



## CULTIVATING GROWTH, NURTURING INNOVATION

Sustainability Report 2018

# CONTENT

|  |    |
|--|----|
| CHAPTER 1: ABOUT THIS REPORT.....              | 2  |
| CHAPTER 2: PERFORMANCE HIGHLIGHTS.....         | 3  |
| CHAPTER 3: CHAIRMAN'S MESSAGE .....            | 5  |
| CHAPTER 4: ABOUT BOARDROOM.....                | 7  |
| CHAPTER 5: CORPORATE GOVERNANCE.....           | 10 |
| CHAPTER 6: OUR APPROACH TO SUSTAINABILITY..... | 15 |
| CHAPTER 8: EMPLOYEE ENGAGEMENT .....           | 21 |
| CHAPTER 9: ENVIRONMENTAL MANAGEMENT.....       | 29 |
| CHAPTER 10: COMMUNITY INVESTMENT.....          | 33 |

# CHAPTER 1: ABOUT THIS REPORT

## BoardRoom's Commitment to Doing Good, Doing Well

Boardroom Limited (the "Company") believes in being a responsible corporate citizen, creating long-term stakeholder value and protecting future generations by assessing the environment, social and governance aspects of our business. With these aspirations in mind, BoardRoom published our first Sustainability Report in 2017, communicating to our stakeholders our commitment, performance and targets on sustainability. We also conducted our first materiality assessment to ascertain the most important sustainability topics to our business and stakeholders, which included issues ranging from employee engagement to environmental management.

This year, we continue to report on our approach to managing our material issues, our on-going performance, and most importantly, report on the progress we have achieved since last year.

## Boundaries & Scope of Our Report

This Report contains information for FY18 for a total of 16 offices, consisting of our headquarters in Singapore (one office), as well as offices in Malaysia (seven offices), Hong Kong (one office), Australia (three offices) and China (four offices). This year, we have also included information on our operations in China. Next year, we will be including our newly-acquired entity in Malaysia, Symphony Corporatehouse Sdn Bhd and its subsidiary Sky Corporate Services Sdn Bhd, Symphony Share Registrars Sdn Bhd and Malaysian Issuing House Sdn Bhd (" the Symphony companies"), in the scope of our Sustainability Report.

## Reporting Framework

This Report was prepared in compliance with Singapore Exchange Limited ("SGX") reporting guidelines and references the Global Reporting Initiative ("GRI") Standards GRI 101: Foundation, 2016; GRI 102: General Disclosures, 2016; and GRI 103: Management Approach, 2016. The GRI Standards set out the principles and disclosures that companies can use to report their economic, environmental and social performance. We are committed to publishing these reports every year.

## Data and External Assurance

BoardRoom applies a standardised approach to data collection and analysis across all our operations, which includes ensuring that data is verified internally before reporting externally. We have not sought independent external assurance of the data in this Report.

## Point of Contact

We value your opinions as part of our continued efforts to improve our sustainability journey. We welcome your views, comments and feedback, which may be directed to:

### **Kymberlie Chong**

Regional Director, Human Resource, Central Admin and Marketing

[info.sg@boardroomlimited.com](mailto:info.sg@boardroomlimited.com)

## CHAPTER 2: PERFORMANCE HIGHLIGHTS

| Sustainability Issues | Our Targets   | Our Progress in 2018   |
|-----------------------|---|--|
| <b>Governance</b>     | <i>Whistle-blowing policy:</i> We plan to increase and improve channels to receive whistleblowing cases by 2019           | <p><b>Ongoing progress:</b></p> <ul style="list-style-type: none"> <li>Ensured that all employees received a copy of our whistleblowing policy manual and ensuring the document is made available in our intranet (Learning Management System)</li> </ul> <p><b>Additional progress:</b></p> <ul style="list-style-type: none"> <li>Provided further transparency and information on our Whistle-Blowing Policy, Non-Retaliation Policy, Complaints Handling Policy, Risk Management Policy, Client Acceptance Policy and Anti-Money Laundering Policy in our Sustainability Report</li> </ul> |
| <b>Clients</b>        | <i>Client Privacy &amp; Data Protection:</i> We are committed to maintaining zero cases of customer data privacy breaches | <p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>No cases of customer data privacy breaches</li> </ul> <p><b>Additional progress:</b></p> <ul style="list-style-type: none"> <li>Conducted the 2<sup>nd</sup> round of improvements to our governance framework, as well as policies and processes on data protection</li> <li>Strengthened defence against cyber threats through a number of programmes and initiatives</li> <li>Conducted employee training on data protection and cybersecurity</li> </ul>   |
|                       | <i>Client Satisfaction:</i> We plan to accurately track and increase the number of retained clients by 2019               | <p><b>Ongoing progress:</b></p> <ul style="list-style-type: none"> <li>Considering rolling out Net Promoter Score (“NPS”) across different offices, following success in Australia</li> </ul> <p><b>Additional progress:</b></p> <ul style="list-style-type: none"> <li>Product innovation and expansion of digital product offerings to better serve client needs</li> </ul>  |

## CHAPTER 2: PERFORMANCE HIGHLIGHTS (continued)

|                                 |   |  |
|---------------------------------|---|--|
| <b>Employee Engagement</b>      | <i>Diversity &amp; Inclusion:</i> We would like to continue ensuring equal opportunities for our employees regardless of race or gender           | <b>New target set in 2018</b>  |
|                                 | <i>Employee Engagement:</i> We plan to increase our employee retention rate by 2019   | <b>Ongoing progress:</b> <ul style="list-style-type: none"> <li>9% increase in employee retention rates from the previous year across all offices, except China</li> </ul> <b>Additional progress:</b> <ul style="list-style-type: none"> <li>Implemented new appraisal system in all offices except Australia</li> <li>3x increase in the average number of training hours per employee</li> <li>Launched the <i>Wellness Challenge</i>, where 70% of employees took part and received five extra days of Company Wellness Leave for meeting fitness goals</li> </ul> |
|                                 | <i>Employee Engagement:</i> We plan to conduct Employee Satisfaction Surveys twice a year starting 2019   | <b>Ongoing progress:</b> <ul style="list-style-type: none"> <li>Committed to conduct employee surveys twice a year, to commence in 2019</li> </ul>   |
| <b>Environmental Management</b> | <i>Going Paperless:</i> We plan to reduce paper usage by 20% by 2019  | <b>Surpassed target:</b> <ul style="list-style-type: none"> <li>75.5% reduction in paper usage</li> <li>Completed <i>Project Charter</i> in Singapore and continuing roll-out in Australia, China, Hong Kong and Malaysia</li> </ul> <b>Additional progress:</b> <ul style="list-style-type: none"> <li>1-5% cost savings for paper</li> </ul>   |
| <b>Community Investment</b>     | <i>Volunteering Policy:</i> We are targeting to have our employees contribute at least six hours of volunteering per annum across all our offices | <b>Ongoing progress:</b> <ul style="list-style-type: none"> <li>Conducted a total of 15 programmes across the region this year, including programmes involving staff volunteering</li> </ul>   |

Note: The above targets were set in 2018 with the launch of our first sustainability report. 2018 is the baseline year for all targets.

### Additional Highlights for 2018:

- Included information on our four offices in China

## CHAPTER 3: CHAIRMAN'S MESSAGE

Over the last few decades, we have worked hard to build our business, adding new country offices and new service lines into our portfolio. In 2018, we were proud to announce our acquisition of the Symphony companies in Malaysia. This strengthened our position as the leading corporate secretarial, share registry and other business services in Malaysia. In our core markets, Singapore, Australia, Hong Kong and China, we continue to make inroads and build on our dominant market position. Our hard work has paid off, having successfully built a strong brand as a regional go-to provider of innovative and reliable corporate and secretarial services.

Against this backdrop, BoardRoom is poised for our next stage of growth – one that is anchored on two megatrends in the business world today.

First, the digital revolution is fundamentally changing the future of work, faster than ever before. The world today has transformed into one where digitalisation has reached every corner of our lives. Consumers and clients want constant connectivity. Data and meetings are increasingly being hosted in the virtual world. This year, we continue to build our digital strategy, transforming BoardRoom from a traditional provider of corporate secretarial services into a cutting-edge service technology (or *serv-tech*) company. More than simply adapting to survive in this new digital context, we are strategically embedding it into our business as a competitive advantage. We continue to redesign our approaches into an operating model which is real-time, agile and information-rich.

This transformation touches every aspect of our business – we are retraining our staff and rethinking how we work. We are leveraging on digital technologies to enhance the services we offer. For example, we are one of the companies in the industry to offer a trading engine with our Employee Share Plan service, which was rolled out in Australia and Singapore in 2018. In addition, we are now moving towards a cloud-based, mobile and border-less workplace where employees from our various offices can communicate and collaborate seamlessly. Our goal is to enhance our value proposition, streamline our processes and build internal efficiencies, in order to create a seamless customer experience and ultimately bring superior returns for our stakeholders.

The second megatrend which BoardRoom is embracing as a driver of future value, is sustainability, which is directly linked to our digital transformation strategy. For us, sustainability is about taking a wider and longer-term view of the economic, social, environmental and governance factors that affect our ability to create and sustain value for our stakeholders in today's interconnected world.

As such, we are aware that while the digital revolution has brought in a wave of opportunities for businesses, it has also introduced new threats and fears. The news in 2018 was dominated by a series of high-profile incidents on cyber threats and was a reminder to businesses to always remain vigilant. Given this climate, we enhanced and strengthened our cybersecurity and data protection capabilities, invested resources in building stronger IT teams and conducted more penetration tests and staff training on risks such as hacking and ransomware.

Riding on the wave of digitalisation, we continued steadily on our transition to a paperless workplace, creating a virtual office where the printing of meeting minutes and signing of resolutions on paper is obsolete. This represents a win-win solution for both planet and profits.

In addition, this is accompanied by a mindset shift where casual workwear and more flexible work arrangements is the norm. We also invested in continuous learning and development, as well as health and wellness programmes for our staff with the Wellness Challenge as an example – where 70% of our employees in Singapore were rewarded with extra days of annual leave for hitting their fitness targets. We will continue to progressively implement such initiatives to prioritise our employees, better serve our people and provide them with a more comfortable workplace.

## CHAPTER 3: CHAIRMAN'S MESSAGE (continued)

Last year, we published our first Sustainability Report in line with SGX requirements. This year, we continue to make progress on our efforts to live out our values as a socially-responsible company.

With that, I am proud to present our 2018 Sustainability Report and the first glimpses of a new BoardRoom, a *serv-tech* company that is anchored on digitalisation and sustainability. We are committed to leading the charge in the corporate services industry by looking beyond the short-term, searching far into the horizon for unanticipated risks and opportunities that can springboard our business forward.

On behalf of the Board, I would like to thank you for being part of our journey to chase a greater vision for BoardRoom, one that presents a strong value proposition not just for our shareholders, but for all stakeholders alike.

Thank you.

Mr Goh Geok Khim

Chairman, Boardroom Limited

## CHAPTER 4: ABOUT BOARDROOM

### Company Overview and History

Listed on the Mainboard of SGX, BoardRoom is Asia-Pacific's leader in Corporate and Advisory Services. We offer Employee Plan Services, Regional Payroll Solutions, Corporate Secretarial, Share Registry Services, Accounting, Taxation and Human Resources. Our clientele is made up of over 7,300 public listed and privately-owned companies across industries, including Fortune 500 multinational companies, publicly-listed and privately-owned enterprises.

This year, we acquired Malaysia-based the Symphony companies, bringing our footprint to a total of 16 offices in 5 countries in Asia-Pacific, with a workforce of over 610 employees.

A list of our shareholders can be found on page 113 of our AR2018.

### Our Financial Position

This year was another year of steady growth for Boardroom, despite a challenging operating environment due to geopolitical and trade tensions. We achieved double-digit growth in total revenue, with all our business units and geographic markets achieving healthy year-on-year growth – a clear demonstration of our resilience, operations excellence and effective strategy.

Group revenue for FY18 came in at a record \$91.6 million, a 13.5% increase from \$80.7 million in the previous year. This is supported by higher business volumes in all the business segments and productivity improvement.

Despite the growth, earnings before interest, taxes, depreciation and amortisation ("EBITDA") decreased 7.6% to \$14.0 million (FY17: \$15.2m), while profit margin dropped to 7.6% compared to 13.1% the year before.

Our financial results for the year were weighed down by two factors: a change in accounting treatment described below, and a number of additional costs associated with both the Australian and Malaysian acquisitions. These include transaction and post-integration expenses, and increased interest expenses relating to debt taken out to partially fund the acquisitions.

The adoption of a new accounting standard Singapore Financial Reporting Standards (International) ("SFRS(I)") 9, resulted in a charge of \$2.1 million for unrealised currency loss arising from the revaluation of AUD denominated redeemable preference shares ("RPS") in our Australian subsidiary. These RPS, which were previously treated as equity investment, are now being fair-valued as debt investment under the new accounting standard.

More information can be found on page 2 of our AR2018.

### Financial Position (FY18)

|                                   | FY18 (S\$'000) |
|-----------------------------------|----------------|
| <b>Total Assets</b>               | S\$177,154     |
| <b>Total Liabilities</b>          | S\$81,848      |
| <b>Total Shareholders' Equity</b> | S\$95,306      |



## CHAPTER 4: ABOUT BOARDROOM (continued)

### Economic Value Generated (FY18)

|   | FY18 (S\$'000) |
|---|----------------|
| <b>Direct Economic Value Generated</b>  |                |
| Total revenue   | S\$91,591      |
| <b>Economic Value Distributed</b>   |                |
| Operating costs   | S\$ 30,052     |
| Employee wages and benefits   | S\$48,754      |
| Tax payments to governments   | S\$2,306       |
| <b>Economic Value Retained</b> (calculated as "Direct Economic Value Generated" less "Economic Value Retained") |                |
| Economic value retained   | S\$ 10,479     |

Further details on our financial accounts can be found on page 2 of our AR2018.

### Our Services

BoardRoom provides an integrated suite of pre- and post- Initial Public Offering ("IPO") services across 5 major countries – Singapore, Australia, Malaysia, Hong Kong, and China.

|                              |   |
|------------------------------|---|
| Integrated Suite of Services | Accounting and Payroll                              |
|                              | Corporate Secretarial                               |
|                              | Human Resource                                      |
|                              | Internal Audit & Risk Management                    |
|                              | Investor Relations                                  |
|                              | Share Registration                                  |
|                              | Taxation  |
| Pre-IPO Services             | Corporate Advisory & Restructuring                  |
|                              | Consolidation & Financial Reporting                 |
|                              | Internal Control Reviews & Risk Management          |
|                              | Staff Secondment / Outsource Reporting Requirements |
| IPO Services                 | IPO Services  |
| Post-IPO Services            | Consolidation & Financial Reporting                 |
|                              | Internal Audit & Risk Management                    |

A full list of our services can be found on our [website](#).

### Our Group of Companies

Headquartered in Singapore, BoardRoom has also established other offices globally, with a total of 16 offices and an additional 19 partners.

## CHAPTER 4: ABOUT BOARDROOM (continued)



### BOARDROOM'S PARTNER NETWORK

India | Indonesia | Japan | Macau | Myanmar | New Zealand | Philippines | South Korea | Taiwan | Thailand | United Arab Emirates | United Kingdom | United States of America | Vietnam

For a full list of our office locations, please visit pages 17 of our AR2018.

## CHAPTER 5: CORPORATE GOVERNANCE

At BoardRoom, we continually strive to enhance our governance framework, anchored on a strong belief that good corporate governance is the cornerstone of a well-managed and respected organisation. We are committed to developing, promoting and maintaining the highest standards of corporate governance to safeguard the interests of all stakeholders. In our approach, we are guided by the principles and guidelines set out in the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore. A significant milestone we achieved this year was to improve our whistle-blowing policy – a target we committed to in 2017.

### Our Values, Brand Purpose, Promise and Culture

BoardRoom's values are anchored on the following principles that guide our norms of behaviour:

|                      |  |
|----------------------|--|
| <b>Brand Purpose</b> | To be the unrivalled partner for integrated corporate solutions driven by innovation and technology  |
| <b>Brand Promise</b> | Taking business further, faster, at all stages, with an integrated suite of corporate solutions driven by innovation and technology  |
| <b>Brand Culture</b> | <p><b>Work Culture</b></p> <ul style="list-style-type: none"> <li>• We put our clients and their needs first</li> <li>• We stay ahead of the curve through technology development and training</li> <li>• We are receptive to new ideas and adapt quickly to change</li> <li>• We work smarter by doing more with less</li> <li>• We take a solution-based approach to problems</li> </ul> <p><b>Workplace Culture</b></p> <ul style="list-style-type: none"> <li>• We listen to the needs of our team members and encourage respect amongst all within the workplace</li> <li>• We empower our people and give them a sense of purpose</li> <li>• We are always professional, but embrace a high-spirited family atmosphere in the workplace</li> <li>• We instil a culture of learning through active and open communication</li> <li>• We foster a work hard, play hard culture</li> </ul> <p><b>Our People Are</b></p> <ul style="list-style-type: none"> <li>• Dependable</li> <li>• Approachable</li> <li>• Innovative</li> <li>• Driven</li> <li>• Meticulous</li> <li>• Collaborative</li> </ul> |

### Our Governance Structure

#### Board Duties

Our Board of Directors is collectively responsible for the long-term success of the Company. The Board works closely with Management to achieve this and Management remains accountable to the Board. The Board's principal duties include:

- a) setting the overall business direction and guiding strategic plans;
- b) approving adequacy of internal controls, risk management, financial reporting and compliance matters;
- c) reviewing the performance of and overseeing succession planning for senior management;
- d) setting the Company's values and standards;
- e) identifying key shareholder groups;

## CHAPTER 5: CORPORATE GOVERNANCE (continued)

- f) considering sustainability issues such as environmental and social factors as part of its strategic formulation; and
- g) assuming responsibility for corporate governance.

The Board also oversees and provides guidance to Management. The Board delegates the formulation of business policies and day-to-day management to the Group Chief Executive Officer (“CEO”).

To assist the Board in the execution of its duties, the Board has delegated specific functions to the Audit Committee (“AC”), the Nominating Committee (“NC”), and the Remuneration Committee (“RC”). Each of these committees operate within written terms of reference approved by the Board.

More information on our corporate information and our corporate governance can be found on page 20 of our AR2018.

### Our Board of Directors

**Goh Geok Khim**  
Non-Executive and  
Non-Independent  
Chairman

**Kim Teo Poh Jin**  
Executive Director and  
Group Chief Executive  
Officer

**Mak Lye Mun**  
Non-Executive and  
Independent Director

**Goh Yew Lin**  
Alternate Director to  
Goh Geok Khim

**Spencer Lee Tien Chye**  
Non-Executive and  
Independent Director

**Christopher Grubb**  
Non-Executive and  
Independent Director

**Thomas Teo Liang  
Huat**  
Non-Executive and  
Independent Director

The full profiles of our Board of Directors can be found [here](#).

### Key Management Team

**Adrian Kow**  
Group Chief Financial  
Officer

**Chester Leong**  
Regional Managing  
Director, BoardRoom  
Business Solutions

**Rhett Tregunna**  
Chief Executive  
Officer, Australia  
Boardroom Pty  
Limited, Australia

**Samantha Tai Yit Chan**  
Chief Executive  
Officer, Malaysia  
Boardroom Coporate  
Services (KL) Sdn. Bhd.,  
Malaysia

**Victor Lai**  
Regional Managing  
Director, BoardRoom  
Corporate & Advisory  
Services

The full profiles of our Management Team and their contact details can be found in Pages 15 of the Annual Report.

### Our Commitment to Ethics and Integrity

Similarly, the Board is committed to upholding high standards of good corporate governance, professionalism and integrity in the Company.

We have based our corporate governance framework on timely disclosures, transparency and accountability, so that we can create, maintain and safeguard the value and interests of our shareholders.

## CHAPTER 5: CORPORATE GOVERNANCE (continued)

Integral to our commitment is the high priority we place on ethical business conduct, in markets where we operate.

### Professional Ethics of Our Employees

Employees are expected to comply with our Code of Conduct (found within our Employee Handbook), which outlines the standards of behaviour in displaying responsible conduct, honesty and integrity. It also provides details on misconduct by employees – such as what actions constitute as misconduct, as well as the disciplinary procedures which the company will carry out if misconduct does occur. The Code also highlights grievance procedures for employees, free of reprisals, should they be treated unfairly.

Client-serving employees are also required to conduct themselves according to the highest possible ethical standards, bound by BoardRoom's adoption of the [Professional Ethics Statements and Code of Conduct](#) issued by the Institute of Singapore Chartered Accountants and the Chartered Secretaries Institute of Singapore where relevant.

### Anti-Corruption and Compliance

To ensure that all employees are sufficiently informed about BoardRoom's zero tolerance to corruption, all employees must undergo a briefing conducted by the legal counsel within the first month of their induction with the Company. We also have a strict policy regarding gifts from clients, where employees may not receive any gift or advantage from any person or company with a business relationship with BoardRoom, without the knowledge and consent of the Director.

No incidences of corruption or non-compliances with regulations (resulting in fines or non-monetary sanctions) were reported in FY18.

### Our Approach to Handling Complaints

#### Our Whistle-Blowing Policy

BoardRoom has in place a [whistle-blowing policy](#) open to all relevant internal stakeholders, such as directors, employees (full-time, part-time and contract), as well as external stakeholders such as vendors, clients and contractors, to raise complaints on any matter which could be a violation of our principles.

This includes matters regarding accounting, auditing, internal or accounting controls which are questionable or not in accordance with generally-accepted practices prescribed by BoardRoom. It also covers serious concerns that could have an impact on the Company, such as unlawful acts, health and safety issues, actions that could cause environmental damage, the concealing of unethical actions or any other form of improper conduct. Our whistle-blowing policy also refers to any action taken by any employee which obstructs another employee to exercise his/her right to make such reports.

This year, we ensured that all employees received a copy of our whistleblowing policy manual, including the latest update of the contact details of the Audit Committee ("AC"), and made the document available in our intranet (Learning Management System). We will continue to work towards our goal of strengthening our whistle-blowing policy.

Complaints can be reported to the AC either in person or by emailing [whistleblow@boardroomlimited.com](mailto:whistleblow@boardroomlimited.com).

## CHAPTER 5: CORPORATE GOVERNANCE (continued)

Once a complaint is received, the AC will:

- 1. conduct its own investigation of the complaint;**  
Where necessary, it can also instruct the internal auditor or other third parties to conduct further investigations.
- 2. inform the reporting party of the likely timeline for a final response;**
- 3. recommend any remedial or legal action to be taken, where necessary;**  
The remedial action can be carried out by instructing relevant management or engaging other third parties. If there is reason to believe that a crime has been committed, the AC may also report the matter to the authorities.
- 4. notify the reporting party on actions which are taken;**  
If no action is taken, the AC will also provide a reason for the decision.

The AC will also regularly review and update this policy, with revisions implemented only via approval by the Board of Directors. Changes will also be notified to employees.

### Our Non-Retaliation Policy

We maintain a strict policy of non-retaliation, ensuring that parties are able to raise concerns through the whistle-blowing hotline confidentially and without fear of retaliation in any form. BoardRoom makes every effort to protect the identity of the reporting party and will investigate complaints alleging retaliatory action, such as disciplinary action against the reporting party.

### Our Complaints Handling Policy

BoardRoom also has a separate Complaints Handling Policy targeted mainly at external stakeholders – such as vendors, clients and contractors – to lodge complaints against BoardRoom, its directors or personnel. The objective of the Policy is to provide guidance on the manner in which we receive and handle complaints and to assist us in resolving complaints in an efficient, effective and professional manner.

Through both our Whistleblowing Policy and Complaints Handling Policy, we seek to maintain our reputation as a company delivering high quality professional services, committed to maintaining our responsiveness to the needs and concerns of our clients.

| Our Target  | Our Progress in 2018  |
|---|---|
| <i>We plan to increase and improve channels to receive whistleblowing cases by 2019</i> | <b>Ongoing progress:</b><br>Ensured that all employees received a copy of our whistleblowing policy manual and ensuring the document is made available in our intranet (Learning Management System) |

### Our Approach to Risk Management

#### Risk Management Policy

We also have in place a Risk Management Policy to acknowledge the risks involved in our business and mitigate it to the best of our ability. The policy aims to ensure that appropriate systems are in place to identify material risks facing the Company or to ascertain potential financial impact of identified risks. Measures and mitigating strategies are then adopted to manage exposure while responsibilities are delegated to handle these risks effectively.

In our Singapore offices, we also have a Compliance Policy Manual, covering issues such as conflicts of interest, insider information and confidentiality, gifts and entertainment, client acceptance policy and prevention of activities related to money laundering and terrorism financing.

## CHAPTER 5: CORPORATE GOVERNANCE (continued)

### Client Acceptance Policy & Anti-Money Laundering Policy

BoardRoom is committed towards the prevention of money laundering and the financing of terrorism. As such, we have various policies in place to ensure compliance and guarding against any transaction which may facilitate money laundering and the financing of terrorism. We also conduct regular trainings to ensure employees are aware of BoardRoom's commitments.

### Our Procurement Practices

As a service company, we procure goods and services mainly to support our day-to-day operations, including office rental, mailing, postage, recruitment and other administrative support services. To ensure that the procurement process in the Company is fair, consistent and transparent, our procurement policy requires that we obtain at least three quotations from different suppliers before final selection either by management staff or the Board of Directors. Most of our service providers are sourced locally for cost effectiveness and based on our commitment to support local economies where we operate. Environmental, social or governance criteria may also be considered when making procurement decisions.

#### **Recognition from the Association of Banks in Singapore ("ABS") for strong governance**

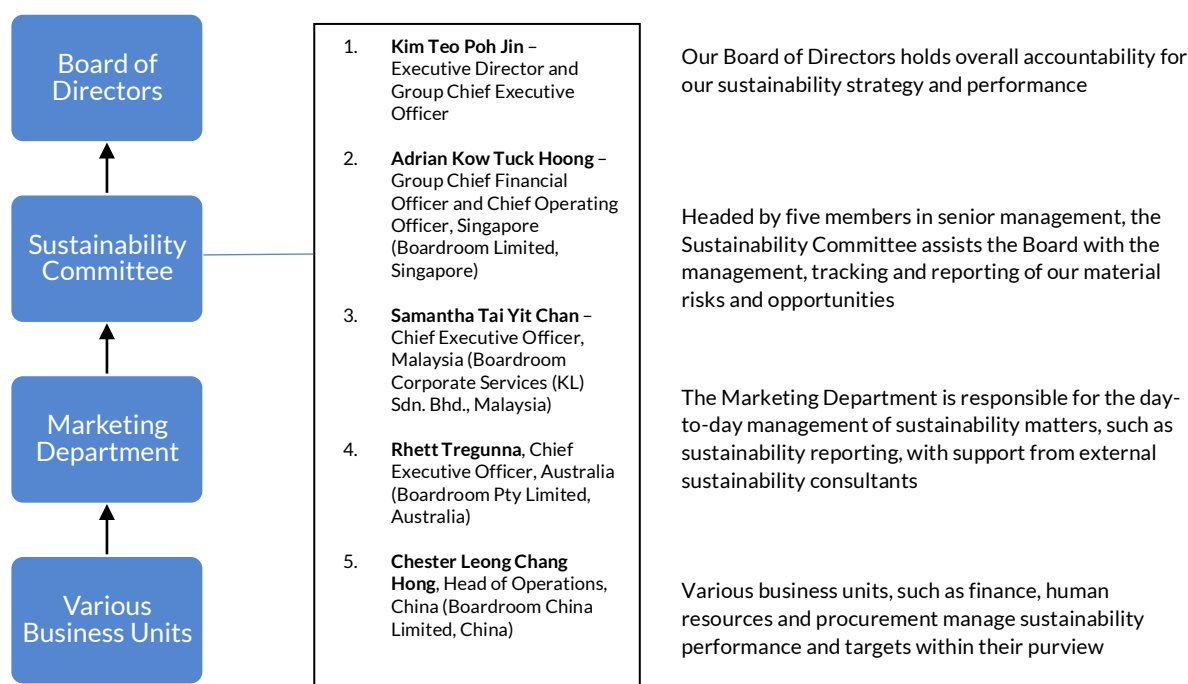
In recognition of our high standards of integrity and internal controls, BoardRoom was one of the first payroll service providers in Singapore to receive an [Outsourced Service Provider Audit Report \("OSPAR"\)](#) certification for payroll services. BoardRoom received the certification after a rigorous audit process by Ernst & Young, a testament to the integrity and effectiveness of our internal controls, backed by safeguards of the highest standards. The assessment covered issues such as protection of client information, strength of data security, as well as the integrity and confidentiality of our workflow, service and processes.

Developed by the ABS, OSPAR ensures that outsourced service providers such as BoardRoom have the same level of governance, rigour and control as financial institutions.

## CHAPTER 6: OUR APPROACH TO SUSTAINABILITY

As one of the regional leaders in Corporate and Advisory Services, we also strive to demonstrate leadership in sustainability. In 2017, we took the first steps in our sustainability journey by publishing our very first sustainability report. In the same year, we also conducted a materiality assessment to help us focus on our most significant impacts, as well as set up a governance structure to manage our key environmental, social and governance issues. From employee engagement to reducing our operational footprint, we are on an incremental journey to embed sustainability into various aspects of our business.

### Our Sustainability Governance Structure



### Our Material Issues

We define material issues as environmental, social and governance topics that have the largest influence on BoardRoom and our stakeholders. In 2017, we conducted our first materiality assessment to identify the sustainability issues to focus our efforts on. We undertook a three-stage process for the assessment:

1. *desk-Based Research*: Including a competitor benchmark and horizon scanning across our value chain;
2. *stakeholder Engagement*: Including internal interviews with departments and an online survey to engage external stakeholders; and
3. *prioritising and Validation of Material Issues*: A total of 14 sustainability issues were identified and ranked as high or low priority, which were then validated and approved by our Board of Directors.

For more information on our materiality assessment, please refer to our [2017 Sustainability Report](#).

This year, BoardRoom continues to report on our performance on the following 14 sustainability issues, with an added focus this year on the use of digitalisation to improve our management and performance on these topics.



## CHAPTER 6: OUR APPROACH TO SUSTAINABILITY (continued)

| Category            | #  | Material issue   | Priority | Covered in Report?     |
|---------------------|----|--|----------|------------------------|
| Governance          | 1  | <b>Governance and Ethics</b><br>Conducting all business activities in line with the highest ethical and legal standards through sound corporate governance practices         | High     | Yes (Chapter 5)        |
|                     | 2  | <b>Public Policy Engagement</b><br>Engaging in conversations and taking action on public policy issues that are relevant to the services we provide our clients              | Low      | No                     |
| Clients             | 3  | <b>Client Satisfaction</b><br>Meeting client expectations through superior service quality and innovative business solutions   | High     | Yes (Chapter 7)        |
|                     | 4  | <b>Client Privacy and Data Protection</b><br>Protecting our clients' privacy and data through cybersecurity  | High     | Yes (Chapter 7)        |
|                     | 5  | <b>Digital Transformation</b><br>Enhancing client experience through digital transformation  | High     | Yes (various sections) |
|                     | 6  | <b>Responsible Procurement</b><br>Ensuring the selection, management and payment of suppliers is fair and transparent, while promoting local sourcing and supplier diversity | Low      | No                     |
|                     | 7  | <b>Sustainable Supply Chain</b><br>Purchasing goods and services that are sustainable which meet high environmental and social standards                                     | Low      | No                     |
| Employee engagement | 8  | <b>Talent Attraction, Development and Retention</b><br>Managing current and future talent needs through attraction, retention, training and development                      | High     | Yes (Chapter 8)        |
|                     | 9  | <b>Diversity and Inclusion</b><br>Promoting a diverse and inclusive workplace, free from discrimination  | High     | Yes (Chapter 8)        |
|                     | 10 | <b>Workplace Health, Safety and Wellbeing</b><br>Providing a healthy and safe work environment for our employees and promoting well-being                                    | High     | Yes (Chapter 8)        |

## CHAPTER 6: OUR APPROACH TO SUSTAINABILITY (continued)

|                          |    |   |             |                         |
|--------------------------|----|---|-------------|-------------------------|
| Environmental management | 11 | <b>Waste Management</b><br>Management of paper consumption  | <b>High</b> | <b>Yes</b> (Chapter 9)  |
|                          | 12 | <b>Greenhouse Gas (“GHG”) Emissions</b><br>Reducing GHG emissions by managing energy use and transport-related emissions  | <b>Low</b>  | <b>Yes</b> (Chapter 9)  |
|                          | 13 | <b>Water Consumption</b><br>Reducing water consumption in our offices   | <b>Low</b>  | <b>No</b>               |
| Community                | 14 | <b>Community Investment</b><br>Leverage our capabilities to support local communities through corporate community activities such as fundraising and volunteering | <b>Low</b>  | <b>Yes</b> (Chapter 10) |

### Key:

**‘High’ priority:** Issues with high societal impact and concern to our stakeholders. They form the focus of our sustainability efforts and reporting. We will elaborate on our commitments and management practices on all of these issues in the chapters that follow. For each of the seven ‘high priority’ material issues identified, we have also set timely targets to track the continued improvement of our performance on these fronts.

**‘Low’ priority:** Issues of relatively lesser importance, but still relevant to both BoardRoom and its stakeholders. We will actively manage and report on some of these issues as appropriate.

### Embedding Digitalisation into Our Sustainability Strategy

BoardRoom is going through an exciting period of digitalisation to enable us to secure long-term growth and maintain market leadership. At the same time, we have also harnessed the power of technology and digitalisation to help us with our sustainability performance. As such, we will be reporting on some of the new digital initiatives we have embedded into our sustainability strategy, which include:

- **product innovation:** Expanding our digital product offerings for clients to better engage with their key stakeholders, such as investors, employees and clients;
- **strengthening cybersecurity:** Utilising the latest technology to strengthen our defence against cyber threats;
- **upskilling our employees:** Ensuring our employees are well-equipped with 21<sup>st</sup> century skills in areas such as Office Productivity, CRM and Virtualisation;
- **a more mobile workplace:** Investing in cloud-based systems to create a virtual office, enabling our staff to increase productivity while improving work-life balance;
- **reducing paper usage:** Rolling out of *Project Charter* across our offices, our initiative to implement a digital record and document management system, in order to reduce our paper usage. In addition, we also rolled out new innovative products for our clients to reduce their paper usage; and
- **employee engagement:** Launching of our *Wellness Challenge*, providing employees with incentives for meeting their fitness goals, measured using fitness trackers. In addition, we also launched *FLEA@BoardRoom*, a virtual platform for employees to buy and sell pre-loved or new items.

## CHAPTER 7: CLIENTS

As a service-provider, our clients are integral to our overall success. We strive to deliver quality service that is unparalleled, providing clients with solutions which are both innovative and practical. As such, our core strategy on client management is to forge strong and enduring relationships to help us retain our position as one of the top choices for companies in Asia-Pacific seeking corporate and advisory services.

Our strategy to provide the best service for clients is based on the following focus areas:

### Product Innovation

To better serve client needs, we continue to invest in product innovation and expand our digital product offerings. These new products deliver productivity benefits and help our clients better engage with key stakeholders, such as investors, employees and clients, further differentiating BoardRoom from its peers as a provider of the latest cutting-edge products for corporate and advisory services.

- **Digital platform for Employee Plan Services:** In 2018, we launched the latest addition to our suite of Employee Plan Services, [EmployeeServe](#). This cutting-edge platform provides clients with real-time 24/7 access to their employee holdings, including transactions, balances, statements and advices, as well as the ability to instantly update personal information, accept employee plan offers, transact on vesting events, sell shares and view companies accounts. BoardRoom also provides end-to-end administrative services for clients to develop their own bespoke platform, starting from the design to the implementation phase. This new product enables clients to maximise participation rates and organisation productivity, while reducing company risk.

This new product builds on our continued success in product innovation since 2016, which include:

- **Innovative mobile investor relations platforms:** We formed an exclusive alliance with Omni Market Tide, a market leader in digital engagement, to provide innovative mobile investor relations platforms to listed companies in Singapore and Hong Kong, laying the foundation for similar offerings in Taiwan, Indonesia, Malaysia, Japan and China. The applications include features to enhance the interconnectivity between companies and stakeholders, such as push communications, web streaming, shareholder voting, as well as access to company reports presentations and share price feeds.
- **Innovative application for securities registry market:** We also launched an innovative application for the securities registry market in Australia. BoardRoom Digital Consolidated Application delivers a single online destination that combines smart technology with comprehensive real-time analytics, insights, news, statements, transactional and engagement features – benefiting clients, investors and employees by helping them to stay connected to the markets.

We will continue to invest in research and development to enhance our product offering, striving to redefine how companies access, engage and transact with personal and market financial information.

### Client Privacy and Data Protection

To maintain client privacy and data protection, BoardRoom adheres to a strict policy never to disclose and provide client information to third parties without prior consent. For example, when client data is accessed during audits, we hold a strict policy not to allow the copying of any confidential documents. At least one finance coordinator must also be present to ensure no misappropriation of information takes place during the process.

## CHAPTER 7: CLIENTS (continued)

### Enhancing Data Protection

To further reduce our privacy-related risks, we engaged a third-party consultancy, Straits Interactive (“SI”), for the second time after our first engagement in 2016. Together with SI, we conducted the following activities in 2018:

- developed BoardRoom’s governance framework, policies and processes to address compliance gaps with the Personal Data Protection Act (“PDPA”);
- reviewed relevant documents and third-party contracts/agreements for compliance with PDPA requirements;
- identified BoardRoom’s privacy-related risks resulting from our operational processes and data flows which deal with personal data, and to implement appropriate controls and measures to further mitigate privacy-related risks.

#### Staff Training:

We recognise the importance of continually equipping our staff with the necessary knowledge and skills to function as in-house data protection officers. As such, SI also conducted three training sessions with hands-on practice on the Straits’ Data Protection Management System (DPMS). The training session provided staff with a step-by-step approach to:

- assess their personal data information assets;
- conduct self-assessment for PDPA readiness;
- perform an information security assessment and onsite audit;
- monitor gaps and manage actions through an ongoing compliance dashboard; and
- manage data breaches through an integrated response management system.

### Strengthening Cybersecurity

In this age of increasingly sophisticated cyber-attacks, we also recognise the need to invest in strengthening our defence against cyber threats. Some of our programmes and initiatives include:

- Conducting annual penetration tests to assess our security policy, the level of security awareness by employees and our ability to identify and respond to security incidents;
- Implementing firewalls and anti-virus softwares (e.g. *Endpoint*) to tackle the threat of ransomware;
- Upgrading of our Guest WiFi;
- Implementing encryption technology for stored data; and
- Improving security handling in compliance with OSPAR.

#### Staff Training:

To ensure that our staff are also well-trained on cyber threats which they could potentially encounter in their line of work, we also conduct annual staff training and share emails whenever there are new or potential cases of phishing or IT-related security threats.

To date, BoardRoom has not received any substantiated complaints on data breaches, cases of known breaches of customer privacy or any identified losses of customer data.

*“Compliance of the PDPA is an on-going process and Boardroom, with Straits’ knowledge, is continuously looking at ways to improve its policies and processes to address any PDPA compliance gaps as well as the controls and measures to mitigate its top privacy-related risks.” – Straits Interactive on BoardRoom’s approach to data privacy*

| Our Target   | Our Progress in 2018 |
|--|----------------------|
| We are committed to maintaining zero cases of customer data privacy breaches | Achieved             |

## CHAPTER 7: CLIENTS (continued)

### Client Satisfaction

BoardRoom has in place robust systems to track client satisfaction and will continue to develop our capabilities in this area. In all of our offices, BoardRoom's team of client managers engage with clients on a frequent basis to maintain high client satisfaction. Many of our clients continue to renew their contracts with us and engage our services year after year.

To more accurately measure client satisfaction, BoardRoom Australia has been using the [Net Promoter Score \("NPS"\)](#), a management tool which measures the loyalty of customer relationships, adopted by more than two-thirds of Fortune 1000 companies. Using NPS, we were able to identify clients which gave BoardRoom a lower score and work on managing these relationships in a more proactive manner. Last year, client retention performance for Australia was at the highest ever, at 97%.

Drawing from the success of NPS in our Australia office, we are currently assessing the possibility of rolling out the system for additional offices and will continue to report on our progress. In addition, we are also looking at how staff can be trained to better service clients by better understanding their expectations and business requirements.

| Our Target   | Our Progress in 2018   |
|--|--|
| <i>We plan to accurately track and increase the number of retained clients by 2019</i> | <b>Ongoing progress:</b><br>Considering rolling out NPS across different offices, following success in Australia |

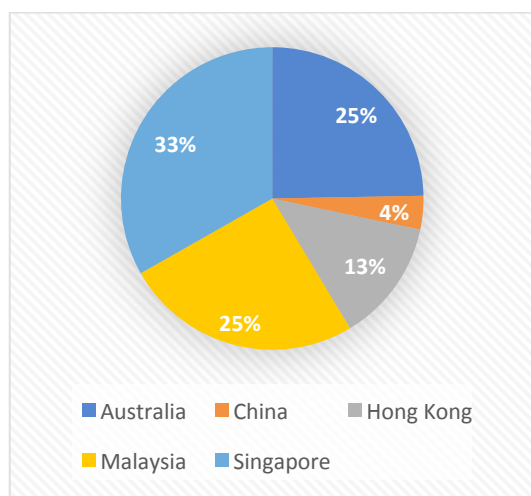
## CHAPTER 8: EMPLOYEE ENGAGEMENT

At BoardRoom, we recognise that every member of the team brings a unique set of talents and skills to our business. We strive hard to be an employer of choice, committed to ensuring that every employee feels engaged, motivated and proud to be part of our team. To that end, we work hard to create a diverse and inclusive environment for our employees to enjoy personal and professional growth alongside the Company.

\*We will be including our newly-acquired entity in Malaysia, the Symphony companies, in the scope of our Sustainability Report next year.

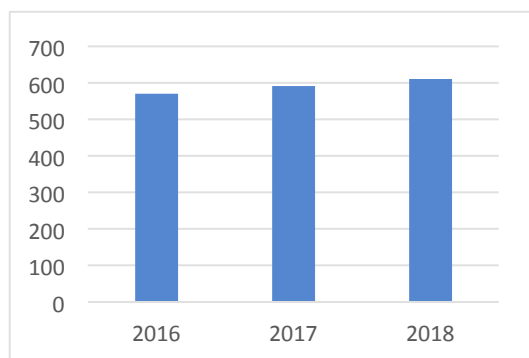
### Our Workforce

Total Number of Employees by Country



|              | 2018       |
|--------------|------------|
| Australia    | 151        |
| China        | 22         |
| Hong Kong    | 80         |
| Malaysia     | 155        |
| Singapore    | 203        |
| <b>Total</b> | <b>611</b> |

Total Number of Employees by Year



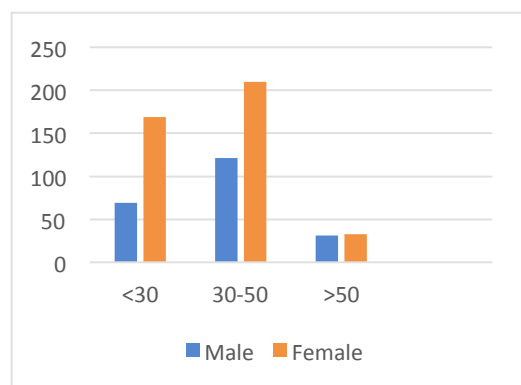
|              | 2016       | 2017       | 2018       |
|--------------|------------|------------|------------|
| Australia    | 117        | 123        | 151        |
| China        | 35         | 35         | 22         |
| Hong Kong    | 64         | 68         | 80         |
| Malaysia     | 157        | 157        | 155        |
| Singapore    | 197        | 208        | 203        |
| <b>Total</b> | <b>570</b> | <b>591</b> | <b>611</b> |

### Diversity and Inclusion (Gender)

Through our hiring policies, we are committed to ensuring that diversity and inclusivity remains a key component of our talent pool and governance bodies, in particular for women and older employees.

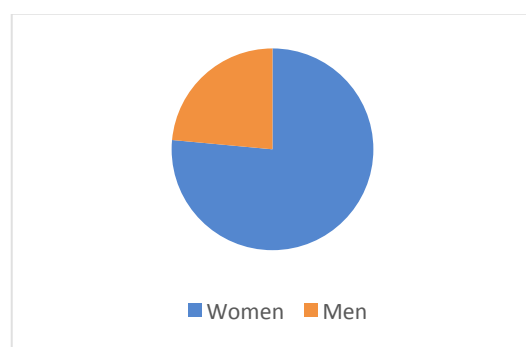
## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)

### Distribution by Gender and Age



|                           | 2018       |            |             |             |
|---------------------------|------------|------------|-------------|-------------|
|                           | Male       | Female     | Total       | %           |
| < 30                      | 68         | 162        | 230         | 38%         |
| 30 - 50                   | 115        | 202        | 317         | 52%         |
| > 50                      | 31         | 33         | 64          | 10%         |
| <b>Total</b>              | <b>214</b> | <b>397</b> | <b>611</b>  | <b>100%</b> |
| <b>% of all employees</b> | <b>35%</b> | <b>65%</b> | <b>100%</b> |             |

### % of Women in Senior Management<sup>1</sup> (%)



|  | 2017       | 2018       |
|--|------------|------------|
| Women in senior management             | 39         | 38         |
| Men in senior management               | 12         | 30         |
| <b>% of women in senior management</b> | <b>76%</b> | <b>56%</b> |

| Our Target  | Our Progress in 2018 |
|---|----------------------|
| We would like to continue to ensure equal opportunities regardless of race or gender  | New target set       |
| <b>Change in target:</b> In 2017, we reported on our target to increase the number of females in leadership. However, after a reassessment of our performance, we have decided to change our target to support a wider group of employees, regardless of race and gender. |                      |

### Talent Attraction, Development and Retention

#### Employee Remuneration and Benefits

To reward our employees for their service and contribution to the Company, BoardRoom is committed to providing the best we can for them, both in terms of remuneration or additional benefits. On top of adhering strictly to the basic terms and conditions of employment stipulated by national laws in our countries of operation (e.g. the Employment Act of Singapore), we also aim to provide remuneration above the minimum standards set by the government, benchmarking salaries to industry standards and expectations.

In 2018, we provided additional dental benefits to our employees. Our comprehensive package now includes insurance – covering medical, specialist, health and safety, outpatient, hospitalisation, personal accident, critical illness, dental, executive health screening and term life – as well as leave for sickness, bereavement, marriage, maternity, paternity, childcare, unpaid infant care, study and exams.

<sup>1</sup> Senior management is defined as employees holding the title of 'Manager' and above

## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)

### Insurance Benefits Provided to Employees Per Headcount (SGD)

|                        | 2018                                      |   |
|------------------------|---|---|
|                        | Medical, specialist and health and safety | Insurance (term life) and living benefits |
| Singapore              | 860.18                                    | 183.39                                    |
| Australia <sup>2</sup> | N/A                                       | N/A                                       |
| Hong Kong              | 562.4                                     | N/A                                       |
| Malaysia               | 500.22                                    | 59.99                                     |
| China <sup>3</sup>     | N/A                                       | N/A                                       |

### Performance Management

To ensure that our employees receive timely feedback on their performance and support to chart out their professional growth, we have put in place a comprehensive employee appraisal and performance management system.

This year, we implemented a new appraisal system in all our offices apart from Australia. The new system defines positive behavioural characteristics for the manager based on our values of having and being:

- *open*: Communicating in a manner that is open and transparent;
- *collaborative*: Working closely with partners to develop solutions that are smart, customer-centric and easy to use;
- *driven*: Measuring performance by our success;
- *performance*: Having a team of diverse and experienced professionals to ensure our solutions are current and compliant to ISO standards;
- *passion*: Genuinely believing that what we do makes a difference;
- *long-lasting*: Nurturing relationships and helping to grow our business for the long term;
- *pro-active*: Taking initiative to make things happen and respond to market demands in a timely manner; and
- *partners*: Having diverse networks and partnerships to help us work effectively and efficiently across various industries.

The work of all employees is appraised on a continuous basis through formal appraisal reports prepared annually. Through these appraisals, we track the performance, progress, future potential and development needs of our employees and help them to improve their performance.

### Training and Development

Recognising the importance of continuous learning, we have invested resources to provide employees with a series of courses and workshops to aid in their professional and personal growth. This includes external courses, in-house courses and on-the-job training.

<sup>2</sup> Our employees in Australia are covered by a comprehensive national health insurance by the government and our office in Australia does not provide additional benefits on top of this.

<sup>3</sup> Our employees in China receive social insurance and a housing fund from the government, amounting to CNY44,051 (or SGD8,823).



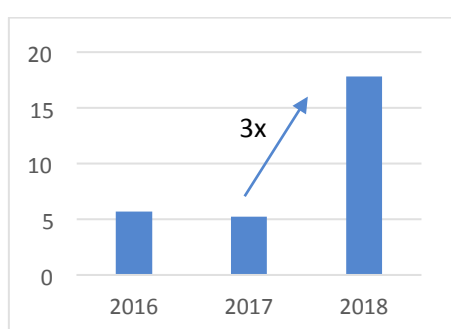
## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)

Highlights of our new soft skills training courses include:

- digital skills in areas such as Office Productivity, CRM and Virtualisation;
- train the trainer programmes on effective presentations, upskilling them in areas such as facilitation; verbal and nonverbal presentation delivery techniques – content which our more senior employees can in turn incorporate into their presentation programmes for their team; and
- psychometric profiling for managers to help them match profiles for their team.

The turnout and feedback for these training programmes have been positive, leading to improvements in our internal operations and how we respond to client needs. We will continue to invest in upskilling our employees in the coming year.

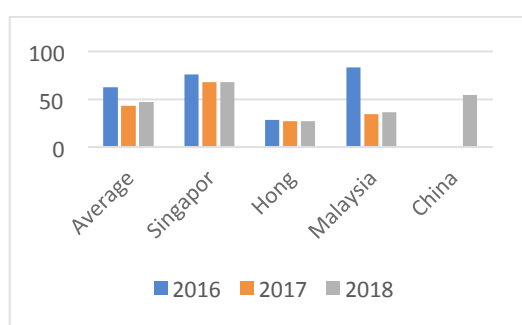
### Average Training Hours Per Employee (Hours)



|                        | 2016  | 2017  | 2018  |
|------------------------|-------|-------|-------|
| <b>Average</b>         | 5.70  | 5.21  | 17.85 |
| Australia <sup>4</sup> | N/A   |       |       |
| China <sup>5</sup>     | -     | -     | 16    |
| Hong Kong              | 1.31  | 1.52  | 30.00 |
| Malaysia               | 2.41  | 2.00  | 12.38 |
| Singapore              | 13.39 | 12.10 | 13.00 |

In 2018, there was a three-fold increase in the average number of training hours per employee across our offices, led by a significant increase in training hours provided for our employees in Hong Kong and Malaysia.

### Employees Trained (%)



|                        | 2016 | 2017 | 2018 |
|------------------------|------|------|------|
| <b>Average</b>         | 63%  | 43%  | 47%  |
| Australia <sup>6</sup> | N/A  |      |      |
| China                  | -    | -    | 55%  |
| Hong Kong              | 29%  | 27%  | 27%  |
| Malaysia               | 83%  | 34%  | 36%  |
| Singapore              | 76%  | 68%  | 68%  |

## Workplace Health, Safety and Well-Being (Employee Engagement)

### Flexible Work Arrangements

In line with our transition to a mobile workplace, we started supplying employees with laptops this year, enabling them to work from home based on their job functions. Accompanied with our investment in cloud-based systems and virtual office, we are committed to maximising the use of digitalisation to increase productivity while improving work-life balance. We are in the midst of reviewing our flexible working arrangements and will provide details on further progress to come.

<sup>4</sup> We have not started recording data for training per hour per employee in Australia

<sup>5</sup> 2018 is the first year BoardRoom is tracking data on training hours for China.

<sup>6</sup> We have not started recording data for training per hour per employee in Australia

## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)

### Wellness Challenge & Company Wellness Leave

To encourage our employees to keep fit and maintain a healthy lifestyle, we launched the Steps Challenge providing employees in Singapore with incentives for achieving measurable fitness targets. This is in line with the Singapore government's inter-company National Steps Challenge targeting to have 250,000 Singaporeans take part nationwide.

70% of our employees took part, where they were rewarded with five days of Company Wellness Leave for either achieving at least 2% reduction in body fat or hitting around 10,000 steps per day for a period of three months as recorded by fitness trackers. Employees could either take part individually or as a team. Our Human Resources team invested a significant amount of resources for the administration of this programme – our key programme for employee engagement this year.

"I enjoyed taking part in the Wellness Challenge as it challenged me to walk longer distances to clock the additional steps and lose a little weight." - Doris Lim (Admin Assistant, Central Admin Department)

### Fun@BoardRoom Activities (Singapore)

To build stronger friendships and create a sense of community, we conduct monthly welfare events such as initiatives to welcome new employees, fitness classes and celebrations during festive seasons.



**Jan & Mar 2018:** Happy Snack Day – Welcoming and introducing new joiners while distributing healthy snacks to colleagues from different departments



**Feb 2018:** Celebrating Chinese New Year over lunch at Fairmont Hotel



**Apr 2018:** Happy Fruit Day – Distributing guava, mangoes, kiwi and pear to colleagues after an Emergency Readiness Seminar on survival skills in the event of fire incidents, followed by drinks, food and games at a pub

## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)



**June 2018:** Natural Healing Seminar, where employees learnt about a healthier lifestyle at the workplace, including how to correct improper postures, lethargy and aches

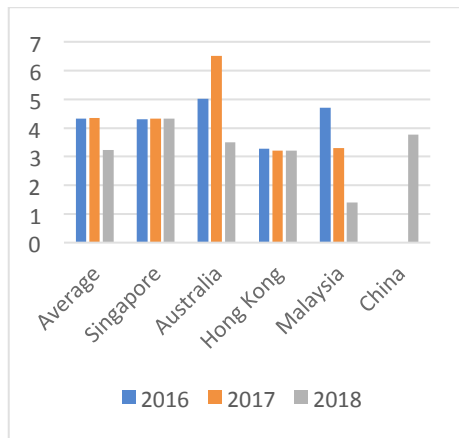


**Oct 2018:** Yoga class – one of our fitness sessions held at Virgin Active Gym

### Other events:

- **July 2018:** Terrarium workshop
- **Aug 2018:** Celebrating National Day with a buffet lunch, followed by an essential oils workshop to learn how to blend the perfect oils to ease headaches, as well as a talk on the latest changes to the Central Provident Fund (Singapore’s national savings plan)
- **Sep 2018:** Boxing class with a cardio and resistance workout
- **Oct 2018:** Walkathon, movie night, dinner and drinks, ending off with Halloween Night at Universal Studios Singapore
- **Nov 2018:** Celebrating Deepavali over lunch
- **Dec 2018:** Christmas lunch gathering

Average Sick Leave Taken (days)

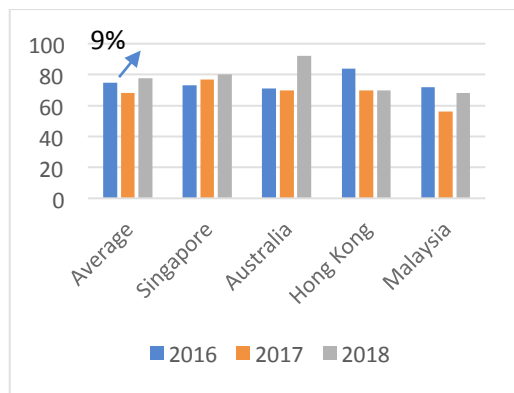


|                    | 2016 | 2017 | 2018 |
|--------------------|------|------|------|
| <b>Average</b>     | 4.32 | 4.34 | 3.24 |
| Australia          | 5.01 | 6.52 | 3.50 |
| China <sup>7</sup> | -    | -    | 3.76 |
| Hong Kong          | 3.27 | 3.20 | 3.20 |
| Malaysia           | 4.70 | 3.30 | 1.40 |
| Singapore          | 4.31 | 4.33 | 4.33 |

<sup>7</sup> BoardRoom began tracking data on sick leave taken by employees in China in 2018.

## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)

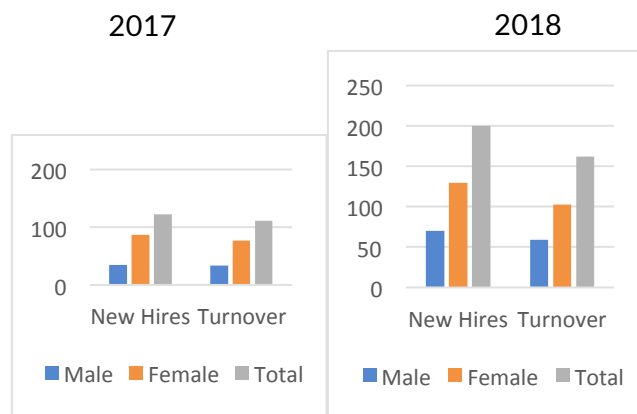
### Employee Retention Rate (%)



|           | 2016 | 2017 | 2018 |
|-----------|------|------|------|
| Average   | 75%  | 68%  | 78%  |
| Australia | 71%  | 70%  | 92%  |
| Hong Kong | 84%  | 70%  | 70%  |
| Malaysia  | 72%  | 56%  | 68%  |
| Singapore | 73%  | 77%  | 80%  |

Through our various initiatives to better engage employees, we saw an average of 9% increase in employee retention rates across all offices, apart from China.

### New Employee Hires and Turnover by Gender



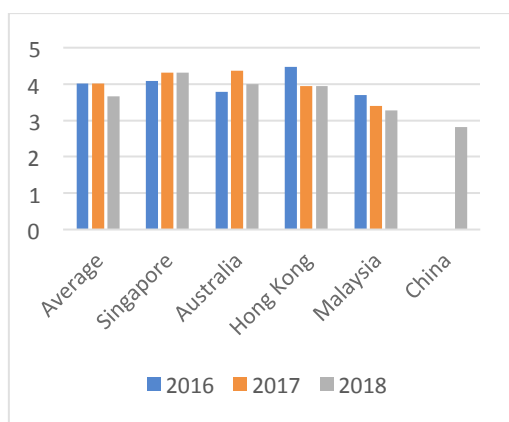
|                   | 2017 |        |       | 2018 |        |       |
|-------------------|------|--------|-------|------|--------|-------|
|                   | Male | Female | Total | Male | Female | Total |
| New Hires         | 35   | 87     | 122   | 70   | 130    | 200   |
| New Hire Rate (%) | 6%   | 15%    | 21%   | 11%  | 21%    | 33%   |
| Turnover          | 34   | 77     | 111   | 59   | 103    | 162   |
| Turnover Rate (%) | 6%   | 13%    | 19%   | 10%  | 17%    | 27%   |

We will continue to monitor our Turnover Rate and implement strategies to retain top talent for our team.

*Note: This year, we closed our office in Suzhou, China, leading to the departure of 24 employees. In line with our HR policy and national regulations, we made sure our employees were notified 30 days in advance and received a severance package with varying levels of compensation depending on the number of years with the company. In order to more accurately calculate averages for our Employee Retention Rate and New Employee Hires and Turnover by Gender, we excluded data from China due to the closure of our office in Suzhou.*

## CHAPTER 8: EMPLOYEE ENGAGEMENT (continued)

### Average Years of Service (years)



|                    | 2016 | 2017 | 2018 |
|--------------------|------|------|------|
| Average            | 4.01 | 4.01 | 3.67 |
| Singapore          | 4.08 | 4.32 | 4.32 |
| Australia          | 3.79 | 4.37 | 4.00 |
| Hong Kong          | 4.47 | 3.95 | 3.95 |
| Malaysia           | 3.70 | 3.40 | 3.28 |
| China <sup>8</sup> | -    | -    | 2.82 |

### Employee Satisfaction Surveys

To ensure that we remain attentive to the needs of employees, BoardRoom conducts a half-yearly pulse survey to have a sense of employee sentiments. In line with our target, we made a commitment to conduct employee surveys twice a year, to commence in 2019.

| Our Target  | Our Progress in 2018  |
|---|---|
| We plan to increase our employee retention rate by 2019                     | <b>Ongoing progress:</b><br>9% increase in employee retention rate across all offices, apart from China |
| We plan to conduct Employee Satisfaction Surveys twice a year starting 2019 | <b>Ongoing progress:</b><br>Committed to conduct employee surveys twice a year, to commence in 2019     |

<sup>8</sup> BoardRoom began tracking data on years of service by employees in China in 2018

## CHAPTER 9: ENVIRONMENTAL MANAGEMENT

As a professional services company, BoardRoom recognises that the greatest opportunities to lower our environmental footprint lie within the locations where our employees operate. As such, our environmental strategy is focused on ensuring we are as resource efficient as possible.

This year, we focused our efforts on using technology to reduce our paper usage and need for travel, as part of our ongoing quest to reduce our operational footprint and environmental impact.

### Reducing Paper Usage

Recognising that as an office-based company, the most significant material we use is paper for printing of documents. Thus, we have focused the majority of our efforts to reduce our paper use. We currently use environmentally-friendly paper certified by the Programme for the Endorsement of Forest Certification ("PEFC").



#### *Project Charter: Transition to Paperless, Cloud-Based Systems*

Following on from our first paperless initiative launched in 2017, we have continued to roll out *Project Charter*, BoardRoom's initiative to implement a digital record and document management system.

Progress achieved in 2018:

- Set up a Paperless Committee to manage the project and ensure the timely delivery of its various stages, including planning, process change and user acceptance tests;
- Launched the initiative in Singapore; and
- Engaged a local provider to standardise and streamline our electronic management methodology for all offices in Singapore, Malaysia and Hong Kong.

To further reduce the need for printing, we have invested in a number of additional systems to meet our target of setting up a cloud-based 'virtual library' for internal processes:

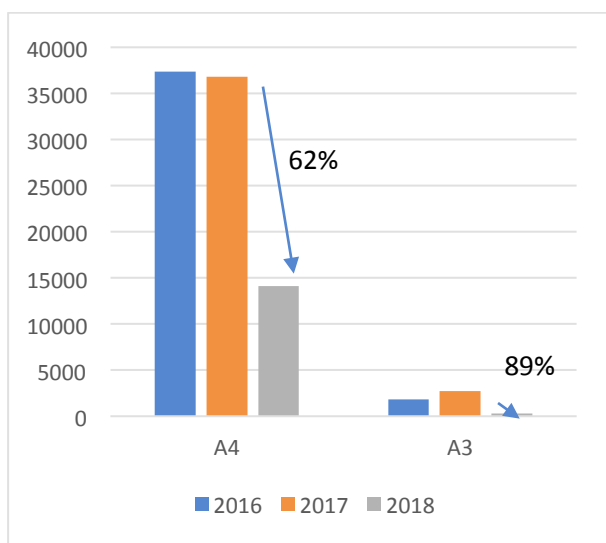
- Electronic signing of documents (*DocuSign*);
- Document management system providing employees with digital access to documents ("*KRIS*");
- Cloud systems for data storage (*Office 365 initiative*);
- Enhanced customer relationship management systems (*Salesforce Lightning*); and
- Online accounting (*Xero for Accounting*).

| Office    | Progress  |
|-----------|---|
| Singapore | In progress<br>Corporate Secretarial (CS) will go live on 1 Apr 19, with Share Registry Services (SRS) going live on 8 Jul 19 |
| Hong Kong | In progress<br>Targeting 2019   |
| Malaysia  | In progress<br>Targeting 2020   |



## CHAPTER 9: ENVIRONMENTAL MANAGEMENT (continued)

### Paper Consumption



|              | 2016   | 2017   | 2018   |
|--------------|--------|--------|--------|
| A4 (by ream) | 37,377 | 36,837 | 14,111 |
| A3 (by ream) | 1,825  | 2,722  | 291    |

### Total Time Cost Savings (Estimated)

For offices which have started rolling out Project Charter, we have estimated the total cost savings based on staff hours saved on filing and printing, as well as the cost saved on purchasing reams of paper. Across our offices, we saw estimated time cost savings of between 1 to 5%.

| Country                                      | %  |
|--|----|
| Singapore Corporate Secretarial (CS)         | 1% |
| Singapore Boardroom Business Solutions (BBS) | 5% |
| Malaysia Corporate Secretarial (CS)          | 2% |
| Malaysia Boardroom Business Solutions (BBS)  | 5% |
| Hong Kong Corporate Secretarial (CS)         | 2% |
| Hong Kong Boardroom Business Solutions (BBS) | 5% |

| Our Target                                   | Our Progress in 2018  |
|--|---|
| We plan to reduce paper usage by 20% by 2019 | <b>Surpassed target:</b><br>75.5% reduction in paper usage (62% reduction for A4 paper, 89% reduction for A3 paper) |

### Product Innovation to Reduce Paper Usage by Clients

We have also been developing innovative new products to help our clients reduce their paper usage. We will continue to look for similar opportunities through product innovation.

### New application providing real-time digital information

In 2016, our Australian office launched a new application allowing clients to view real-time information on markets and their investments digitally, reducing print and mail overheads. The application acts as a central hub providing digital information such as:

- real-time push notifications including movements within the register, securities expiration;
- directors interest reporting and other critical events and activities;
- requests for beneficial ownership analysis;
- comprehensive news section including legal and regulatory announcements; and
- real-time access to equities holding, transaction statements.

## CHAPTER 9: ENVIRONMENTAL MANAGEMENT (continued)

### Reducing Need for Travel

#### *Transition to Virtual Meeting Platforms*

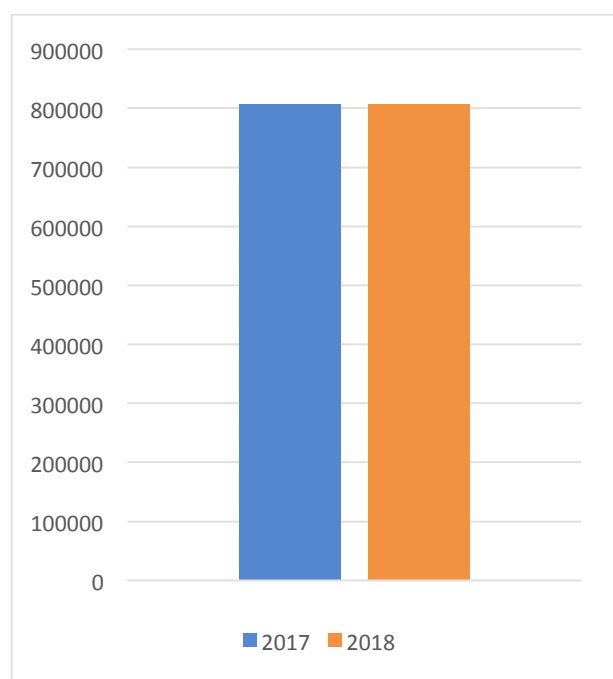
To reduce the need for travel, we have also implemented systems for our employees to communicate virtually, such as Zoom and the 3CX phone system. These virtual meeting platforms have since been frequently utilised to conduct meetings, whether weekly, fortnightly or monthly.

### Reducing Energy Consumption and Efficiency

A significant challenge faced by BoardRoom is that we do not own the buildings in which we operate. This limits our ability to control certain operational aspects such as the thermostat for the air-conditioning units, the type of light bulbs used and the amount of discharge by taps in toilets used.

Nonetheless, we continue to seek opportunities to improve operational efficiency.

#### *Energy Consumption (kWh)*



|                    | 2017           | 2018           |
|--------------------|----------------|----------------|
| Singapore          | -              | 233,241        |
| Australia          | -              | 195,900        |
| Hong Kong          | -              | 172,767        |
| Malaysia           | -              | 180,482        |
| China <sup>9</sup> | -              | 25,099         |
| <b>Total</b>       | <b>807,876</b> | <b>807,489</b> |

We are committed to reducing our carbon footprint through the following practices:

- setting our printers and copiers to energy-saving mode;
- reducing overseas travel by employees and encouraging the use of conference calls; and
- using energy-saving light bulbs in our offices.

<sup>9</sup> We have omitted data for our offices in Beijing and Shenzhen as electricity fees are included in the office rental charges and we do not have access to electricity data consumption figures in those offices



## CHAPTER 9: ENVIRONMENTAL MANAGEMENT (continued)

### ***FLEA@BoardRoom***

In line with our commitment to raise awareness about sustainability among our employees, we also started a new initiative where colleagues can buy and sell pre-loved or new items through a virtual platform. Employees used the platform to post items such as earrings, dresses, kitchen appliances and skincare products.




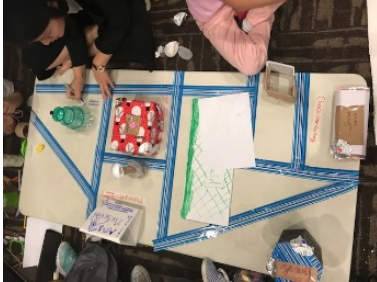

The platform, hosted on Chatter, was also used to share posts on environmental conservation. A total of 33 postings were made on topics such as reducing one's environmental footprint on World Environment Day and plastic pollution on World Oceans Day.



## CHAPTER 10: COMMUNITY INVESTMENT

At BoardRoom, we continue with our commitment towards community investment, putting resources – both financial and manpower – towards causes we believe in. This year, we conducted a total of 15 events, both to raise funds and to give our employees a chance to volunteer to support a variety of underprivileged groups, including children in need and the elderly. This year, we also raised more than SGD23,000 for a variety of causes.

### Key Highlights:

| Hong Kong  | Malaysia  | Singapore  |
|--|---|--|
| <p><b>Fundraising</b></p> <p>Raised a total of HKD10,000 (or SGD1,724) for SKH Holy Carpenter Church Community Centre to conduct summer vacation activities for children from low income families.</p> <p>Employees participated in a Bottle Plant Jamming workshop where proceeds were donated to charity</p>  | <p><b>Fundraising &amp; Staff Volunteering</b></p> <p>Celebrating Christmas with children in need: Our employees raised MYR880 – with an additional donation of MYR1,000 from BoardRoom – for Penang Shan Children’s Home, a home for orphans and children in need.</p> <p>A total of MYR1,880 (or SGD625) was raised. Employees also spent half a day with the children over lunch and distributed presents.</p>   | <p><b>Staff volunteering</b></p> <p>Building Singapore’s Smart City: Employees took part in a programme to educate underprivileged children about technology and how it can be used to improve the lives of urban residents.</p> <p>During the half-day programme, the children were exposed to topics such as smart energy, mobility, infrastructure and buildings.</p> <p>With the help of our employees, the children built their own smart cities, with features such as driverless cars capable of driving through obstacles using sensors.</p>  |
| <p><b>Staff Volunteering</b></p> <p>During the Mid-Autumn Festival, employees helped to pack cookies and mooncakes for Tung Wah Hospital and had a luncheon with elderly from the Ho Tung Home Elderly Centre</p>   |   |  |

## CHAPTER 10: COMMUNITY INVESTMENT (continued)

### Australia

#### Fundraising

This year, we raised a total of AUD22,500 (or SGD21,597) for charities through various initiatives.

- *Casual Wear Fridays*: Every Friday, our employees dress in casual wear in return for a donation, which goes towards raising funds for a number of charities such as:
  - *Gidget Foundation Australia*: Funds raised were used to produce a video providing emotional wellbeing for expectant mothers
  - *Royal Flying Doctor Service*, which provides primary health care and 24-hour emergency service
  - *Bega Valley Shire Council*, providing assistance to the community affected by bushfires that swept through Bega Valley in 2018
- *CEO Sleep Out*: Our CEO, Rhett Tregunna, participated in a CEO Sleep Out with St Vincent's, raising funds to tackle homelessness.
- *Special Events*: In addition, we also held special events to raise funds, including:
  - *Biggest Morning Tea fundraising event*: Raised funds for the Cancer Council
  - *Christmas fundraiser*: Instead of sending Christmas gifts to our clients, we donated the money to the Raise Foundation which supports mentoring programs for young Australians
  - *Centuria Trivia Night*: Raised funds for St Lucy's School for children with disabilities



CEO Sleepout 2018



Company Registration No. 200003902Z

50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623  
Tel: +65-6536 5355 Fax: +65-6536 1360

[www.boardroomlimited.com](http://www.boardroomlimited.com)