CREATING WORLD-CLASS SPACES

GSH

SUSTAINABILITY REPORT 2023

Contents

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 properties under development in Malaysia and China. The hospitality segment includes the Sutera harbour Resort in Kota Kinabalu, which the Group owns and operates, comprising two five-star hotels with a total of 1,000 rooms and the idyllic Sutera@Mantanani Resort on the Mantanani Islands in Sabah which has 70 luxury villas. In China, the Group owns the 200-room New World Chongqing Hotel managed by New World® Hotel & Resorts, an upper-upscale hotel brand of the Rosewood Hotel Group. The residential portfolio includes the 1,600-unit Yuhu Singapore International Garden (御湖新加坡国际花园) in Bishan District near Chongqing and the 460-unit seafront development of Coral Bay in Kota Kinabalu. 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 2023 to 31 December 2023 unless otherwise specified. This should sufficiently address stakeholders' concerns in relation to sustainability issues arising from the major business operations of the Group. Please refer to Appendix A for the list of entities included in this report.

This report is prepared with reference to the Global Reporting Initiative ("**GRI**") Standards as it provides a set of an extensive framework that is widely accepted as a global standard for sustainability reporting. Please refer to Appendix D for the GRI standards content index. It also considers the Sustainability Reporting Guide in Practice Note 7.6 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**")

Listing Manual and the Core ESG Metrics. In preparing our report, we applied the GRI's principles for defining report content and report quality by considering the Group's activities, impacts substantive expectations and interests of its stakeholders. We have incorporated specific recommendations from the Task Force on Climate-related Financial Disclosures ("**TCFD**") and intend to expand upon these in our forthcoming sustainability report. Please refer to **Appendix E** for the TCFD recommendations content index.

1.3 Internal review

The Board has engaged Crowe Horwath First Trust Advisory Pte Ltd ("**Crowe**"), a reputable professional firm specialising in audit and risk solutions, to assist the Board in its review of the adequacy and effectiveness of the Company's internal control systems in relation to sustainability reporting.

The scope of the services is to review the operations related to the development of sustainability reports. The findings are presented to the Audit Committee ("**AC**") for its deliberation and recommendation to the Board. There are no significant weaknesses reported.

The Board is of the opinion, with the concurrence of the AC, that based on the review performed by Crowe, the Company maintains a sound system of internal controls in the areas of sustainability reporting. The Board, however, notes that no system of internal controls can provide absolute assurance against failure to meet business objectives, poor business judgement, human fallibility, material errors or losses, frauds, breaches of laws or regulations, or another unforeseeable occurrence.

The data and information provided within the report have not been verified by an independent third party.

1.4 Restatements

In FY2023, GSH conducted thorough research on the emission factors used to calculate our carbon emissions.

As a result, we have updated our emission factors to incorporate the latest available information. Consequently, we have restated our carbon emissions for FY2021 and FY2022 to ensure comparability with our performance in FY2023. Please refer to the table below for the restated figures:

| Metrics | Unit | Restatement | | | | Reason |
| | | FY2021 | | FY2022 | | |
		Before Restatement	After Restatement	Before Restatement	After Restatement	
Carbon Emission (Scope 2)	tCO2e	8,971	11,481	11,241	15,183	The grid emissions factors ("**GEF**") for Malaysia and China have been updated with the latest available information from local authorities including The Malaysia Energy Council ("**MEC**") and the Ministry of Ecology and Environment of the People's Republic of China ("**MEECN**")
Carbon Emission (Scope 2) Intensity	tCO2e/ 1,000 sq ft	6.25	8.0	7.6	10.32	
Carbon Emission (Scope 3)	tCO2e	46	16	59	37	The emissions factors have been updated with the latest available information from The United Kingdom Department for Environmental, Food & Rural Affairs ("**UK Defra**").
Carbon Emission (Scope 3) Intensity	tCO2e/ 1,000 sq ft	32	0.011	40	0.025	
Total Carbon Emission	tCO2e	9,498	11,978	12,137	16,058	Due to the restatements above, the total carbon emissions and carbon emissions intensity have been restated correspondingly.
Total Carbon Emission Intensity	kgCO2e/ 1,000 sq ft	6.6	8.3	8.3	10.9	

1.5 Sustainability contact

We welcome your views and feedback on our sustainability practices and reporting on our website and our email at sr@gshcorporation.com. The electronic version of this report can be accessed on the GSH's Corporate Website (http://www.gshcorporation.com) under the section "Investor Relations".

Dr Sam Goi Seng Hui
Executive Chairman

Gilbert Ee Guan Hui
Chief Executive Officer

1.6 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 2023 ("**FY2023**").

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.

FY2023 Progress

In the FY2023 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 approach, and how we operate in an economically, environmentally and socially responsible way, by adopting environmentally friendly practices and creating a positive impact within the communities in which we operate. 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.

Hospitality

The gradual reopening of Malaysia's international border and the easing of travel restrictions have been a significant boost to the hospitality industry in Sabah, with an increase in demand from international travellers. GSH, with its hotel business in Kota Kinabalu, has seen an uptick in bookings, particularly from countries such as Singapore, China and South Korea. This increase in demand has helped to boost the overall occupancy rates. As a result, the hospitality business has shown signs of improvement, with revenue increasing by 66% to S$53.5 million in FY2023. With the recent reopening of China's international borders and the 30-day visa waiver for Chinese travellers entering Malaysia, we expect to see an additional boost in occupancy rates as Chinese travellers have been a key source of tourism revenue for the city in the past. GSH is committed to providing a safe and comfortable stay for all our guests, and we look forward to welcoming more visitors from around the world.

In the second half of FY2023, we celebrated the soft opening of our premier greenfield luxury hotel development in China, marking a significant milestone. We are delighted to announce that the highly anticipated official launch of the New World Chongqing Hotel is well underway and scheduled for the second quarter of FY2024. Drawing inspiration from the verdant landscapes and serene waterscapes of Yuhu Lake in Chongqing's Bishan District, this hotel stands as a cornerstone of our inaugural integrated project – Yuhu Singapore International Gardens – in the region.

Encompassing a sprawling 102,961 square meters, this extraordinary establishment is proudly managed by New World® Hotels & Resorts, a distinguished upper-upscale hotel brand under the esteemed Rosewood Hotel Group. Situated at the heart of Yuhu Island in Bishan District, the hotel enjoys a prime location adjacent to Xiuhu Park, a revered national treasure celebrated for its breathtaking natural allure.

Boasting 200 meticulously designed guestrooms and suites, as well as 20 outdoor hot tubs sourced from natural springs, the New World Chongqing Hotel offers an unparalleled blend of opulence and tranquillity. Guests can indulge in a range of luxurious spa treatments and amenities, including state-of-the-art activity spaces, well-equipped gyms, and inviting swimming pools, ensuring an unforgettable experience for all who visit.

Property Development

Our property development segment has experienced a remarkable 137% surge in revenue, reaching a total of S$97.6 million. This remarkable growth can largely be attributed to the surge in property sales at our Yuhu Singapore International Gardens (御湖新加坡国际花园) in Chongqing, China, as well as at Coral Bay in Malaysia.

Despite the challenging property market conditions in China, we remain optimistic about our property business segment. We have observed an increased interest from buyers in China for the Group's Malaysian properties since the reopening of travel between the two countries. Additionally, the relaxation of requirements for the Malaysia My Second Home ("MM2H") program is anticipated to further bolster the prospects of our property business in Malaysia.

Sustainability Focus

In our FY2023 sustainability report, we showcase GSH's commitments to responsible business practices, environmental sustainability, empowering lives, and green building. By adopting environmentally friendly practices and creating a positive impact within the communities where we operate, we stay true to our principle of "Exploring, Discovering Value." We remain committed to being mindful, ethical, and responsible while focusing on delivering profitable and sustainable growth. Our sustainability report reflects our dedication to creating a better future for all stakeholders, and we look forward to continuing our efforts in the future.

The Road Ahead

GSH is committed to delivering exceptional experiences to our customers in the hospitality and property industries while sustainably creating long-term value. Through our dedication to responsible business practices, we aim to reduce our environmental impact, promote social well-being, and contribute to the economic growth of the communities where we operate. We remain agile, adaptable, and innovative, constantly exploring new growth opportunities and meeting the evolving needs of our customers. Our commitment to sustainability and responsible business practices will enable us to thrive in the years ahead while creating value for all our stakeholders.

Lastly, we confirm that sustainability is integral to our strategy at GSH, with the Board overseeing the identification and monitoring of material environmental, social and governance ("**ESG**") factors. Our commitment to responsible business practices balances economic, social, and environmental considerations, creating long-term value for our stakeholders. Through ongoing dedication to sustainability, we can deliver success and contribute positively to the communities where we operate.

On behalf of the Board of Directors

2. OUR APPROACH TO SUSTAINABILITY

2.1 Sustainability organisational structure

At GSH, integrating sustainability into our corporate strategy is essential for securing sustained growth over the long term. We have established an organizational structure dedicated to sustainability, placing our sustainability objectives and principles at the forefront of our operations. This approach empowers us to foster beneficial environmental and social impacts while simultaneously generating enduring value for all our stakeholders.

Leadership
Board overseeing framework establishment and management implementing it for long-term stakeholder value and positive community impact.

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

Executives
Our department heads take charge of implementing our CSR initiatives, working collaboratively with our team members, partners and stakeholders to create positive changes in our communities.

2.2 Sustainability strategy

Our Group's sustainability strategy is geared towards generating integrated value by not only maximizing profits and shareholder value but also embracing a broader responsibility as a global corporate citizen to foster societal value.

We are committed to delivering value to all our stakeholders, and in the past year, our efforts have focused on the following:

Responsible Business

Environmental Sustainability

Empowering Lives

Green Building

At the core of our business, our sustainability strategy is guided by our Sustainable Procurement Practices and Employee Code of Conduct, which establishes a clear tone at the top for our employees' business and ethical conduct. We also draw guidance from external sources, including the GRI Standards and Sustainability Reporting Guide outlined in Practice Note 7.6 of the SGX-ST Listing Manual.

Throughout this report, we detail our progress and performance against each of our sustainability focus areas, including Responsible Business, Environmental Sustainability, Empowering Lives, and Green Building. By prioritizing these areas and monitoring their impact on the economy, environment, and society, we remain committed to delivering value to all our stakeholders.

2.3 Consulting our Stakeholders

GSH takes into account the key concerns of its stakeholders when defining the reporting context. The table below provides a concise summary of these stakeholders' primary interests and outlines our strategies for engagement with them.

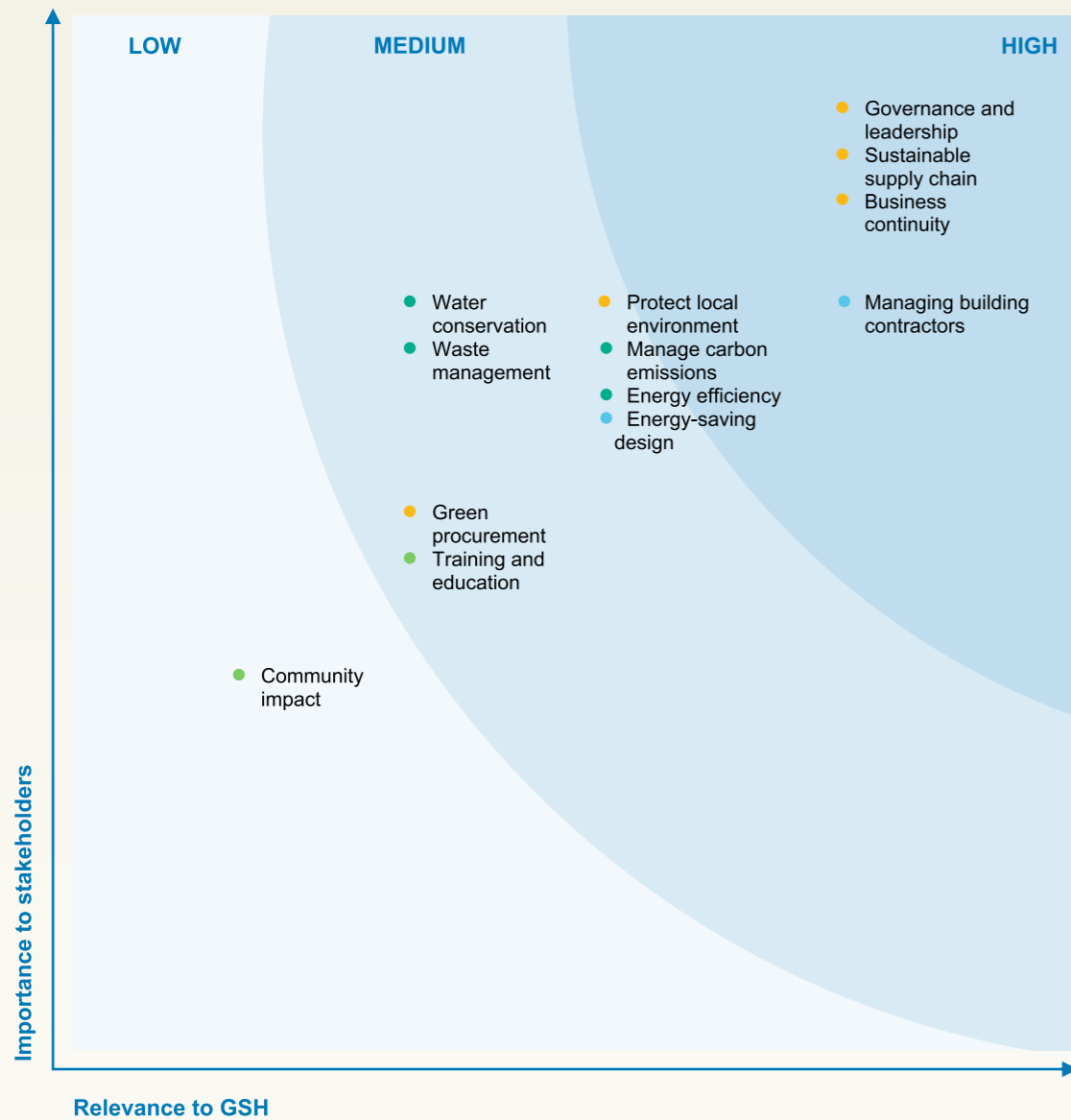| Stakeholders	How we listen	Why we do it	What you've told us
Builders and Suppliers	• Daily project meetings and updates • Informal meet-ups	• Ensure that construction activities are carried out in line with the best practices • Ensuring integrity in all purchasing decisions • Ensuring green procurement 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 the 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	• The desire for premium real estate with a good location and reasonable launch price • Improved service standards
Employees	• Employee's handbook • Periodic staff meetings • Staff trainings • Email feedbacks from employees	• Ensuring 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 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

Following interactions with our stakeholders, we created a sustainability materiality matrix encompassing important aspects closely related to our primary business and operational risks. This matrix played a pivotal role in shaping our sustainability strategy, subsequently influencing our approach to sustainability reporting, as illustrated in the diagram below.

In addition, we have developed metrics that enable us to track our progress, as outlined in our sustainability scorecard in Appendix B. Going forward, we will review and adjust the matrix annually to reflect changes in the external and business environment.

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

	LOW	MEDIUM		HIGH

- Governance and leadership
- Sustainable supply chain
- Business continuity

- Water conservation
- Waste management

- Protect local environment
- Manage carbon emissions
- Energy efficiency
- Energy-saving design

- Managing building contractors

- Green procurement
- Training and education

- Community impact

Importance to stakeholders

Relevance to GSH

3. OUR PERFORMANCE

3.1 How we measure our performance

Our sustainability strategy is integrated into relevant segments of our business, with specialized teams assigned to each focus area, overseen by respective departmental managers for coordination.

Progress will be monitored through two primary methods: tracking performance against metrics and assessing the advancement of programs based on 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. Please refer to Appendix C for the methodology review and data boundaries.

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*
◯	*Not Started*
◑	*In progress*
◉	*Complete*
↻	*Ongoing commitment*

Commitments to United Nations Sustainable Development Goals ("UN SDGs")

In order to ensure that our sustainability efforts are comprehensive and effective, we have incorporated the core commitments for each of the key areas within our sustainability strategy. Our approach has been guided by the UN SDGs, which have provided a framework for us to align our objectives with broader global sustainability targets. By integrating these commitments throughout our sustainability program, we aim to build a robust and impactful strategy that addresses the environmental, social, and economic challenges facing our organization and our stakeholders.

Goals

3 GOOD HEALTH AND WELL-BEING
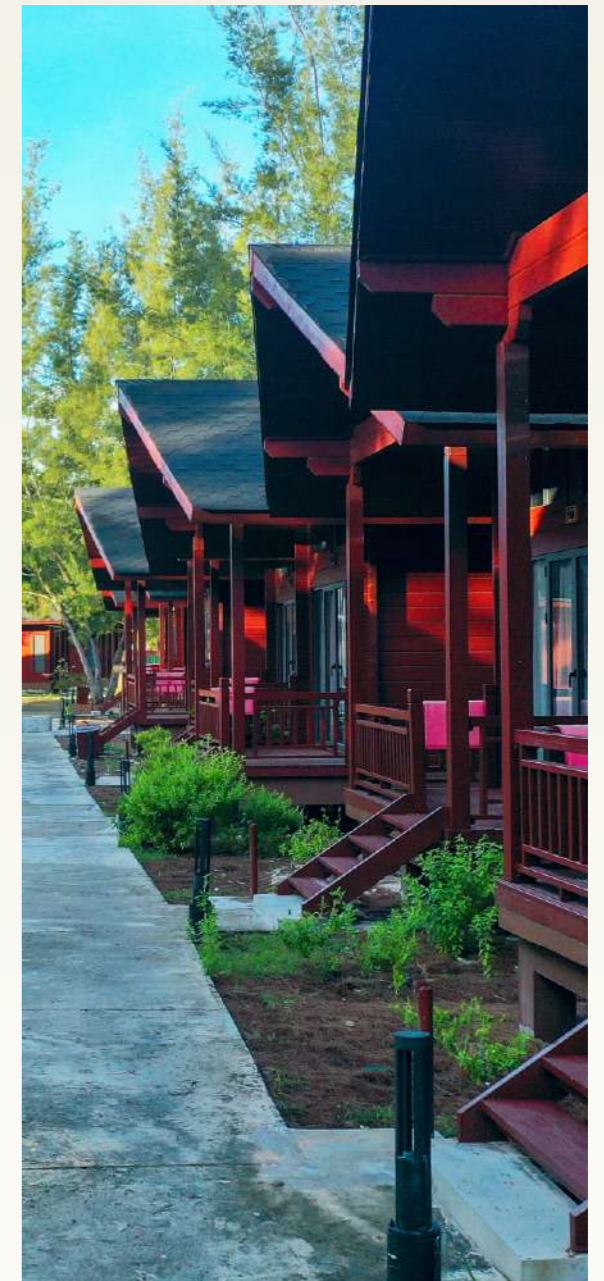
How we support:
We prioritize the prevention of work-related health issues and injuries in order to promote good health and well-being. We have implemented a comprehensive set of policies and procedures designed to address all aspects of workplace safety, from hazard identification and risk assessment to injury prevention and emergency response planning. These policies and procedures are regularly reviewed and updated to ensure that they align with the latest industry standards and best practices. By fostering a culture where safety is always top of mind for our employees, we are committed to promoting the health and well-being of our workforce and creating a safe working environment for all.

For our commitment, please refer to "**Empowering Lives**".

Goals

8 DECENT WORK AND ECONOMIC GROWTH
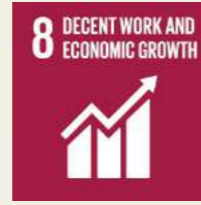
How we support:
Our commitment to promoting decent work and economic growth is ingrained in our ethos, driving us to create a tangible impact on the communities and economies in which we operate. Central to this commitment is our emphasis on fostering fair employment practices, developing our workforce through comprehensive training programs, and actively engaging with local stakeholders to support sustainable economic development. We have significantly increased our investment in employee training, with both the total amount invested and the average number of training hours per employee rising compared to the previous year.

For our commitments, please refer to "**Empowering Lives**".

Goals

5 GENDER EQUALITY

How we support:
We are committed to promoting gender equality through the implementation of policies and practices that eliminate gender-based discrimination, provide equal opportunities, and promote diversity and inclusivity. We believe that engaging with all stakeholders, including women and girls, is essential to achieving gender equality and empowering women and girls.

For our commitment, please refer to "**Empowering Lives**".

Goals

10 REDUCED INEQUALITIES

How we support:
We recognize that inequality is a major global challenge that affects millions of people, and we believe that it is our responsibility to contribute to the efforts to reduce inequality. In line with this commitment, we have launched a Rural Youth Hospitality Program, aimed at providing skills and knowledge to young people in rural areas. By empowering these youths with the necessary skills, we aim to create opportunities for them to secure employment in the hospitality industry, regardless of their background, and ultimately improve their economic well-being. Through this program, we hope to contribute to the reduction of inequality and promote sustainable development in the communities where we operate.

For more information on the Rural Youth Hospitality Program, please refer to "**Empowering Lives**".

Goals

11 SUSTAINABLE CITIES AND COMMUNITIES

How we support:
We are committed to sustainable development and to creating livable, resilient, and thriving cities and communities that prioritize the well-being of both people and the planet. We have taken significant steps towards achieving this goal by embracing the concept of green building practices in all our developments. We prioritize energy-saving designs and technologies, such as the air-conditioning units in Eaton Residences, which meet the BCA Greenmark 3-tick standard. Moreover, at Sutera Harbour Resort, we recycle an average of 750 m^3 of water per day to irrigate our golf courses, ensuring sustainable water usage.

For our commitment, please refer to "**Environmental Sustainability**" and "**Green Building**".

Goals

13 CLIMATE ACTION

How we support:
We recognize the urgent need for climate action and are committed to reducing our greenhouse gas ("**GHG**") emissions through a range of measures, including energy-efficient building design and sustainable operations practices. We regularly assess our GHG emissions and strive to continuously improve our environmental performance. Our efforts to reduce our carbon footprint reflect our commitment to addressing climate change and creating a more sustainable future for our business, our stakeholders, and the planet.

For our commitment, please refer to "**Environmental Sustainability**".

Goals

14 LIFE BELOW WATER

How we support:
We are committed to supporting life below the water by promoting marine conservation and sustainability. One of our key initiatives is the Sustaining Kota Kinabalu's Marine Heritage ("**SKKMH**") Project, which aims to promote the conservation and sustainable use of marine resources in the region. This project involves a range of activities, including coral reef restoration, marine biodiversity surveys, and community engagement programs to raise awareness and promote sustainable practices. Our efforts to promote marine conservation reflect our belief that protecting our oceans and marine ecosystems is critical to the well-being of both people and the planet, and we are committed to making a positive impact on life below water through our operations and initiatives.

For more information on the SKKMH Project, please refer to "**Responsible Business**".

We are proud to support a range of UN Sustainable Development Goals through our business operations and community initiatives. From promoting sustainable cities and communities to protecting life below water and reducing inequalities, we are committed to making a positive impact on the environment and society. We recognize the importance of sustainability in creating a better future for our business, our stakeholders, and the planet, and we are committed to continuing our efforts towards achieving a more sustainable and equitable world.

3.2 Responsible business

Overview
We are committed to fostering a culture of responsible business conduct in all our interactions with individuals, including guests, colleagues, partners, and local communities. To uphold this commitment, we rely on our employees and the various programs and policies we have implemented.

Governance and leadership
The Board of Directors holds a significant responsibility in driving our business strategies and ensuring that we operate in a way that is ethical, transparent, and environmentally conscious. To achieve this, the Board works closely with the management team to develop policies and practices that align with our values and contribute to a more sustainable future.

Furthermore, we believe that a diverse and inclusive Board of Directors is crucial for our success. We recognise that a variety of perspectives, backgrounds, and experiences can bring fresh ideas and insights, challenge assumptions, and drive innovation. Our Board comprises of individuals with diverse backgrounds and experiences, including gender, ethnicity, nationality, and age. This diversity not only fosters a culture of respect but also enables us to identify new opportunities and approaches that may have been overlooked in a less diverse group. Our Board of Directors is made up of 7 members, including 4 independent directors and 3 executive directors with 1 female member. Our Directors have attended Sustainability-related training in FY2022 and FY2023. Please refer to our Corporate Governance report for the details of the training. We are proud of our commitment to sustainability and diversity, and we will continue to prioritize these values in all aspects of our operations.

To maintain our responsible business culture, we follow a process that includes the following steps:

- Promoting responsible attitudes and behaviours throughout our organization through strong governance and leadership.
- Ensuring that our employees understand key legal and reputational issues.
- Prioritizing the safety and security of our employees, guests, and visitors.
- Implementing effective risk management and internal controls.
- Practising responsible procurement.
- Protecting the local environment.

To address key issues and risks, we have established comprehensive Group-wide policies and approaches. For example, our Employee Code of Conduct includes a zero-tolerance policy on bribery and corruption. We regularly review our policies to ensure compliance with best practices. In FY2023, we do not have confirmed incidents of corruption.

We prioritise safety and security by using centralized management systems, safety standards, risk guidance, training, and toolkits. We are committed to operating with integrity and complying with all relevant laws. We have a zero-tolerance approach to bribery and corruption.

Protecting personal data privacy is also important to us, and we have a Privacy Statement on our website that outlines our approach. We remain committed to full regulatory compliance as part of our overall strategy.

In FY2023, we were not in violation of any relevant laws and regulations in the countries where we operate that significantly impact our Group.

Sustainable supply chain
We understand that effectively managing environmental, social, and economic performance across our supply chains can lead to resource conservation, process optimisation, enhanced productivity, and the promotion of positive corporate values. In pursuit of this goal, we are committed to consistently implementing our procurement policies and procedures throughout our entire operation.

Our suppliers are required to adhere to the general Terms and Conditions outlined in our Purchase Orders. We place a high priority on fostering robust relationships with them to ensure alignment with our policies and uphold a standard of quality and integrity in procuring goods and services for the Group.

We also aim to create long-term economic benefits for our communities by developing local suppliers and 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 worth of goods and services from local suppliers. In FY2023, we exceeded this target, with total procurement spending on local suppliers amounting to S$151 million.

Green procurement

The Group acknowledges the significance of balancing quality, price, and environmental impact in the procurement of materials. In support of using locally sourced and environmentally responsible materials, we have established a Sustainable Products List. Our policy emphasises the significance of purchasing paper from responsible sources, minimizing the use of non-environmentally friendly packaging materials whenever feasible, and promoting the recycling of metals and plastics.

As part of our strategy, GSH has committed to using environmentally friendly cleansing products for at least 65% of our tasks by FY2025. In FY2023, we used environmentally friendly cleansing products to perform 60% of our whole Group's tasks. We will review our processes and seek to identify ways to improve our usage of environmentally friendly cleansing products in the coming years.

In FY2023, we spent a total of S$134,000 on green items. We will continue to prioritise the use of environmentally friendly materials and aim to increase our spending on green items in the future.

Protect local environment

GSH prioritises environmental protection as a crucial element of its goals to showcase the natural beauty of its locations to guests. In order to foster environmental awareness among employees, guests, and local communities, the Company actively supports various specific initiatives.

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 ("**SKKMH**") Project. This collaborative effort aims to safeguard and conserve Sabah's coral reefs while raising public awareness about the significance of preserving coastal and marine ecosystems for future generations. As part of this initiative, the project conducts surveys to gather baseline data on the condition and diversity of various ecosystems in Kota Kinabalu, including shorelines, beaches, plankton, and coral reefs.

Coral Reef

- Collect representative baseline data on the biodiversity and the condition of the coral reefs in Kota Kinabalu waters, while identifying present impacts or stress to the reefs.

- Determine possible affirmative actions to mitigate the threats and deploy artificial reefs to enhance reef growth near SHR

- To participate in the reef surveys, all volunteers must have a scuba diving qualification and competent diving skills.

- Volunteers and stakeholders will undergo training and briefing prior to data collection in order to be able to identify key species and/or assess coral reef conditions.

Water

- The water body that connects all ecosystems and the plankton that live in the water column are important features of the sea.

- Water samples will be collected and analysed for plankton diversity and key parameters such as temperature, salinity, dissolved oxygen, etc. Participants will have the opportunity to examine and identify plankton from collected water samples under a microscope.

Shoreline Ecosystems

- Participants will gather information on the marine flora and fauna of the shoreline/foreshore ecosystems such as the sandy beaches and rocky shores along the Kota Kinabalu coastline and islands.

- Through the beach combing exercise; trash and marine debris will be collected and sorted into categories, which will highlight the common types of debris that end up in our sea.

On October 11, 2023, 20 students from Jesselton International School ("**JIS**") participated in a phytoplankton workshop hosted at the Borneo Marine Research Institute, Universiti Malaysia Sabah.

During the workshop, students were introduced to phytoplankton and various methods used in phytoplankton studies. They had the opportunity for hands-on experience with common phytoplankton sampling methods.

The collected samples were brought back to the lab for analysis under the microscope. In the lab session, students were guided through the step-by-step process of identifying and enumerating phytoplankton samples. They learned to conduct cell counts, to eventually obtain an accurate estimation of cell densities ("**cells/mL**") in the phytoplankton community. This was followed by community composition analysis and the determination of dominant taxa in the sample.

The workshop received positive feedback from the students. For many, it was their first time using a microscope, and they found it particularly interesting to observe phytoplankton through this len.

Reef Survey
In September 2023, reef surveys were conducted at two sites outside of the marine park by four volunteers. At each site, a 100 m transect tape was laid on the reef at approximately 5–6 m depth. The transect was divided into four segments of 20 m long with 5-m gaps in between the segments. Four types of data were collected along the transect: substrate cover, fish species, invertebrate species, and potential threats or damage to the reef. The graphs below express the per cent cover of benthic substrate at the two surveyed sites:

Locality data of the surveyed sites:

Location	Site Name	Latitude (°N)	Longitude (°E)	Date of Survey
Udar Besar	2023_S1	6.07923	116.08989	11 September 2023
Outside TARP	2023_S2	5.96426	116.03841	14 September 2023

2023_S1

2023_S2
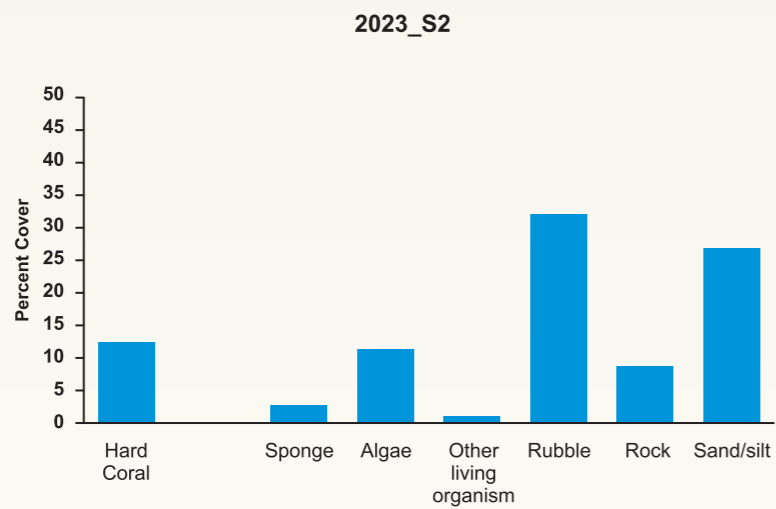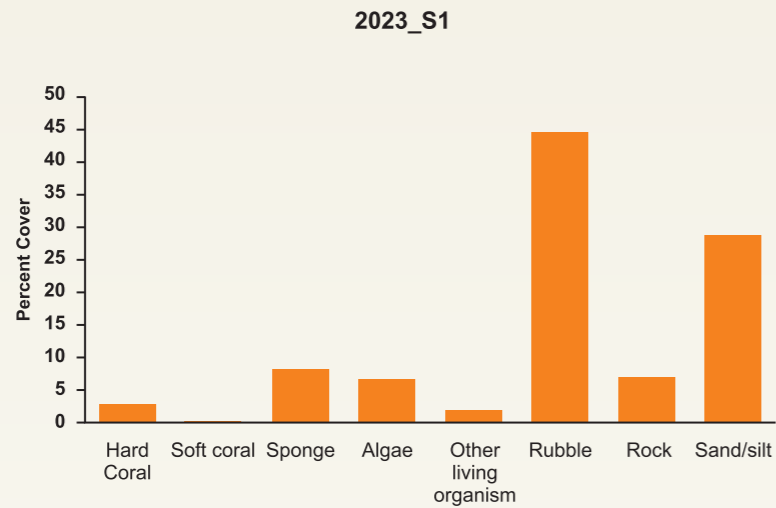
APCRS 2024
On 19 to 23 June 2023, Dr. Zarinah Waheed (Project Leader) and Ms. Gan Sze Hoon (Project Research Assistant) participated in the 5th Asia-Pacific Coral Reef Symposium ("**APCRS**") held at the National University of Singapore. Dr Zarinah delivered an oral presentation titled "Sustaining Kota Kinabalu's Marine Heritage: Citizen Science Involvement in Collecting Coral Reef Baseline Data" during the session on "Outreach and education as a vehicle for reef conservation."

The presentation featured the reef survey data collected through the project and highlighted the challenges faced in this citizen science initiative.

Ms. Gan presented a poster titled "Fish and benthic communities along the seawall of Sutera Harbour Marina, Kota Kinabalu, Sabah, Malaysia" in the session on "Coral reef communities at the edge of environmental limits."
The poster showcased the diversity and abundance of naturally colonizing marine fauna along the seawall of Sutera Harbour Marina in Kota Kinabalu, Malaysia, for the years 2016 and 2022.

Business continuity

GSH is optimistic about the post-COVID-19 era and is actively seeking out opportunities for growth and development in the hospitality and property industries. Effective business continuity planning is crucial in ensuring the Company's ability to withstand the challenges that may arise in the aftermath of the pandemic.

By prioritising the implementation of sound business continuity plans, GSH can minimize the impact of disruptions to its operations, mitigate potential financial losses, and maintain the trust and confidence of its stakeholders. This is especially important in the highly competitive hospitality and property industries, where customers have high expectations for reliability and service.

In addition to implementing effective business continuity plans, GSH's focus on new project development initiatives is a promising strategy to capitalize on growing demand and emerging trends in the market. By anticipating and adapting to changing customer preferences, GSH can position itself as a leader in the industry and stay ahead of its competitors.

GSH's proactive approach to business continuity planning and new project development initiatives is a positive sign that the company is committed to its long-term success and growth.

We continually strive to maintain multiple streams of revenue through our various segments:

- In 2023, hospitality revenue experienced a substantial increase of 66.4% in comparison with FY2022, amounting to S$53.5 million. This growth can largely be attributed to the resurgence of global travel which has increased demand for hospitality services as people resume their travel plans after the disruptions caused by the pandemic.

- The property development segment revenue experienced a significant increase of 137% in comparison with FY2022, amounting to S$97.6 million. The property segment accounted for 62% of the Group revenue in FY2023, such an increase was boosted by sales contributions from the Group's new projects, Yuhu Singapore International Gardens (御湖新加坡国际花园), in Chongqing, China and Coral Bay in Malaysia. The Group has seen an increase in interest from buyers from China for the Group's Malaysian properties since the reopening of travel between the two countries. In addition, the easing of requirements for the MM2H programme is expected to provide further upside for the Group's property business in Malaysia.

- The construction progress of Coral Bay in Kota Kinabalu has significantly improved, we completed 71.69% of the project at the end of FY2023. The project is expected to be completed by the first quarter of FY2024.

- In FY2023, our greenfield luxury hotel project, New World Chongqing Hotel, commenced operations in China, with its official launch slated for FY2024. Located in the picturesque Yuhu Island, adjacent to Xiuhu Park, the hotel offers 200 guestrooms and suites, 20 outdoor hot tubs sourced from natural springs, and lavish spa facilities. Managed by New World® Hotels & Resorts, it is part of the Yuhu Singapore International Gardens (御湖新加坡国际花园) project, providing guests with top-notch amenities including activity spaces, gyms, and swimming pools.

The reopening of major economies presents us with a new reason for optimism, as we prepare to delve into the potential opportunities that lie ahead.

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. Such achievements serve to boost morale and inspire our ongoing improvement in the future.

4th August 2023
Agoda's Customer Review Award
- The Magellan Sutera Resort
- Sutera@Mantanani Resort
- The Pacific Sutera Hotel

30 August 2023
First island resort in Malaysia
to acquire the
ISO for Adventure Tourism Safety & Occupational Safety System
- Sutera@Mantanani Resort

7 November 2023
23rd Sabah Hospitality Fiesta 2023
- Sutera Harbour Resort

12 December 2023
Trip.com Gourmet Gold 2023 Sabah
- Five Sails & Ferdinands at The Magellan Sutera Resort

**Commitments: Responsible business**

Achieve full regulatory compliance

FY2023 progress
- The Group was not in violation of any of the relevant laws and regulations in the 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)
- 2023: 151
- 2022: 119
- 2021: 103
- Target: 50
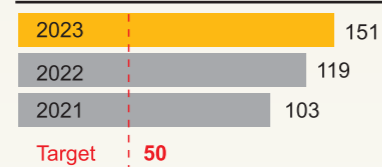
FY2023 progress
- We purchased S$151 million of our goods and services from local suppliers.
- We seek to create long-term economic benefits for our communities through the development of local suppliers, supporting a reliable local supply network to drive economic growth.

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

% Tasks performed using environmentally-friendly cleansing products
- 2023: 60
- 2022: 58
- 2021: 59
- Target: 65
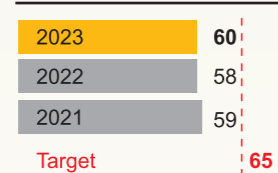
FY2023 progress
- 60% of our tasks at SHR were performed using environmentally-friendly cleansing products.
- Total spending on green items in FY2023 amounted to S$134,000 which increased from S$111,000 in FY2022.

3.3 Environmental sustainability
Overview
We are dedicated to developing and managing world-class sustainable structures that not only contribute positively to the communities we serve but also prioritize the triple bottom line of the economy, environment, and society in their operations and maintenance.

To ensure our operations are environmentally responsible, our policies provide thorough guidance on sustainable environmental management, efficient resource utilization, climate change mitigation, and the preservation of biodiversity and natural habitats.

Managing climate-related risks
Climate change is an urgent global challenge that affects all of us, and we believe that it is our responsibility to take action to address it. Particularly in the hospitality segment, its impacts on tourism assets, such as coral reefs, are severe and potentially devastating. Rising sea temperatures and ocean acidification can threaten the ecological health of these delicate ecosystems and cause significant economic damage to the tourism industry that depends on them. Moreover, consumers are increasingly seeking environmentally sustainable accommodations, compelling the hospitality industry to innovate and enhance its sustainability performance including using renewable energy sources, reducing waste, and promoting eco-friendly practices. In addition, climate change has led to more frequent and severe natural disasters, which can cause significant damage to properties situated in coastal areas. Therefore, we are fully committed to supporting the Paris Agreement as adopted at the 21st Conference of Parties to the United Nations Framework Convention on Climate Change ("**COP21**").

We are currently developing policies to effectively identify and mitigate the impacts of climate-related risks on our operations. We aim to manage these risks appropriately. We recognise the importance of transparency and intend to align our disclosure with the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"). As such, we plan to include additional disclosure in our Sustainability Report for the 2024 financial year. Through regular updates on our progress, we aim to demonstrate our commitment to addressing climate-related risks and maintaining sustainable business practices.

[1] Restated. Please refer to the 1.4 Restatements.

Managing greenhouse gas emissions
To effectively oversee our environmental impact, we consistently monitor and assess our carbon footprint. This process entails gathering precise energy consumption data from our Hospitality and Property Segments, which we analyze to determine our annual carbon emissions. Committed to diminishing our role in climate change, we actively pursue strategies to minimize carbon emissions efficiently. Through a data-centric methodology, we pinpoint areas with the greatest potential for improvement and implement tailored solutions aimed at reducing our overall carbon footprint.

The GHG Emission of the Group in FY2023 was 17,973 tonnes of carbon dioxide emission ("**tCO_2e**"), increased 12% as compared to FY2022. The emission mainly arises from electricity consumption which accounted for close to 96% of the total carbon emission of GSH.

Our carbon footprint intensity has increased 12% from 10.9[1] tCO_2e to 12.2[1] tCO_2e per thousand square feet compared to the previous year. The primary reasons for this increase are the higher electricity consumption in the hospitality and property segments in Malaysia and China, which have experienced a surge in guest nights and construction activities in FY2023.

As per previous years, we commit to ensuring that our carbon footprint intensity does not exceed 16.0 tCO_2e per thousand square feet. We will continue in our efforts to optimise eco-efficiency in our building operations without compromising our level of service to our guests.

4%
Direct Fuel
and Others

96%
Purchased
Electricity
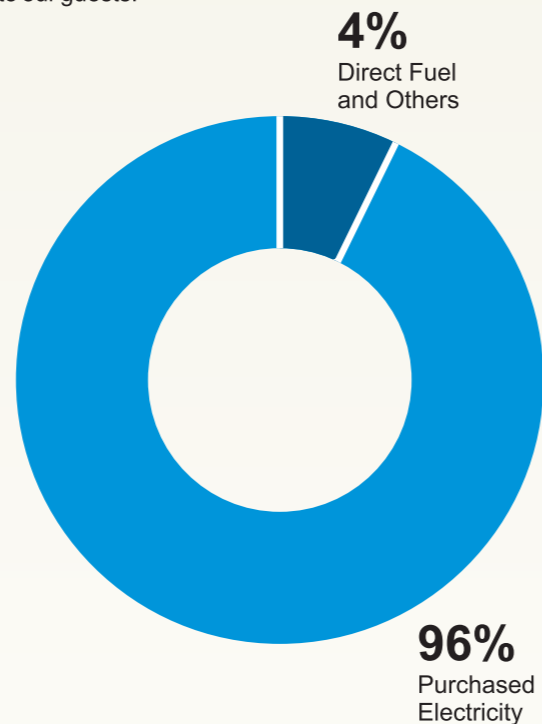
We adhere to the Greenhouse Gas Protocol set forth by the World Resources Institute and the World Business Council for Sustainable Development, which serves as the definitive guide for quantifying corporate greenhouse gas emissions.

Using the "control method", we include 100% of the emissions associated with businesses which we directly control. Our carbon footprint comprises of:

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

Energy efficiency
Electricity consumption accounts for 96% of our total GHG emissions, and buildings are a major contributor to these emissions. Buildings consume a significant amount of energy, with electricity being a major component of our operating expenses. Therefore, implementing energy-efficient practices can help reduce our impact on the environment and also result in significant financial savings. By investing in energy-efficient practices, we can not only help to mitigate the impact of our energy consumption on the environment but also reduce the financial burden associated with high electricity costs.

Since 2014, we have dedicated significant resources towards renovating the SHR to improve our existing assets. Our main focus during this process has been to optimize eco-efficiency in our building operations. The primary goal of these efforts has been to reduce our carbon footprint and minimize our energy consumption. Through these refurbishment efforts, we aim to enhance the sustainability of our operations and contribute to a more environmentally responsible future.

In FY2023, our total electricity consumption was 23,232 megawatt-hours ("**MWh**") which represents an intensity of 15.8 kilowatt-hours ("**kWh**") per thousand square feet. Compared to previous years, our total electricity consumption increased by 13% from 20,536 MWh and electricity consumption intensity increased by 12.9% from 14.0 kWh per thousand square feet. The increase in energy consumption is due to higher electricity consumption in the hospitality and property segments, which have experienced a surge in guest nights and construction activities in FY2023.

Water conservation
In our continuous dedication to sustainability, GSH places considerable importance on responsible water consumption throughout our properties.

Acknowledging the finite nature of water as a crucial resource, 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. We have installed water leakage detections in the chiller plantroom of Magellan Sutera, Pacific Sutera and Sutera Golf and Marina.

In FY2023, our total water consumption amounted to 492,339 m^3, indicating a 16.3% increase compared to 423,358 m^3 in FY2022. Water intensity also increased 16.3% from 288 m^3 / 1,000 sq ft in FY2022 to 335 m3 / 1000 sq ft in FY2023. This increase was largely due to the surge in guest nights in our hotels in FY2023. Over the years, the Group water usage has been on the decline, in alignment with our commitments to minimise water consumption. We will continue to monitor water usage at our properties and continue to promote awareness of water issues amongst our stakeholders.
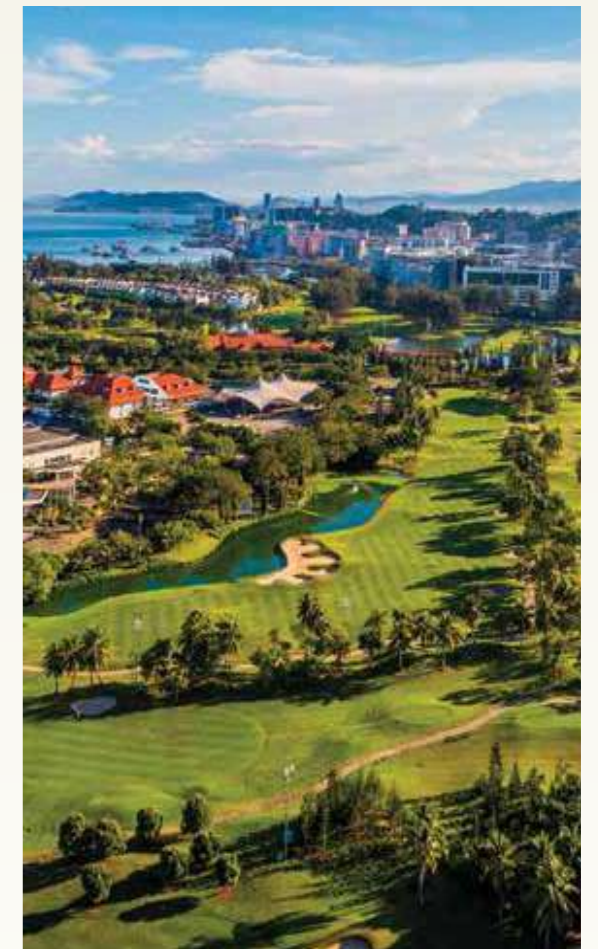
Water recycling at Sutera Harbour Resort ("SHR")
Sustainable practices and environmental protection have always been at the forefront of SHR's operations. We believe that responsible resource management is essential to maintaining a healthy ecosystem, and we are committed to implementing measures that promote sustainability.

Over the years, we have implemented various initiatives to address environmental concerns, such as reducing our energy consumption, promoting recycling, and reducing our carbon footprint. One notable example of our efforts is our wastewater treatment system. The wastewater generated by both hotels and the Marina & Golf Club is collected and treated using the Actybio system in our on-site sewage treatment plant. The treated water is then pumped into 13 ponds on our property, which are used to irrigate our 27-hole golf course. This system has not only reduced our environmental impact by recycling wastewater for irrigation but has also helped us save on water consumption costs.

The average wastewater recycled in FY2023 was 750 m^3. With the growing demand for our hotels and golf courses, we are striving to improve the utilization rate of our wastewater treatment system.

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 responsibly disposing of waste.

In FY2023, we recorded a total recycled waste of 121 tonnes which represents an intensity of 83 kg/thousand square feet. The recycled waste and the recycled waste intensity marked a decrease of 55% in comparison with FY2022. The recycled waste mainly includes used oil and scrap metals sold to recycling companies. We will persist in monitoring waste management practices at our properties and further raise awareness of waste management and recycling matters among our stakeholders.

Commitments: Environmental sustainability

Ensure carbon footprint intensity does not exceed 16.0 tCO$_2$e/ 1,000 sq ft

Carbon footprint intensity (tCO$_2$e/ 1,000 sq ft)

2023	12.2
2022	10.9[2]
2021	8.3[2]
Target	**16.0**
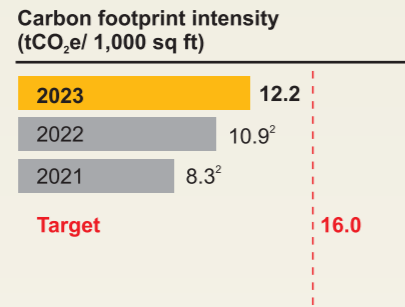
FY2023 progress ◉

- The emission mainly arises from electricity consumption which accounted for close to 96% of the total carbon emission of GSH.
- Our carbon footprint intensity has increased from 10.9 tCO$_2$e to 12.2 tCO2e per thousand square feet compared to the previous year. The primary reasons for this increase are the higher electricity consumption in the hospitality and property segments, which have experienced a surge in guest nights and construction activities.
- As per previous years, we commit to ensuring that our carbon footprint intensity does not exceed 16.0 tCO$_2$e/ 1,000 sq ft.

Monitor energy consumption intensity

Energy consumption intensity (kWh/ 1,000 sq ft)

2023	15.8
2022	14.0
2021	11.3
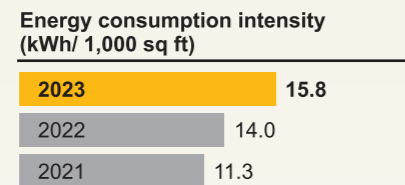
FY2023 progress ◎

- We recorded a total energy consumption of 23,232 MWh which represents an intensity of 15.8 kWh / 1000 sq ft.
- Our energy consumption intensity has increased by 12.9% from 14 kWh / thousand square feet. in the previous year, due to the surge in guest nights in our hotels.
- We will continue to monitor energy usage at our properties and continue to promote awareness of energy issues amongst our stakeholders.

Monitor water consumption intensity

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

2023	335
2022	288
2021	231
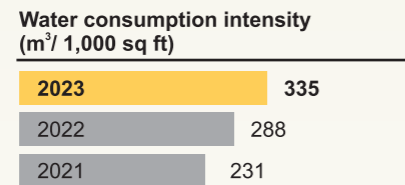
FY2023progress ◎

- We recorded a total water consumption of 492,339 m^3 which represents an intensity of 335 m^3 / 1000 sq ft. Our water consumption and water consumption intensity have increased by 16.3% compared to the previous year.
- This is largely due to the surge in guest nights in our hotels following the easing of COVID-19 lockdown measures.
- We will continue to monitor water usage at our properties and continue to promote awareness of water issues amongst our stakeholders.

[2] Restated. Please refer to the 1.4 Restatements.

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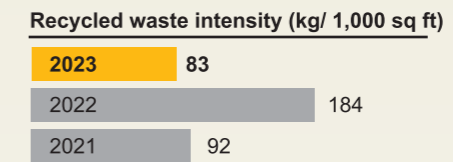
Recycled waste intensity (kg/ 1,000 sq ft)

2023	83
2022	184
2021	92

FY2023 progress ◎

- We recorded a total recycled waste of 121 tonnes which represents an intensity of 83 kg/1,000 sq ft
- We will continue to monitor recycled waste management at our properties and continue to promote awareness of waste management and recycling issues amongst our stakeholders.

3.4 Empowering lives
Overview

The current economic environment has brought significant challenges as well as opportunities for the hospitality industry. To adapt to and take advantage of the current situation, we are committed to supporting our staff, as well as making a position impact on our community and the world around us. We aim to make a positive difference in the community by generating employment and learning prospects, as well as addressing various issues that affect the community. Our focus is on fostering sustainable communities through initiatives that help develop essential skills.

By prioritising the needs and well-being of our staff, we can create a positive and productive work environment that is conducive to success and growth. Not only will this help to attract and retain top talent, but it will also ensure that our business can adapt and thrive in the face of any future challenges. Ultimately, supporting our staff is a crucial component of building a resilient and sustainable post-pandemic hospitality business.

Employee diversity

We are committed to creating a diverse and inclusive workplace that values and respects differences in backgrounds, experiences, and perspectives. We believe that a diverse workforce not only fosters creativity and innovation but also reflects the communities we serve. As such, we have developed policies and practices that promote equal opportunities for all employees regardless of gender, race, ethnicity, nationality, age, disability, religion, sexual orientation, or gender identity. Our recruitment process is designed to attract a diverse pool of candidates, and we provide equal opportunities for career advancement and development to all employees. We also implemented a zero-tolerance policy for discrimination, harassment, and retaliation in the workplace, and we provide training to all employees to ensure they understand and comply with this policy.

Woman @ GSH

We are committed to promoting gender equality and supporting the advancement of women in the workplace. We believe that a diverse and inclusive workforce, where all employees have equal opportunities to succeed and contribute, is essential to our success as a responsible business. We provide leadership and development opportunities regardless of gender.

33%
employees
are female

39%
management
personnels are female

We are committed to supporting the development and empowerment of rural youth. We recognize the important role that young people play in building sustainable communities and driving economic growth, and we believe that investing in their education and skills development is critical to their future success.

Rural Youth Hospitality Program

In FY2018, we launched a Rural Youth Hospitality Program aimed at providing skills and knowledge to young people in rural areas. The program includes a 6-month course focused on hospitality culture and skills. To make the program more accessible, we partnered with external training providers who offer cost-free training in various sections of Hotel Skills Training to the participants.

Our main objective is to provide hospitality training and equip these youths with the skills necessary to become skilled hospitality professionals. We hope to eventually hire these young people as part of our team.

In FY2023, 10 youths have been absorbed as permanent employees who are still working with us and/or re-join with the Company. From 2018 until 2023, a cumulative total of 77 youths has benefitted from the Rural Youth Hospitality Program, undergoing a 6-month skills, knowledge and hospitality culture course provided by our external training providers at no cost to the participants.

Training and education

Personal and professional development is a continual journey, and our Group recognizes the importance of an effective learning and development program to keep our employees motivated while building a strong sense of loyalty and pride towards our business. Through our training and education programme, we are developing our staff, improving their employability, and advancing their careers within the hospitality industry. Our hotels and corporate offices collaborate with local community organizations and education providers to offer on-the-job work experience. By doing so, we are cultivating a skilled, motivated, and engaged workforce that is dedicated to delivering an outstanding 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

Orientation Program

Leadership and Supervisory Program

Fundamental of the Hotel Operation Program at SHR

Lifeguard Certification Program

Disciplinary, Associate Handbook & Grooming

Product Knowledge

Our commitment to investing in the growth and development of our employees remains steadfast, as evidenced by our significant increase in training investment from S$83,301 in FY2022 to S$155,006 in FY2023. The average training hours increased from 21.8 hours per employee in FY2022 to 36.5 hours per employee in FY2023, we are in the process of meeting our target of 40 hours per employee. Additionally, the average training hours per female employee and male employee were 37.4 and 35.5 hours per employee, respectively, marking an increase from 18.0 and 23.6 hours per employee in FY2022.

We established a strategy for individualized training, which enabled us to design customized training programs that addressed specific skill gaps and developmental needs of our employees. Although this resulted in higher training expenses, we view it as a necessary investment to ensure our employees have the necessary skills and knowledge to excel in their roles and contribute to our Company's success. We remain committed to customizing our training programs to meet the specific needs of our employees and to ensure that more employees can participate in the training opportunities we offer.

Workplace health and safety
At our Company, we believe that the health and safety of our employees are of utmost importance, and we are fully committed to creating a workplace environment that is free from hazards, promotes safety and well-being, and fosters a culture of safety among our workforce.

To achieve this goal, we have implemented a comprehensive set of policies and procedures designed to address all aspects of workplace safety, from hazard identification and risk assessment to injury prevention and emergency response planning. We regularly review and update these policies and procedures to ensure that they reflect the latest industry standards and best practices, and we strive to create an environment where safety is top of mind for all employees, at all times.

By prioritising the health and safety of our employees and creating a workplace environment that is safe, supportive, and responsive to the needs of our workforce, we believe that we can not only create a more productive and engaged workforce but also make a positive impact on our broader community and the world around us.

In FY2023, we reported a total of 34 recordable injuries in our workplace. These injuries were minor and included cuts, falls, and trips. While these injuries did not have long-term health impacts on our workers, we take all injuries seriously and ensure that affected workers receive immediate medical attention. In the event of an injury, we conduct a thorough investigation to determine the root cause and take steps to prevent future occurrences. All incidents are documented and analyzed to identify areas for improvement in our safety procedures. We are pleased to report that the affected workers recovered from their injuries within 1 to 10 days of medical leave. We are committed to continuing to prioritize the health and safety of our employees and will take all necessary measures to prevent workplace injuries in the future.

Our commitment to improving workplace health and safety remains unwavering. As part of this commitment, we routinely review and analyse safety data and metrics to identify trends, areas for improvement, and potential hazards or risks that require further attention. We will continue to disclose our performance in this aspect in the following reports.

Community impact
To enable long-term prosperity for the communities in which we operate, we do our part through our business conduct and operations as well as by harnessing our competencies to address issues facing the community.
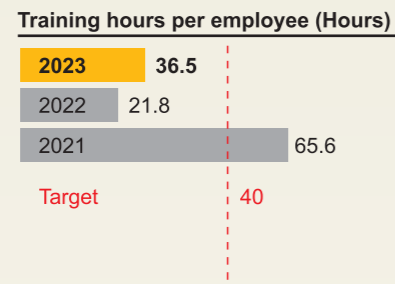
Our giving and community engagement are guided by our main areas of focus, which include:
- Education and sports;
- Healthcare;
- Basic infrastructure building and maintenance; and
- Indigenous capacity and community building.

Commitments: Empowering lives

	Training hours per employee (Hours)	**FY2023 progress** ◑
Achieve minimum of 40 hours of training per employee	**2023** **36.5** 2022 21.8 2021 65.6 Target 40	• An average of 36.5 hours of training per employee has been conducted. The investment in training increased significantly, necessitated by the need to equip our employees with new skills for the post-Covid era. • We remain committed to customizing our training programs to meet the specific needs of our employees and to ensure that more employees can participate in the training opportunities we offer.

	No. of cases related to workplace health and safety	**FY2023 progress** ◑
Improve workplace health and safety	• Zero fatalities • Zero high-consequence injuries • 34 recordable injuries • Zero recordable work-related ill health cases	• These injuries were minor and included cuts, falls, and trips without long-term health impacts on our workers. • Affected workers received immediate medical attention and investigations were conducted to determine the root cause and take steps to prevent future occurrences. • Affected workers recovered from their injuries within 1 to 10 days of medical leave. • We are committed to improving workplace health and safety and will continue to disclose our performance in the following report.

	No. of rural youths benefited through our Rural Youth Hospitality Program	**FY2023 progress** ◎
Providing career opportunities through our Rural Youth Hospitality Program	**2023** 77 2022 67 2021 51	• 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 77 youths has benefitted from the program. • The program was temporarily put on hold from 2020 to 2022 due to the COVID-19 pandemic.
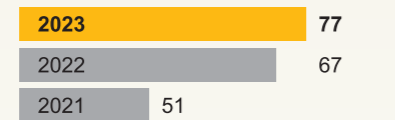
3.5 Green building
Overview

In terms of our approach to property development, we have made a concerted effort to prioritize energy efficiency and sustainability in all of our new builds, starting right from the initial design phase. By incorporating a range of cutting-edge energy-saving technologies and environmentally friendly features into our buildings, we can significantly reduce their carbon footprint and help promote a cleaner, greener future for all.

Moreover, we are fully committed to ensuring that safety remains at the forefront of our construction processes, with rigorous standards and protocols in place to safeguard both our workers and the wider community from any potential hazards or risks.

Ultimately, we believe that by combining our focus on energy efficiency with our unwavering commitment to safety, we can continue to deliver high-quality, sustainable properties that not only meet the needs of our clients but also contribute positively to the communities around us.

Energy saving design

When it comes to property development, the process of conceptualization plays a critical role in determining the success of a project. At our Group, we recognize the importance of this initial phase and take great care to ensure that all aspects of the project are carefully considered and thoughtfully planned out. This may involve working with a team of professional consultants, including architects, interior designers, surveyors, and engineers, to ensure that our vision for the project is fully realized and that every detail is accounted for.

In recent years, we have made a conscious effort to incorporate energy-saving designs into our building plans, with a focus on improving energy efficiency and reducing our carbon footprint. This has included the implementation of a variety of energy-saving practices across our offices, hotels, residential, industrial, and commercial properties. For example, in our Eaton Residences development, we have installed air-conditioning units that comply with the energy efficiency equivalent of 3 ticks of the BCA Greenmark, resulting in significantly reduced energy consumption and a more environmentally friendly approach to building management.

Overall, we remain committed to sustainable and responsible property development and will continue to prioritize energy efficiency and conservation in all of our future projects.

Managing building contractors

At our Group, we place the highest priority on construction site safety, recognizing that the well-being of our workers and the broader community is of paramount importance. As we continue to undertake major construction projects in locations such as Malaysia and Chongqing, China, we remain fully committed to ensuring that our Construction Safety Management system is robust, effective, and consistently applied across all of our sites. Our Construction Safety Management has the primary objectives of the following:

- Build up the knowledge and capacity of site workers on how to carry out their work safely.
- Ensure contractor compliance with the relevant safety regulations.
- Enhance the overall awareness of our staff and contractors on how to deal with safety concerns.
- Minimise site injuries and achieve zero fatalities.

To further enhance our construction site safety protocols and procedures, the Group has developed a comprehensive set of guidelines and operating procedures that are designed to be consistently applied across all of our project sites. These guidelines cover a wide range of safety-related topics, from hazard identification and risk assessment to emergency response planning and incident reporting.

To ensure that these guidelines are effectively implemented, the Real Estate Division has taken on the role of coordinator for all matters related to construction safety. However, we also recognize that managing construction site safety requires input and involvement from a wide range of parties, each with its unique responsibilities and perspectives.

To this end, we have delegated specific safety responsibilities to different parties throughout the construction process, from the project design phase through to completion and beyond. This includes assigning safety coordinators to oversee safety practices at each site, engaging with contractors and other stakeholders to promote safety awareness and compliance, and conducting regular safety audits and inspections to ensure that our safety protocols are being effectively implemented and adhered to.

Ultimately, our goal is to create a culture of safety that permeates every aspect of our construction operations and to ensure that all of our workers and stakeholders are fully committed to maintaining the highest standards of safety and performance at all times. Through our comprehensive safety guidelines and operating procedures, coupled with our ongoing commitment to safety, we are confident that we can achieve this goal and continue to deliver high-quality, safe, and sustainable construction projects for years to come.

Commitments: Green building

Achieve zero site injuries and zero fatalities

Number of accidents per 100,000 man-hours

Year	Number of accidents per 100,000 man-hours
2023	0.8
2022	0
2021	0

FY2023 progress

- In FY2023, although no fatalities were reported, we did experience one minor site injury. The injured worker has since recovered, and we conducted a thorough investigation, reminding workers of safety protocols to prevent similar accidents from occurring again.
- We report our number of accidents per 100,000 man-hours as 0.08.
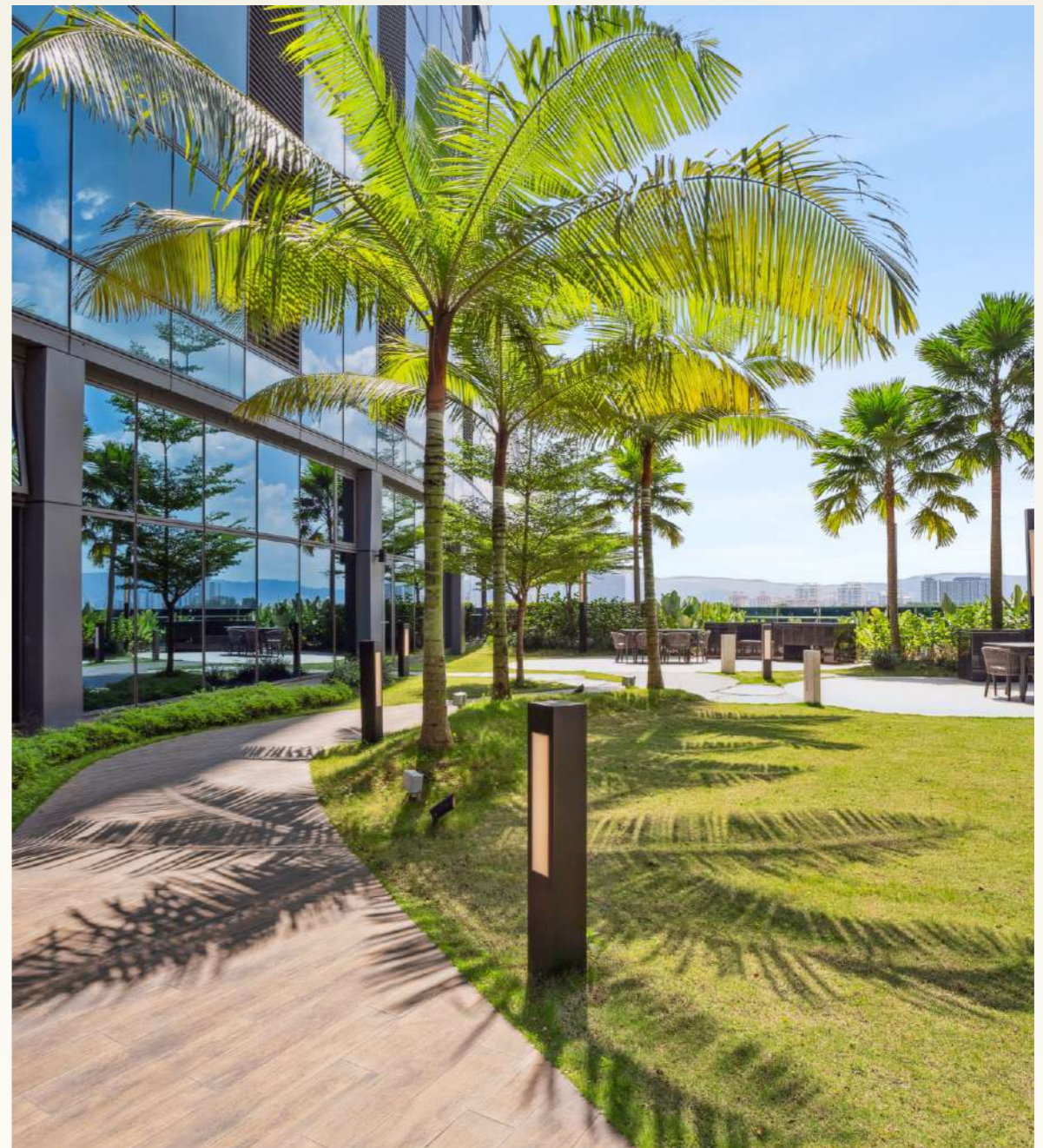
Appendix A: List of entities included in this report

Name	Segment	Location
GSH Corporation Limited	Holding Company	Singapore
The Sutera Harbour Group and its subsidiaries	Hospitality Segment	Malaysia
Rainbow Properties Sdn Bhd	Hospitality Segment	Malaysia
City View Ventures Sdn Bhd	Property Segment	Malaysia
Investasia Sdn Bhd	Property Segment	Malaysia
Aspirasi Kukuh Sdn Bhd	Property Segment	Malaysia
GSH Properties (Chongqing) Co., Ltd	Property Segment	China
Qingdao Timi Supply Chain Co., Ltd	Trading Segment	China

Appendix B: Sustainability scorecard

Economic Contribution

Metrics	Units	FY2021	FY2022	FY2023
Revenue	S$ million	96	86	157

Responsible Business

Metrics	Units	FY2021	FY2022	FY2023
Independent Directors	%	56	56	57
Female on the Board of Directors	%	22	22	14
Confirmed incidents of corruption	Number	0	0	0
Regulatory and compliance incidents	Number	0	0	0
Purchases from local suppliers	S$ million	103	119	151
Purchases of green products	S$000	64	111	134
Tasks using environmentally-friendly cleansing products	%	59	58	60

Environmental Sustainability

Metrics	Units	FY2021	FY2022	FY2023
Carbon emission				
Carbon emission (scope 1)	tCO_2e	481	837	753
Carbon emission (scope 1) intensity	tCO_2e/ 1,000 sq ft	0.34	0.57	0.51
Carbon emission (scope 2)	tCO_2e	11,481[3]	15,183[3]	17,169
Carbon emission (scope 2) intensity	tCO_2e/ 1,000 sq ft	8.0[3]	10.32[3]	11.68
Carbon emission (scope 3)	tCO_2e	16[3]	37[3]	51
Carbon emission (scope 3) intensity	$kgCO_2e$/ 1,000 sq ft	0.011[3]	0.025[3]	0.03
Total carbon emission	tCO_2e	11,978[3]	16,058[3]	17,973
Carbon emission intensity	tCO_2e/ 1,000 sq ft	8.3[3]	10.9[3]	12.2
Energy consumption				
Total energy consumption	MWh	16,207	20,536	23,232
Energy consumption intensity	kWh/ 1,000 sq ft	11.29	14.00	15.80
Water consumption				
Total water consumption	m^3	332,097	423,358	492,339
Water consumption intensity	m^3/ 1,000 sq ft	231	288	335
Waste Management				
Total non-hazardous waste	tonnes	_[4]	1,533	64,940
Total waste recycled	tonnes	133	270	121
Recycled waste intensity	kg/ 1,000 sq ft	92	184	83

[3] Restated. Please refer to the 1.4 Restatements.

[4] Not tracked in previous FYs

Empowering Lives

Metrics	Units	FY2021	FY2022	FY2023
Employment				
Total number of employees	Number	1,114	1,340	1,391
Employee new hiring rate	%	14	40	32
Employee turnover rate	%	25	26	31
Current employee by gender				
Female in management	%	_[5]	40	39
Male employee	%	66	67	67
Female employee	%	34	33	33
Current employees by age group				
Above 50	%	_[5]	11	10
30-50	%	_[5]	55	53
Below 30	%	_[5]	34	37
New hires by gender				
Male new hires	%	63	70	64
Female new hires	%	37	30	36
New hires by age group				
Above 50	%	_[5]	4	1
30-50	%	_[5]	28	33
Below 30	%	_[5]	69	66
Employee turnover by gender				
Male resignee	%	69	70	61
Female resignee	%	31	30	39
Employee turnover by age group				
Above 50	%	_[5]	6	6
30-50	%	_[5]	44	48
Below 30	%	_[5]	50	46
Training				
Investment in training	S$	5,741	83,301	155,006
Total training hours	Hours	64,001	29,158	50,717
Average training hours per employee	Hours	65.6	21.8	36.5
Average training hours per male employee	Hours	_[5]	23.6	35.5
Average training hours per female employee	Hours	_[5]	18.0	37.4
Workplace Safety				
Number of cases related to fatalities	Number	0	0	0
Number of cases related to high consequence injuries	Number	0	0	0
Number of cases related to recordable injuries	Number	18	35	34
Number of cases related to recordable work-related ill health cases	Number	0	0	0
Support for rural youths				
Number of rural youths benefitted through the Rural Youth Hospitality Program	Number	_[6]	_[6]	10

Green Building

Performance indicators	Units	FY2021	FY2022	FY2023
Number of accidents in the construction sites	Number	0	0	1
Number of accidents per 100,000 man-hours	Number	0	0	0.08

[5] Not tracked in previous FYs

[6] Rural Youth Hospitality Program was suspended due to Covid-19 in 2020 to 2022. The program has been revived in 2023.

Appendix C: Methodologies and data boundaries

This section details key definitions, methodologies and data boundaries applied to GSH's Sustainability Report, as we endeavour to elevate transparency and facilitate comparability of our data disclosed. These definitions and methodologies are adapted with reference to the GRI Standards Glossary 2021, Reporting Recommendations and Guidance set out in the respective GRI disclosures and various authoritative intergovernmental instruments.

Purchases from local suppliers
Purchases from local suppliers are the total amount of sourcing from local suppliers and are expressed in Singapore Dollars ("**S$**").

Local supplier
Organization or person that provides a product or service to the reporting organization and that is based in the same geographic market as the reporting organization.

Environmentally friendly cleansing products
Environmentally friendly cleansing products are cleaning agents that are designed and manufactured in a way that minimizes their impact on the environment.

Percentage of tasks performed using environmentally-friendly cleansing products
The Percentage of tasks performed using environmentally friendly cleansing products refers to the proportion of cleaning activities carried out using cleaning products that are considered environmentally friendly or sustainable.

Carbon Emissions
In the scope of this reporting, scope 1 emissions are emissions generated from the consumption of fuels for our operations. The emission factor used for calculating carbon emission is obtained from The United Kingdom Department for Environmental, Food & Rural Affairs ("**UK Defra**"). Carbon emissions are expressed in tonnes of carbon dioxide equivalent ("**tCO^{2}e**").

In the scope of this reporting, scope 2 emissions are emissions that result from the generation of purchased or acquired electricity, by the Group. The Grid Emission Factor ("**GEF**") used for calculating carbon emissions is obtained from the sources below:

a. Singapore: The National Environmental Agency ("**NEA**")

b. Malaysia: The Malaysia Energy Council ("**MEC**")

c. China: Ministry of Ecology and Environment of the People's Republic of China ("**MEECN**")

Carbon emissions are expressed in tCO^{2}e.

In the scope of this reporting, scope 3 emissions are emissions generated from the consumption of fuels used for the airmiles travels. The quantity of emissions is negligible. The emission factor used for calculating the carbon emission is obtained from UK Defra. Carbon emissions are expressed in kilograms of carbon dioxide equivalent ("**kgCO^{2}e**").

Carbon Emissions Intensity
This is the ratio of carbon emissions relative to the Gross Floor Area ("**GFA**") of GSH's properties. Carbon emissions intensity is expressed in tonnes of carbon dioxide equivalent per 1,000 square feet ("**sq ft**") ("**tCO^{2}e/ 1,000 sq ft**").

Energy Efficiency
Energy consumed results from purchased electricity consumed by the operations of the Group. Energy consumed is expressed in Megawatt hours ("**MWh**").

Energy Intensity
This is the ratio of energy consumed relative to the Gross Floor Area (GFA) of GSH's properties. Energy intensity is expressed in kWh per 1,000 sq ft ("**kWh/ 1,000 sq ft**").

Water Consumption
This is the volume of water consumed by the Group. The sources of the water are supplied by local municipalities and our water-recycled facilities. The total amount of water withdrawn is assumed to be the amount consumed as is reflected in utility bills received which exclude the total amount of water recycled.

The volume of water consumed is expressed in cubic meters ("**m^3**")

Water Intensity
This is the ratio of water consumed relative to the GFA of GSH's properties.
Water intensity is expressed in m^3 per 1,000 sq ft ("**m^3/ 1,000 sq ft**").

New Hires and Turnover
New hires are defined as new employees who have joined the Group during the financial year.

Turnover is defined as all employees who have left the Group voluntarily, or due to dismissal, retirement or death in service during the financial year.

The turnover rate is the total number of employee turnovers in the financial year, relative to the total number of employees recorded at the financial year-end.

The new hires/turnover rate by gender is the total number of new hires/employee turnovers for each gender in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

The new hires/turnover rate by age group is the total number of new hires/employee turnovers for each age group in the financial year, relative to the total number of new hires/resignees recorded at financial year-end.

Training hours
Average training hours per employee is the total number of training hours incurred during the financial year provided to employees, relative to the total number of employees recorded as of financial year-end.

Average training hours per female/(male) employee is the total number of training hours provided to female/(male) employees, relative to the total number of female/(male) employees recorded as of financial year-end.

Fatalities in workplace
The number of fatalities as a result of work-related injury during the reporting period across the organisation.

High-consequence injuries in the workplace
Number of high-consequence work-related injuries (an injury that results in a fatality from which the worker cannot recover fully to pre-injury health status within 6 months) excluding fatalities during the reporting period.

Recordable injuries
The number of recordable work-related injuries during the reporting period.

Recordable work-related ill health cases
The number of recordable work-related illnesses or health conditions arising from exposure to hazards at work during the reporting period.

Non-employee Workers
Non-employee workers are defined as workers who are not employees but whose work and/or workplace is controlled by the organisation; Or workers who are not employees and whose work and workplace are not controlled by the organisation, but by the organisation's operations, products or services are directly linked to significant occupational health and safety impacts on those workers by its business relationships.
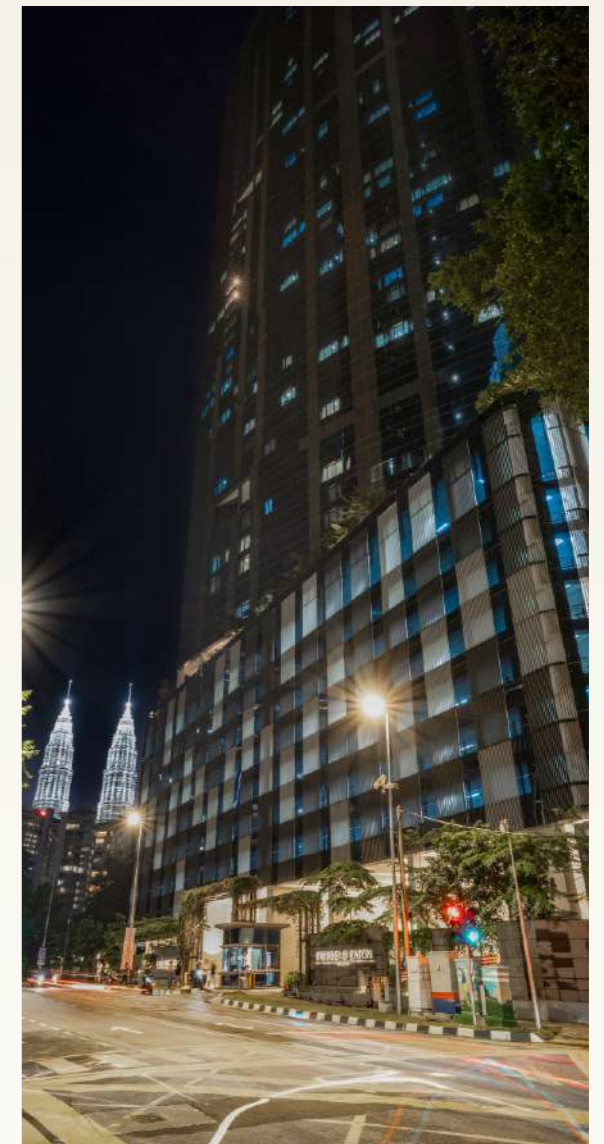
Appendix D: GRI standards content index

GRI Standards Content Index

The GRI Content Index references the GSH Corporation Limited Sustainability Report 2023 ("**SR**"), the Annual Report 2023 ("**AR**") and the GSH Corporate Website.

Disclosure number		Disclosure title	Reference and remarks
GRI 2: General disclosures			
The organization and its reporting practices	2-1	Organisation details	• AR corporate overview
	2-2	Entities included in the organization's sustainability reporting	• SR Appendix A: List of entities included in this report
	2-3	Reporting period, frequency and contact point	• SR scope of sustainability report • SR sustainability contact
	2-4	Restatements of information	• SR restatement
	2-5	External assurance	• No external assurance
Activities and workers	2-6	Activities, value chain and other business relationships	• AR corporate overview
	2-7	Employee	• Appendix B: Sustainability scorecard
	2-8	Workers who are not an employee	• Appendix C: Methodologies and data boundaries
Governance	2-9	Governance structure and composition	• AR corporate governance
	2-10	Nomination and selection of the highest governance body	• AR corporate governance
	2-11	Chair of the highest governance body	• AR corporate governance
	2-12	Role of the highest governance body in overseeing the management of impacts	• AR corporate governance
	2-13	Delegation of responsibility for managing impacts	• AR corporate governance
	2-14	Role of the highest governance body in sustainability reporting	• SR Sustainability Organisational Structure
	2-15	Conflicts of interest	• AR corporate governance
	2-16	Communication of critical concerns	• SR Consulting our stakeholders
	2-17	The collective knowledge of the highest governance body	• AR corporate governance
	2-18	Evaluation of the performance of the highest governance body	• AR corporate governance
	2-19	Remuneration policies	• AR corporate governance
	2-20	The process to determine the remuneration	• AR corporate governance
	2-21	Annual total compensation ratio	• AR corporate governance
Strategy, policies and practices	2-22	Statement on sustainable development strategy	• SR Sustainability strategy
	2-23	Policy commitments	• SR How do we measure our performance
	2-24	Embedding policy commitments	• SR How do we measure our performance
	2-25	Processes to remediate negative impacts	• SR Sustainability strategy
	2-26	Mechanisms for seeking advice and raising concerns	• AR corporate governance • SR Consulting our stakeholders
	2-27	Compliance with laws and regulations	• SR Responsible business
	2-28	Membership associations	• SR Responsible business
Stakeholder engagement	2-29	Approach to stakeholder engagement	• SR Consulting our stakeholders
	2-30	Collective bargaining agreements	• Not applicable
GRI 3: Disclosures on material topics			
Material topics	3-1	The process of determining material topics	• SR Sustainability materiality

Disclosure number		Disclosure title	Reference and remarks
	3-2	List of material topics	• SR Sustainability materiality
	3-3	Management of material topics	• SR Sustainability materiality • SR Responsible business • SR Environmental sustainability • SR Empowering lives • SR Green building
GRI 200: Economic disclosures (applicable sections only)			
Economic performance	201-1	Direct economic value generated and distributed	• SR Responsible business
Procurement practices	204-1	The proportion of spending on local suppliers	• SR Responsible business
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	• SR Responsible business
	205-3	Confirmed incidents of corruption and actions taken	• SR Responsible business
Materials	301-1	Materials used by weight or volume	• No raw materials and packaging materials are used as our operations do not involve manufacturing goods
Energy	302-1	Energy consumption within the organisation	• SR Environmental sustainability
	302-3	Energy intensity	• SR Environmental sustainability
Water	303-5	Water consumption	• SR Environmental sustainability
Emissions	305-1	Direct (Scope 1) GHG emissions	• SR Environmental sustainability
	305-2	Energy indirect (Scope 2) GHG emissions	• SR Environmental sustainability
	305-3	Other indirect (Scope 3) GHG emissions	• SR Environmental sustainability
	305-4	GHG emission intensity	• SR Environmental sustainability
Waste	306-3	Waste generated	• SR Environmental sustainability
GRI 400: Social disclosures (applicable sections only)			
Employment	401-1	New employee hires and employee turnover	• Appendix B: Sustainability scorecard
Occupational health and safety	403-1	Occupational health and safety management system	• SR Empowering lives
	403-5	Worker training in occupational health and safety	• SR Empowering lives
	403-9	Work-related injuries	• SR Empowering lives
	403-10	Work-related ill health	• SR Empowering lives
Training and education	404-1	Average hours of training per year per employee	• SR Empowering lives
	404-2	Programs for upgrading employee skills and transition assistance programs	• SR Empowering lives
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	• SR Empowering lives
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	• No incidents of discrimination have been reported in FY2023
Child labour	408-1	Operations and suppliers at significant risk for incidents of child labour	• Child labour is strictly prohibited
Forced or compulsory labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	• Forced and compulsory labour is strictly prohibited.

Appendix F: TCFD recommendations context index

TCFD Recommendations Content Index

The TCFD Recommendation Content Index indicates our current implementation status for climate reporting.

TCFD Areas	Recommended Disclosures	Reference and Remarks
1. Governance		
Disclose the organisation's governance around climate-related risks and opportunities	(a) Describe the board's oversight of climate-related risks and opportunities (b) Describe management's role in assessing and managing climate-related risks and opportunities	The Group is currently in the process of establishing governance mechanisms to address climate-related risks and opportunities, which includes defining roles and responsibilities for both the board and management.
2. Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term (b) Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning (c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	The Group is currently in the process of developing a climate risk management framework to identify and assess climate-related risks and opportunities.
3. Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks	(a) Describe the organisation's processes for identifying and assessing climate-related risks (b) Describe the organisation's processes for managing climate-related risks (c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	The Group is currently in the process of developing a climate risk management framework to identify and assess climate-related risks and opportunities.
4. Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process (b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas ("**GHG**") emissions, and the related risks (c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	The Group has disclosed Scope 1, Scope 2, and selected Scope 3 carbon emissions. The Group is currently working on developing a more comprehensive disclosure of Scope 3 carbon emissions. For our scope 1, scope 2, and scope 3 carbon emissions, please refer to "Environmental sustainability".