 306-3

The steel struts we use are designed to meet the requirements and specifications of different projects, thus they vary in size and length. To save natural resources and minimise negative environmental impacts, the Group has adopted practices to reuse 100% of our steel materials in new projects after dismantling. In addition, the steel beams we use are mostly pre-fabricated off-site to reduce material wastage. Furthermore, minimal waste is produced through steel reuse, thus reducing our carbon footprint throughout the lifecycles of our projects.

Steel reuse has played a significant role in improving the Group's competitive advantage in the industry. Despite supply chain disruptions due to the COVID-19 pandemic, the Group was able to mitigate the impact of high steel prices due to our practice of re-using steel in all our projects.

In FY2021, we achieved 100% reuse of steel inventory for all our projects, leading to direct cost and resource savings. This is higher than the steel industrial material efficiency rate which stands at 97.9%[1].

Waste generated is managed in an environmentally responsible manner and in compliance with local regulatory requirements.

Energy and Emissions Management
GRI 302-1, 305-1

The Group strives to operate sustainably by reducing the carbon footprint in our operations. Steel production operations are energy intensive due to the high electricity requirements of machinery and equipment. By tracking the energy consumption at our factories, it can serve as an important indicator of our operating efficiency.

The main energy consumption at our factories comes from diesel fuel used to power machinery. The total energy consumption at our steel precast factories for FY2021 was at 56,169 kWh. The Group's operations generated total of 15 tonnes of CO_2e during the year.

Going forward, the Group will continue to monitor energy consumption and CO_2 emissions to identify ways to enhance operating efficiency while reducing our energy related costs.

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[1] Based on the latest available statistics from Worldsteel data. Sustainable indicators, worldsteel, 2020

Managing Our Suppliers

GRI 308-2

The Group has gone the extra mile to ensure that all contractors and subcontractors are informed of their environmental responsibilities, and are able to meet the standards expected by the Group. All contractors and subcontractors are reviewed and selected based on their environmental compliance. Contractors and subcontractor with repeated violation records will not be selected.

In FY2021, there was no incidence of negative environmental impact among the contractors and subcontractors engaged by the Group.

Noise Management

GRI 413-1

Kori has implemented programmes to assess noise levels and minimise the impact of our operations on the community. Our movable noise enclosure concept has been recognised by LTA and we were awarded the Innovative Noise Management Award at the 19th Annual Safety Award Convention in September 2017 for Contract T216.

In FY2021, there was no incidence of non-compliance with noise regulations.

Vector Measures

GRI 413-1

To protect our workers and the surrounding community from dengue, vector control plans are implemented at every construction site, including our storage yards, to prevent mosquito breeding. Regular inspection and control measures are also implemented and monitored by supervisors.

In FY2021, the Group did not receive any fine or penalty for mosquito breeding.

Environmental Compliance

GRI 307-1

Kori carefully monitors the different stages of all services to ensure strict compliance with relevant laws and regulations, including vector control measures or adherence to the permissible noise levels set by National Environmental Agency ("**NEA**") and allowable vibration limit under the BCA.

In FY2021, there was no incidence of non-compliance with environmental laws and regulations in our operations.

Environmental Targets and Performance

Segment	FY2021 Target	Status	Performance Update
Group	To maintain **100**% reuse of steel inventory for all projects	✓ Met	Achieved **100**% reuse of steel inventory for all projects
	To maintain **zero** incidence of environmental non-compliance	✓ Met	Achieved **zero** incidence of environmental non-compliance
	To maintain **zero** incidence of environmental non-compliance in our supply chain	✓ Met	Achieved **zero** incidence of environmental non-compliance in our supply chain
Environmental FY2022 Targets			
Group	Maintain 100% reuse of steel inventory for all projects		
	Zero incidents of environmental non-compliance		
	Zero incidents of environmental non-compliance in our supply chain		

Focus 5: Our People, Our Assets

At Kori, our employees are the driving force of our success. We strive to create an inclusive workplace environment where there is mutual respect, fairness and equality for all our staff and workers. We provide training and development opportunities for staff to continue to learn and improve their skills.

Safe Management against COVID-19
GRI 403-1

Amidst the COVID-19 pandemic, the Group stays committed to prioritising the safety of all employees. We have a business continuity plan in place to prepare for all eventualities and we constantly monitor any regulatory guidelines issued to ensure the health and safety of our employees.

We have implemented safe management measures ("**SMM**") at our office and all worksites and are in strict compliance with local COVID-19 safety measures and regulations, such as safety distancing measures and frequent disinfection of our premises, especially areas with high contact points. All staff, contractors and subcontractors are briefed on the SMM and are required to ensure strict enforcement. This helps us to minimise the risk of transmission among the workers and surrounding community.

In FY2021, there were 42 incidences of COVID-19 transmission among staff and foreign workers. We will continue to do our utmost to ensure the safety of our employees during this period.

Occupational Health and Safety
GRI 403-2, 403-4, 403-5, 403-8, 403-9, 414-1, 414-2

We are committed to providing a safe working environment to our employees, suppliers and contractors. We have implemented adequate health and safety policies, standards and practices, as well as a Safety Committee that actively reviews, monitors, improves and implements all issues related to occupational health and safety ("**OHS**"). The OHS policies, standards and practices apply to all employees and subcontracted workers.

Kori performs risk assessments on steel strutting and decking works regularly. Potential hazards are identified and evaluated, and control measures are thereafter implemented to minimise the identified risks.

In addition, we educate and train our employees on proper OHS practices at work. We also engage external qualified safety consultants for their advice and guidance on programs and initiatives to prevent any potential occupational accident and injury.

We provide opportunities and support our staff in their acquisition of knowledge and certifications on workplace health and safety. Our management and supervisory staff are encouraged to attend certification courses such as the Building Construction Supervisor Safety ("**BCSS**") Course and Supervise Work in Confined Space Operation for all supervisory staff and the Lifting Supervisor Safety Course for all lifting supervisors. In FY2021, we achieved an average attendance rate of 100% for our certification courses.

Furthermore, the Group assesses all contractors and subcontractors to ensure that they are informed of their workplace health and safety responsibilities, and are able to meet the standards expected by the Group. We evaluate their track record and worksite health and safety practices during the quotation and tendering process before awarding the contract. In FY2021, no new contractors and subcontractors were assessed for the worksite health and safety practices as the Group did not engage any new contractors or sub-contractors.

The Group's OHS policies and practices are held to international standards and have been certified to the internationally recognised ISO45001 Occupational Health and Safety Management System standard. The Group's implemented system seeks to address health and safety risks and undergo regular review to identify areas for improvement. In FY2021, there was no major work-related injury and incident at our worksites and among our suppliers. However, 3 minor workplace incidents occurred due to workplace congestion, incorrect working methods and slips, trips and falls. The Group ensured that the impacted employees received prompt medical attention and carried out preventive actions to prevent similar incidents from reoccurring.

Our Workforce
GRI 401-1, 405-1

The Group does not discriminate against gender or age in staff employment to ensure continuity in the pipeline of skilled employees. Our employee diversity is a major force in driving change and innovation in the Group.

In FY2021, our total staff strength stood at 179 employees. A total of 14 employees were hired, equivalent to a new hire rate of 7.82%. The graph below shows the gender and age distribution of the Group's employees in FY2020 and FY2021. Despite the male-dominated nature of our industry, we maintained our workforce diversity and will continue to increase the male to female ratio of our workforce where possible. The Group has 1 female director at the Board of Directors level, with female representation at 20%.
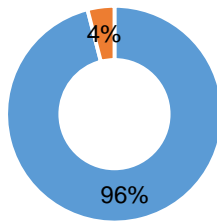
Board of Directors - by Gender
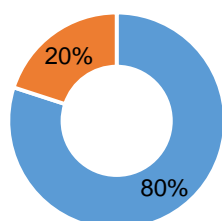
20%
80%
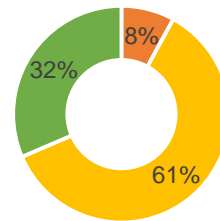■ Male ■ Female

Board of Directors - by Age
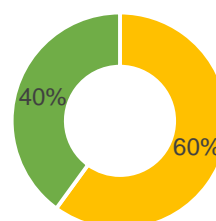
40%
60%
■ 30-50 years old ■ >50 years old

Employees - by Gender
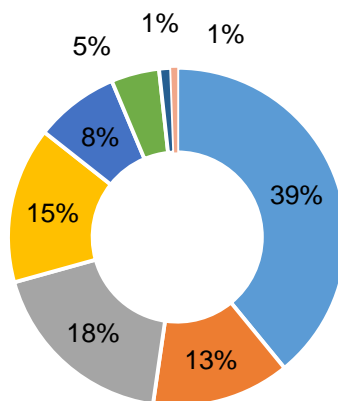

- Male
- Female

Employees - by Age

- <30 years old
- 30-50 years old
- >50 years old

Workers by Nationality in 2021

- Thailand
- India
- Bangladesh
- Malaysia
- Singapore
- Myanmar
- China
- Filipino

Employee Benefits and Retention

GRI 401-3, 404-2, 404-3

We recognise the valuable contribution by our employees. On top of competitive salaries and performance-based bonuses, employees of Kori are entitled to a range of benefits including workmen compensation insurance, group personal accident insurance, medical and healthcare benefits as well as hospitalisation leave.

We also support the government's pro-family policies and follow regulations implemented by the Ministry of Manpower regarding parental and childcare leave.

Kori is dedicated to nurturing and encouraging the growth of our employees. In FY2021, 100% of staff received annual performance reviews to optimise their career development. The performance evaluation system also provides a channel of communication for employees to provide their feedback to the management.

As part of our effort to enhance skills for our employees, appropriate trainings are identified and conducted through various platforms of knowledge acquisition such as onsite trainings, seminars, conferences, workshops and classroom trainings.

In FY2021, the Group conducted 21 training courses for a total of 179 employees, and we achieved an average of 11.8 training hours per employee, lower than 15.4 training hours per employee in FY2020. The Group has met its targeted total number of training hours to be conducted for all of its employees for FY2021.

Socioeconomic Compliance
GRI 419-1

The Group endeavours to be a socially responsible employer, and we act in strict compliance with social and economic laws and regulations. We continue to educate our workforce on proper social behaviour to prevent causing public nuisance or disorderly behaviour.

In FY2021, there was no incidence of non-compliance with laws and regulations in the social and economic area.

Social Targets and Performance

Segment	FY2021 Target	Status	Performance Update
Group	**Zero** reportable safety incidents	Not Met	There were **3** reportable safety incidents.
	At least **2000** training hours for all employees based on the estimation of **190** employees, amounting to an average of **10.5** training hours per employee	✓ Met	The Group achieved an average of **11** training hours per employee and **2112** total training hours for all employees in FY2021, which were higher than targeted.
	Zero incidence of socioeconomic non-compliance	✓ Met	Achieved **zero** incidence of socioeconomic non-compliance
	Zero incidence of non-compliance with COVID-19 laws and measures	✓ Met	Achieved **zero** incidence of non-compliance with COVID-19 laws and measures
People FY2022 Targets			
Group	To achieve **zero** major safety incidents or fatalities		
	To maintain at least an average of **11** training hours per employee as we are focusing on attending courses that are relevant to the primary job scope of the employees.		
	To maintain **zero** incidence of socioeconomic non-compliance		
	Strictly comply with local COVID-19 safety measures and policies		

Focus 6: Corporate Social Responsibility

As a company that focuses on improving the wellbeing of the population, we strive to do our best in giving back to the society and minimising any impact of our operations on the community.

Giving Back to Society
GRI 413-1

Kori believes that community engagement is an integral part of our business sustainability. We are committed to being a responsible corporate citizen and we endeavour to give back to the community.

Our management has been actively contributing to the discussion on industry and workforce developments in Singapore through media outlets such as the Straits Times and the Business Times. The Group's initiatives on foreign worker engagement and workplace health and safety practices are shared with the community through such channels. We also routinely provide donations for community prayer events.

SGX Five Primary Components Index

S/N	Primary Component	Section Reference
1	Material Topics	▪ Stakeholder Engagement and Materiality Assessment ▪ Focus 1 to 6
2	Policies, Practices and Performance	▪ CEO's Message ▪ Sustainability Strategy Overview ▪ Focus 1 to 6
3	Board Statement	Governance and Statement of the Board
4	Targets	Focus 1 to 6
5	Framework	Reporting Practice

GRI Standards Content Index

GRI Standards	Disclosure Content	Section Reference
102-1	Name of the organisation	Organisation Profile
102-2	Activities, brands, products, and services	Organisation Profile
102-3	Location of headquarters	Organisation Profile
102-4	Location of operations	Organisation Profile
102-5	Ownership and legal form	Organisation Profile
102-6	Markets served	Organisation Profile
102-7	Scale of the organisation	Organisation Profile
102-8	Information on employees and other workers	Our People, Our Assets
102-9	Supply chain	Managing Our Suppliers
102-10	Significant changes to the organisation and its supply chain	Letter to Shareholders
102-11	Precautionary principle or approach	Corporate Governance Report
102-14	Statement from senior decision-maker	CEO's Message
102-15	Key impacts, risks, and opportunities	Sustainability Strategy Overview
102-16	Values, principles, standards, and norms of behaviour	Ethics and Integrity
102-17	Mechanisms for advice and concerns about ethics	Ethics and Integrity
102-18	Governance structure	Governance and Statement of the Board
102-40	List of stakeholder groups	Stakeholder Engagement and Materiality Assessment
102-42	Identifying and selecting stakeholders	Stakeholder Engagement and Materiality Assessment
102-43	Approach to stakeholder engagement	Stakeholder Engagement and Materiality Assessment

GRI Standards	Disclosure Content	Section Reference
102-44	Key topics and concerns raised	Stakeholder Engagement and Materiality Assessment
102-45	Entities included in the consolidated financial statements	Notes to the Financial Statements
102-46	Defining report content and topic boundaries	Reporting Practice
102-47	List of material topics	Stakeholder Engagement and Materiality Assessment
102-50	Reporting period	Reporting Practice
102-51	Date of most recent report	25 May 2021
102-52	Reporting cycle	Reporting Practice
102-53	Contact point for questions regarding the report	Reporting Practice
102-54	Claims of reporting in accordance with the GRI Standards	Reporting Practice
102-55	GRI content index	GRI Standards Content Index
102-56	External assurance	Reporting Practice
201-1	Direct economic value generated and distributed	Financial Performance
203-2	Significant indirect economic impacts	Technology Adoption
205-1	Operations assessed for risks related to corruption	Ethics and Integrity
205-2	Communication and training about anti-corruption policies and procedures	Ethics and Integrity
205-3	Confirmed incidents of corruption and actions taken	Ethics and Integrity
207-1	Approach to tax	Tax Compliance
207-2	Tax governance, control and risk management	Tax Compliance
207-3	Stakeholder engagement and management of concerns related to tax	Tax Compliance
301-2	Percentage of materials used that recycled input materials	Steel Reuse and Waste Management
302-1	Energy consumption within the organization	Energy and Emissions Management
305-1	Direct (Scope 1) GHG emissions	Energy and Emissions Management
306-1	Waste generation and significant waste-related impacts	Steel Reuse and Waste Management
306-2	Management of significant waste-related impacts	Steel Reuse and Waste Management
306-3	Waste generated	Steel Reuse and Waste Management

GRI Standards	Disclosure Content	Section Reference
307-1	Non-compliance with environmental laws and regulations	Environmental Compliance
308-1	Percentage of new suppliers that were screened using environmental criteria	Managing Our Suppliers
308-2	Negative environmental impacts in the supply chain & actions taken	Managing Our Suppliers
401-1	New employee hires and employee turnover	Our Workforce
401-3	Parental leave	Employee Benefits and Retention
403-1	Occupational health and safety management system	Safe Management against COVID-19
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
403-5	Worker training on occupational health and safety	Occupational Health and Safety
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety
403-9	Work-related injuries	Occupational Health and Safety
404-2	Programs for upgrading skills & transition assistance	Employee Benefits and Retention
404-3	Regular performance and career development review	Employee Benefits and Retention
405-1	Diversity of governance bodies and employees	Our Workforce
413-1	Operations with local community engagement, impact assessments & development programs	Noise Management Vector Measures Giving Back to Society
414-1	New suppliers screened using social criteria	Occupational Health and Safety
414-2	Negative social impacts in the supply chain & actions taken	Occupational Health and Safety
419-1	Non-compliance with laws and regulations in the social and economic area.	Socioeconomic Compliance