

GKE

CORPORATION LIMITED

Leveling Up Through Sustainability

Sustainability Report 2022



CONTENTS

1	BOARD STATEMENT
2	CORPORATE STRUCTURE
3	OUR SUSTAINABILITY APPROACH
4	STAKEHOLDER ENGAGEMENT
5	MATERIALITY
6	PERFORMANCE OVERVIEW IN FY2022
6	OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS
7	ECONOMIC ENHANCEMENT & COMPLIANCE
9	ENVIRONMENTAL RESPONSIBILITY
12	OUR CUSTOMERS
13	EMPOWERING EMPLOYEES
19	SOCIAL CONTRIBUTIONS
20	PERFORMANCE DATA
24	GRI CONTENT INDEX

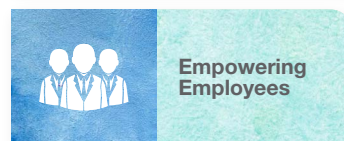
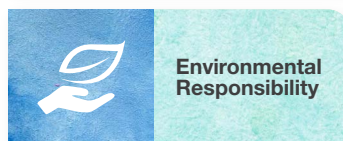
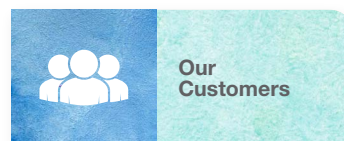
This sustainability report has been prepared by GKE Corporation Limited ("**Company**") and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This sustainability report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The contact person for the Sponsor is Mr Lay Shi Wei - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.

This is the fifth sustainability report (“**Report**”) for GKE Corporation Limited (“**GKE**” or “**Company**” and together with its subsidiaries, “**Group**”) for the financial year ended 31 May 2022 (“**FY2022**”). The Board of Directors of the Company (“**Board**”) and management of GKE oversee the management and monitoring of the economic, environmental, social and governance (“**EESG**”) factors of the Company, and take them into consideration in the determination of the Company’s strategic direction and policies. The Board has oversight of the EESG material factors which are reviewed annually and ensures that the factors are relevant and current for the business. The Board is also involved in the management and monitoring of these EESG factors through the Group’s Sustainability Committee, which is chaired by Mr Neo Cheow Hui, GKE Corporation’s Chief Executive Officer (“**CEO**”) and Executive Director. The Board and management of GKE were involved in the preparation and review of this Report before it was approved and published.

This Report describes our sustainability initiatives and performance for the period from 1 June 2021 to 31 May 2022 (“**FY2022**”) with regards to the Group’s activities in Singapore and China, including acquisitions completed by 31 May 2022 unless otherwise stated. This Report has been prepared in accordance with the GRI Standards: Core Option and the primary components as set out in Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst, read with Practice Note



7F Sustainability Reporting Guide. We have chosen the GRI Standards as a reporting framework as it is a well-known and globally-recognised sustainability reporting standard, and have also used the United Nations Sustainable Development Goals (“**UN SDG**”) to report on our sustainability performance.

The Report covers all subsidiaries for which the Group has management control, unless otherwise stated. The Group’s corporate structure can be found on Page 2 of this Report. The reporting boundary for our material topics may vary, due to differences in where the impacts occur most for each topic. These boundaries are specified in the section “Materiality”. We have expanded the reporting boundary for this Report to include additional entities that have been newly acquired or established.

This Report is published annually and covers the same period as the financial year of the Company (June 2021 to May 2022). Our last sustainability report was published in October 2021. Where possible, we have shared three-year historical information on our material topics to provide a meaningful basis for comparison. To allow for a better analysis of our performance data with respect to our business, we have reported the performance

of our material topics based on business segments as described in our corporate structure.

This Report provides us with a valuable opportunity to engage our stakeholders and respond to issues that matter most to them and to our business, while at the same time, enhances company risk management, strategy development and stakeholder engagement activities as we work to further focus and prioritise our sustainability and corporate social responsibility initiatives.

The Report is currently not externally assured but we may consider external assurance as our Report matures over time.

We welcome comments and feedback on our sustainability report at enquiry@gkegroup.com.sg.

CORPORATE STRUCTURE



OUR SUSTAINABILITY APPROACH

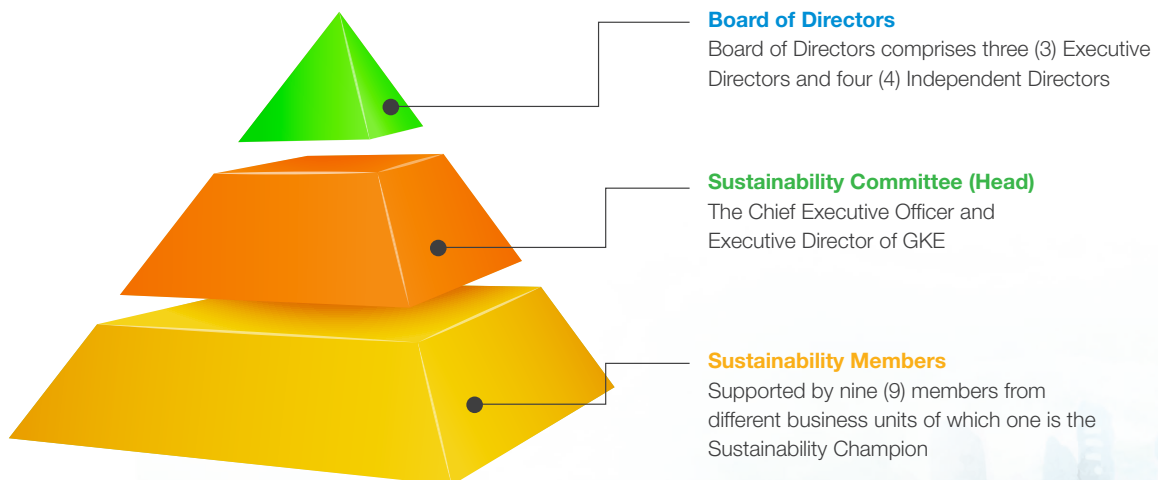
The sustainability focus for GKE is delivering long-term value for all our stakeholders: customers, employees, investors and the communities in which we operate. Within this sustainability approach, we take the broader EESG aspects, such as labour practices, human rights, and societal responsibilities into account. This approach guarantees that our services and solutions are provided to our customers in a manner that is respectful to people and the environment and is economically smart. This commitment to sustainability involves ensuring that strong EESG criteria are integrated in our Company's strategy and business model and in its internal policies and processes. We are committed to deliver effective solutions and services to our customers and create greater value for our shareholders through our core values.



Sustainability Committee

GKE's Sustainability Committee comprises of our Head of Committee (CEO and Executive Director), supported by nine (9) members representing various business units. Members are selected based on their duties, gender and age so as to provide different perspectives on sustainability topics. The Head of Committee reports to the Board and provides updates on GKE's sustainability performance and targets.

The purpose of the GKE Sustainability Committee is to manage the organisation's sustainability efforts and develop our institutional capacity around sustainability. The Sustainability Committee members assess the current state of GKE's sustainability initiatives, brainstorm possibilities for improvements and coordinate and support GKE's sustainability initiatives and efforts.



STAKEHOLDER ENGAGEMENT

Our key stakeholder groups and the channels we use to maintain dialogue with them are shown in the table below. For each group, the engagement varies on a case-by-case basis, and includes formal and informal channels of communication.

COMMUNITIES	<ul style="list-style-type: none"> • Community Relations Committees • Interactions with authorities / governments • Membership of associations • Dialogue with non-governmental organisations 	
CUSTOMER	<ul style="list-style-type: none"> • Company website: www.gke.com.sg • Networking sessions • Feedback channel 	
EMPLOYEES	<ul style="list-style-type: none"> • Q&A sessions with senior management • Employee surveys • Company human resource initiatives 	
INVESTORS	<ul style="list-style-type: none"> • Half-yearly results communications • Annual shareholders' meeting • Annual report • Announcement through SGXNet 	
SUPPLIER	<ul style="list-style-type: none"> • Networking sessions • Visits / Interactions with supplier 	

Engagement on this Report

The specific reviewers of our Report are the Board and the key management of GKE.

MATERIALITY

GKE's sustainability reporting framework and material EESG factors were reviewed and updated in FY2022 by the Sustainability Committee to ensure the topics are relevant and current. We continued our consultations with key representatives from the various business units and reviewed our material topics internally to take into account new businesses and the relevance of our material topics. Following the acquisition of a new entity, Fair Chem Industries Pte Ltd, in FY2022, we will be reviewing the material topics in the coming fiscal year to ensure they also address topics which are relevant to the chemicals industry.



Focus Areas	Material Topics	GRI Standard	Boundary of Reporting	
			Singapore ¹	China
Economic enhancement and compliance	<ul style="list-style-type: none"> Economic performance Socioeconomic compliance Data privacy 	GRI 201 GRI 419 GRI 418	√	√
Environmental responsibility	<ul style="list-style-type: none"> Waste management Reducing GHG emissions 	GRI 306 GRI 302, GRI 305	√	√ ²
Empowering employees	<ul style="list-style-type: none"> Good labour relations Employee health, safety and wellness 	GRI 401 GRI 403	√	√

√ denotes subsidiaries and operations in that country which are included in the Report

¹ GKE Holdings (HK) Co., Ltd and GKE Shipping Limited are holding companies and sustainability performance data from these entities is not included in the Report. Fair Chem Industries Pte Ltd which was acquired in FY2022 is also not included in the Report.

² Excludes Cenxi Xing Jian Readymix Co. Ltd. as the site is currently waiting for product quality grading and certification from the relevant authorities before commercial production can commence.

PERFORMANCE OVERVIEW IN FY2022



OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

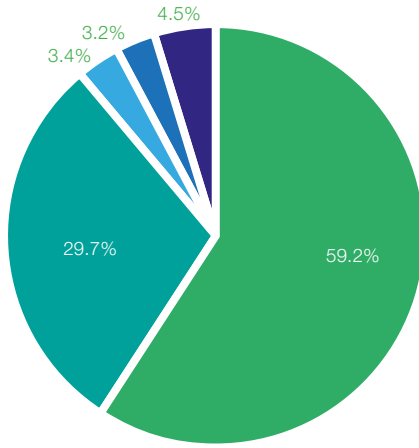
<p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> The Wuzhou Xing Jian's Ready-Mix Concrete ("RMC") plant in Wuzhou City, China ("RMC plant") has a fully enclosed structure and runs on electricity. The trucks and traffic areas are frequently sprayed with water and the trucks are also washed before they go onto the roads so as to minimise dust emissions. This helps to prevent the generation of dust particles which could be hazardous for the health of our employees and the neighbouring communities.
<p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> GKE recognises the importance of women participation and equal opportunities for leadership in the organisation – 14% of our Board comprises of females, and 50% of our key management team is represented by females.
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> GKE prohibits any form of forced labour including child labour, human trafficking and modern slavery across all our business units. 97% of our employees are full-time employees. All our employees are paid fair wages in line with local regulations.
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<ul style="list-style-type: none"> The RMC plant in Wuzhou City, China, with its fully enclosed structure, allows for a cleaner mixing process and prevents air pollution to neighbouring villages and communities.
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> GKE encourages reducing and recycling in all our operations. In FY2022, 29 tonnes of plastic, paper and carton boxes was recycled in Singapore. To conserve the use of water at our RMC plant in Wuzhou City, China, the water runoff from washing of the trucks is channelled into a water treatment facility which recycles the water for the RMC mixing process.
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<ul style="list-style-type: none"> GKE does not tolerate any form of discrimination based on nationality, race, religion or political inclination that could compromise equal opportunities in the recruitment process and career development.

³ <https://www.straitstimes.com/fastest-growing-companies-2022>

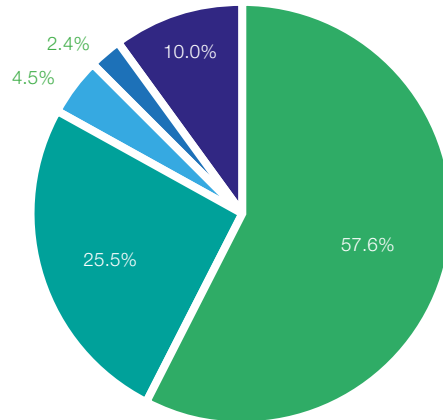
ECONOMIC ENHANCEMENT AND COMPLIANCE

Economic Performance (GRI 201-1)

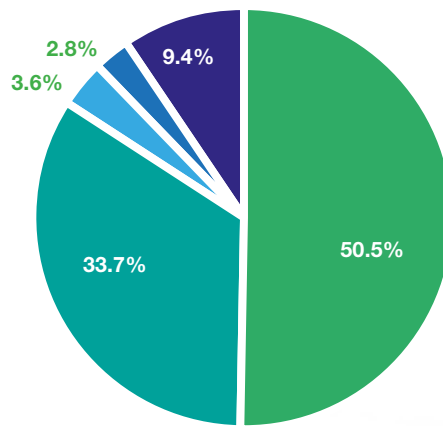
In FY2022, GKE distributed approximately 40.1% of our revenue to key stakeholders – 33.7% to employees, 3.6% to government in countries where we operate, namely Singapore and China, and 2.8% to capital providers. The economic value retained was 9.4% of our revenue. The Group reported an 11.9% year-on-year decline in revenue from S\$119.0 million in FY2021 to S\$104.8 million in FY2022, on lower contribution from the infrastructural materials & services division, which was partially buffered by higher contribution from the warehousing & logistics division and the agriculture business. Full details of our economic performance can be found in our Annual Report for FY2022.



FY2020



FY2021



FY2022

- Operating Cost
- Employee wages and benefits
- Government
- Capital providers
- Economic value retained

ECONOMIC ENHANCEMENT AND COMPLIANCE

Socioeconomic compliance (GRI 419-1)

Regulatory compliance is critically important to GKE, serving to protect our integrity and reputation and foster trust among stakeholders. Observance of all regulatory requirements forms the basis of good corporate governance within the Group. We also ensure our compliance to all relevant local and international laws and regulations, including the principles and guidelines set out in the Singapore Code of Corporate Governance 2018. Full details can be found in our Annual Report for FY2022.

In FY2022, there were no cases of socioeconomic non-compliances. However, there were updates in FY2022 to two (2) cases that occurred in previous years. One case has been closed in FY2022, and another is still undergoing legal proceedings. The case which has been closed was related to wrongful deduction of workers' salary in 2017 and 2018, resulting in a warning letter issued by Singapore's Ministry of Manpower to GKE Services Pte Ltd and a temporary barring of hiring of foreign workers for two (2) months in FY2022. The other case which is undergoing legal proceedings was related to a workplace fatality in 2017 due to fall from height. We have since put in place a robust health and safety management system at all our entities including GKE Services Pte Ltd to ensure the safety and well-being of our employees. At the same time, internal HR functions have also been improved to ensure that deductions, if any, are done correctly. We strive to maintain zero non-compliance cases in FY2023.

Our response to COVID-19

As COVID-19 restrictions in Singapore have eased significantly in 2022, majority of the staff have already resumed work back in the office. We continue to exercise caution and remain agile, ensuring that our businesses remain adaptable and resilient. In Wuzhou, China, where our RMC plant is located, business operations were not adversely affected by COVID-19.



We are sensitive to the environmental impact across our business operations, and are committed to taking steps to reduce our impact, in particular, the waste generated at our operations and GHG emissions arising from our activities. Fuel and energy consumption is managed and monitored by the individual business units, and efforts are also taken to minimise waste generation or to recycle and reuse materials where possible.

Our first ready-mix concrete plant – Wuzhou Xing Jian’s RMC plant in Wuzhou City, China, is a fully enclosed line which also includes fully enclosed conveyor belts. The decision to use a fully enclosed line was a management decision and exceeds the requirements set by the local regulatory authorities. The key reason for GKE to invest in a fully enclosed line for the RMC plant was to prevent the risk of air pollution and generation of particulate matter caused by mixing of the aggregates and cement which could have a long-term health impact on the neighbouring villages and communities. The trucks and traffic areas are frequently sprayed with water and the trucks are also washed before they go onto the roads so as to minimise dust emissions. This helps to prevent the generation of dust particles which could be hazardous for the health of our employees and the neighbouring communities. We believe that to ensure long-term sustainability of our RMC plant, it is important to invest in technologies that will allow our process to be resilient, green, clean and efficient.

Apart from ensuring that our business does not result in negative impacts on the environment, GKE is also committed to reducing our environmental footprint through two (2) key approaches:

- Managing our waste responsibly; and
- Reducing our GHG emissions.

Waste management (GRI 306-1, 306-2, 306-3)

We are conscious of the amount of waste produced in our operations and strive to reduce the amount of waste regenerated. Waste such as carton boxes and plastic shrink wrap are sent for recycling while general waste and hazardous waste are collected by licensed operators. We have made a conscious effort towards a paperless culture throughout our business operations including avoiding the use of paper for meeting agendas and presentation materials. The adoption of online tools and digital platforms has also helped us to move away from paper-based documentation in our meeting materials, operations and invoicing.

In FY2022, we have recycled approximately 29 tonnes of paper and plastic waste and disposed 233 tonnes of general waste. We also disposed 600 liters and 11,665kg of hazardous chemicals, mainly belong to of a customer whose hazardous goods had expired. We worked with a licensed contractor to ensure that the hazardous waste was collected and disposed in according with the local regulations.

ENVIRONMENTAL RESPONSIBILITY

Reducing our GHG emissions (GRI 302-1, 305-1, 305-2, 305-4)

As one of the leaders in providing warehousing and logistics solutions, we have a dedicated and modern fleet for our operational needs. We operate our own fleet of vehicles, including prime movers and trailers, and have replaced our older trucks with Euro VI models in our logistics business, which complies with the air pollution regulation⁴ set by the National Environmental Agency in Singapore and helps reduce nitrogen oxides pollutants and fine particulate matter. Currently 51% of our fleet comply with Euro VI emission standards.

An Enterprise Resource Planning (“ERP”) system has been implemented in GKE Services Pte Ltd since 2020, helping to reduce on the usage of paper from printing of purchase orders and invoices. In 2022, we started to implement an ERP system for other GKE entities in Singapore. With the adoption of connected digital network and data cloud storage, it has allowed us to move away from disparate systems, enabling us better streamline our business processes.

Our overall energy consumption in FY2022 for Singapore and China operations was 60,269 gigajoules (“GJ”), which is approximately 18% lower than in FY2021. This decrease in energy consumption was largely due to a decrease in fuel used at our RMC plant in Wuzhou City, China as production reduced in 2022 because of the COVID-19 situation in the country, resulting in a slowdown in the overall economy and property sector. An overall of 25,765 GJ of energy was consumed in FY2022 for the Infrastructural Materials & Services segment compared to 42,070 GJ in FY2021.

For the Warehousing and Logistics segment, 32,131 GJ of energy was consumed in FY2022 which was fairly similar to FY2021. The agriculture business, which is dependent on electricity, has also seen an increase in energy consumed, from 7 GJ in FY2021 to 1,337 GJ in FY2022 as the farm commenced production in FY2022.

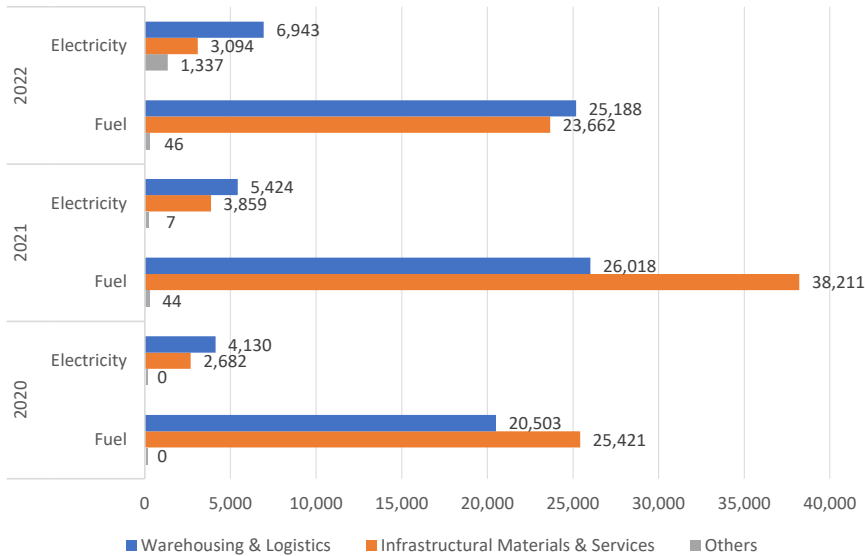
Our overall Scope 1 and Scope 2 GHG (“GHG”) emissions in FY2022 amounted to 5,682 tonnes CO₂e (“tCO₂e”), which is an approximately 10% decrease compared to FY2021. Our Scope 1 emissions account for 70% of our total overall emissions, with approximately half of the Scope 1 emissions attributable to the trucks used by our RMC plant in Wuzhou City, China.

The Scope 1 and 2 GHG intensity in FY2022 was approximately 54 tCO₂e per million Singapore dollars revenue, which is similar to our GHG intensity in FY2021⁵. As we continue to track and monitor our total GHG emissions and GHG intensity, we aim to identify opportunities for improvement to make our processes more efficient and transition to a lower carbon economy.

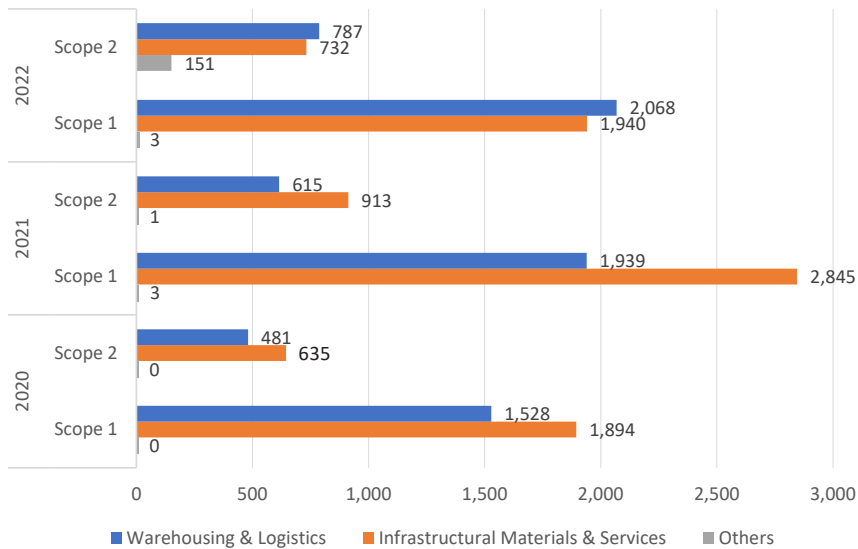
⁴ <https://www.nea.gov.sg/our-services/pollution-control/air-pollution-regulations>

⁵ The GHG intensity for FY2021 has been restated from 0.053 kg of GHG per million Singapore dollars revenue to 53 tCO₂e per million Singapore dollars revenue.

Total Energy Consumption (GJ)



Total Scope 1 & 2 GHG Emissions (tCO₂e)



OUR CUSTOMERS

As the world becomes increasingly digital, our opportunities continue to expand. But with these opportunities come with ever-more complex challenges – such as how to keep personal data private and secure, even when it moves across borders. We recognise the risks and negative impacts that our business and stakeholders may encounter if information such as confidential/sensitive corporate data, personal data of customers, employees and stakeholders, is not adequately protected. As we harness technology in our business and operations, the risks have also further increased. Data security and privacy is a top priority for us.

Data privacy (GRI 418-1)

Personal data in Singapore is protected under the Personal Data Protection Act 2012. We aim for complete transparency in the way we process and manage the data that our clients entrust to us. Employees of GKE are required to sign a Non-Disclosure Agreement for the work that they conduct at GKE. The Company's networks, database and websites are also secured to prevent loss of data. CCTV cameras are installed at strategic locations in our facilities for physical security, certain offices are also biometric controlled for greater control and access. Training and ongoing engagement are the primary ways we build awareness among our employees.

In FY2022, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data across the various GKE subsidiaries. We strive to maintain zero cases of breaches of customer privacy or loss of customer data for FY2023.



Good labour relations (GRI 401-1)

At GKE, we operate on the basis of continuous improvement – constantly looking for ways that we can be more efficient, more responsive, less wasteful, more profitable and safer.

GKE aims to foster an excellence culture. Our employees are passionate, committed, and excel in what they do. In return, we recognise their efforts and encourage a culture of collaboration, providing enriching career opportunities and always challenging ourselves to do better. The talent and motivation of our 872 employees across our various business units are the foundation for our success. Implementing a strong, common culture and purpose across the Group remains the main priority of our management team.

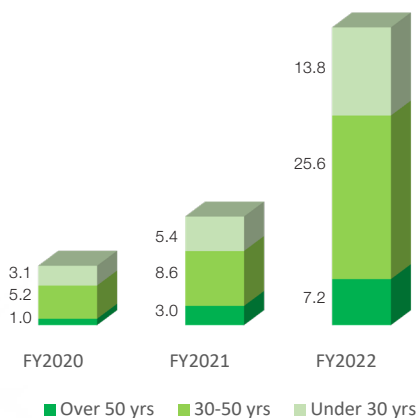
In FY2022, we had a turnover rate of 50% and a hiring rate of 47%. Our turnovers and hiring rates in FY2022 were higher compared to FY2021 mainly in the logistics business segment in Singapore. Workers had returned to their home country to be with their families during the pandemic, and were not able to come back to work in Singapore when entry restrictions and border closures

were imposed. In China, our RMC plant hires employees from the surrounding community near the factory and has lower turnover rate. As part of the employees' benefits as a Group, the Company provides medical benefits, dormitory accommodation and daily meals at the staff canteen for the employees. The Company will continue to implement effective employee retention strategies such as compensation reviews, recognition programs and opportunities for upskilling and reskilling.

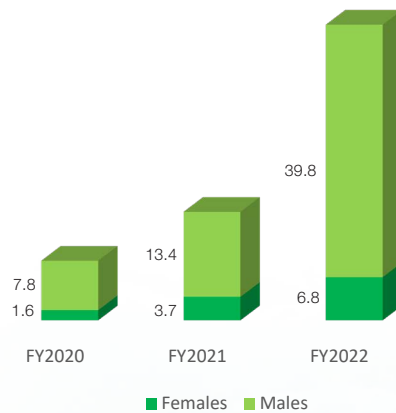
We aim to reduce our overall turnover rate to 15% in FY2023.

GRI 102-8

Hiring Rate by Age Group (%)

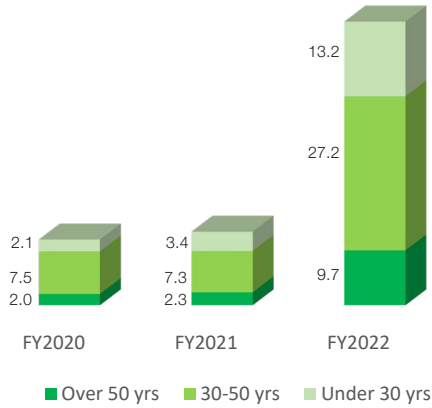


Hiring Rate by Gender (%)

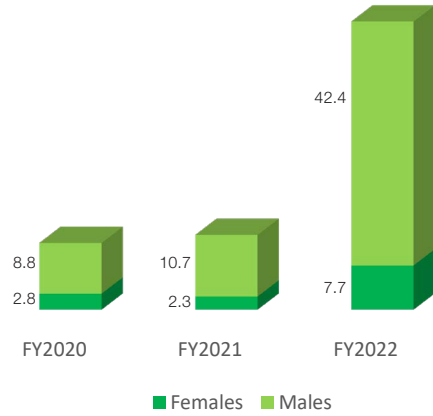


EMPOWERING EMPLOYEES

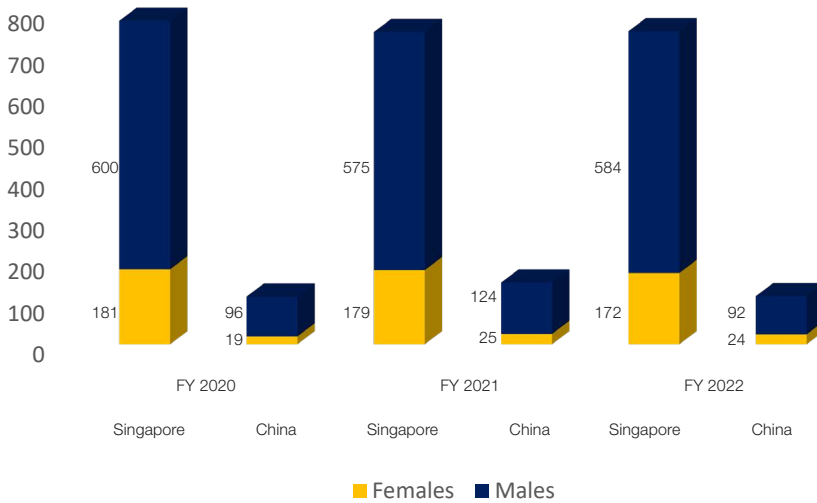
Turnover Rate by Age Group (%)



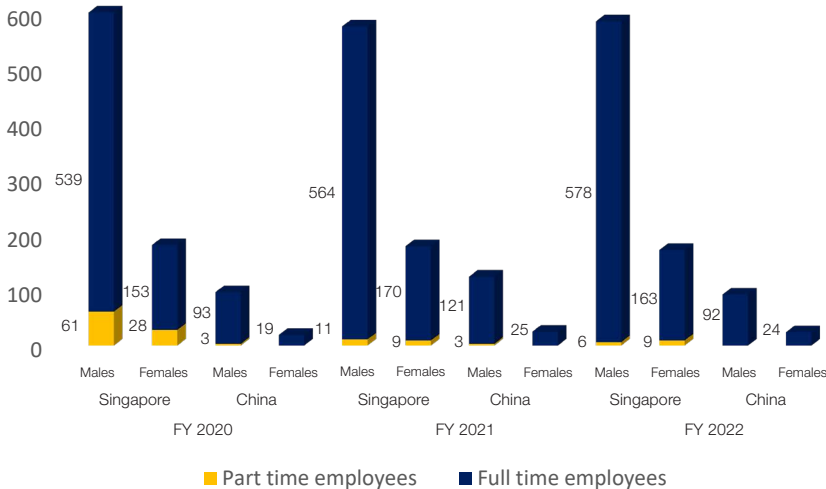
Turnover Rate by Gender (%)



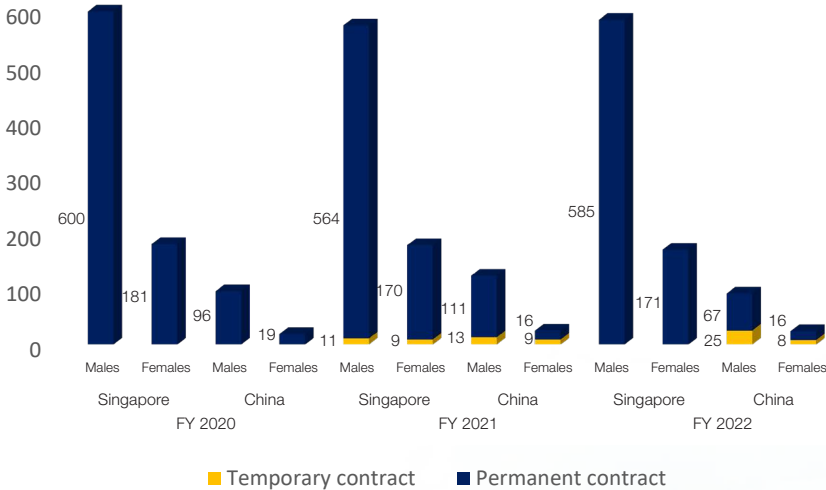
Total Numbers of Employees by Gender



Total number of employees by employment type (based on gender and geographical location)



Total number of employees by employment Contract (based on gender and geographical location)



EMPOWERING EMPLOYEES

Employee health, safety and wellness (GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7)

Our people are our most important asset. Neglecting their health and safety would not only be irresponsible and unethical but would also endanger our business performance. GKE strives to work in a healthy and safe manner that complies with all applicable occupational safety and health laws and standards, and are committed to providing our employees with a healthy and safe working environment. Our employees are encouraged to take ownership when it comes to health and safety.

Occupational health and safety management systems are implemented in GKE's operations in Singapore and China to ensure that all business units have a standard practice in place for managing health and safety hazards as well as ensuring that workers are provided with a safe working environment. GKE Services Pte Ltd, which was previously certified for OHSAS 18001, has successfully transitioned to be certified for ISO 45001 since November 2019. In August 2021, GKE Corporation Ltd, together with GKE Private Limited, GKE Warehousing & Logistics Pte Ltd as well as GKE Express Logistics Pte Ltd, have all attained ISO 9001, ISO 14001 and ISO 45001 certification. This is a significant milestone for the warehousing and logistics business segment, which in the previous year had only achieved bizSAFE Level 3 certification. We aim to implement the various management systems standards for the other entities under our warehousing and logistics segment, with the objective of the achieving certification to these standards in the future.

The early implementation of an occupational health and safety management at GKE Services Pte Ltd was largely due to customers' requirements, while for the RMC plant in Wuzhou City, China, the site is required to comply with local health and safety regulations⁶ and thus a health and safety management system was established.

A systematic approach is used across all our sites to identify safety hazards. This is supported by a risk management system and the hierarchy of controls⁷ applied to reduce the risk associated with the hazards. Risk assessments are conducted by risk management teams from each business entity and these are submitted to Quality, Health, Safety and Environment ("**QHSE**")

and Dangerous Goods ("**DG**") Compliance officer, who oversees the health and safety performance for the Singapore operations. For the RMC plant in Wuzhou City, China, the General Manager is overall in charge of health and safety at the site and works closely with the managers and engineers to identify safety hazards. Automation has also been used for many of the processes, for example, the loading of materials onto conveyor belts, which helps to reduce worker exposure to physical hazards such as moving machinery parts as well as ergonomic hazards such as lifting of heavy loads.

All our employees are to stop their work if they encounter a dangerous or hazardous situation. They are to highlight the situation to their Supervisor who will then take the necessary precautions to ensure the situation is deemed safe again before work is resumed. In the event of a work-related incident, a thorough investigation will be conducted by the safety representatives from the respective business entity and the investigation report submitted to QHSE and DG Compliance officer. A root cause analysis is conducted and appropriate corrective actions implemented to prevent recurrence.

Our employees attend various internal and external health and safety training relevant to their roles. For example, managers who are appointed as Site Incident Controller ("**SIC**") would be required to attend SIC training and staff who are appointed as members of the Company Emergency Response Team ("**CERT**") would be required to attend an annual CERT or SIC training as they are responsible for incident response at their respective sites. All new employees are provided with an Employee Safety and Health Handbook in two (2) languages - English and Chinese and are required to attend a safety induction training which includes a video on the company's safety practices. Refresher safety training for employees is conducted in-house by the various Department Managers/Assistant Managers/Supervisors, while for mandatory safety training required under the Ministry of Manpower Workplace Safety and Health Act, our employees are sent to attend the courses through external approved training providers. QHSE and DG Compliance officer, conducts regular in-house training on topics such as fire drills, handling of heavy loads and dangerous goods management. Employee who handle chemicals are required to attend a chemical awareness course.

⁶ Law on Work Safety, Law on Prevention and Control of Occupational Diseases.

⁷ Hierarchy of controls – elimination, substitution, engineering controls, administrative controls and personal protective equipment.

At the RMC plant in Wuzhou City, China, a large proportion of our employees are employed as drivers for our trucks. In FY2022, road safety training was provided to our drivers at Wuzhou Xing Jian Readymix Co.,Ltd together with talks from the local traffic police on driver safety programs.

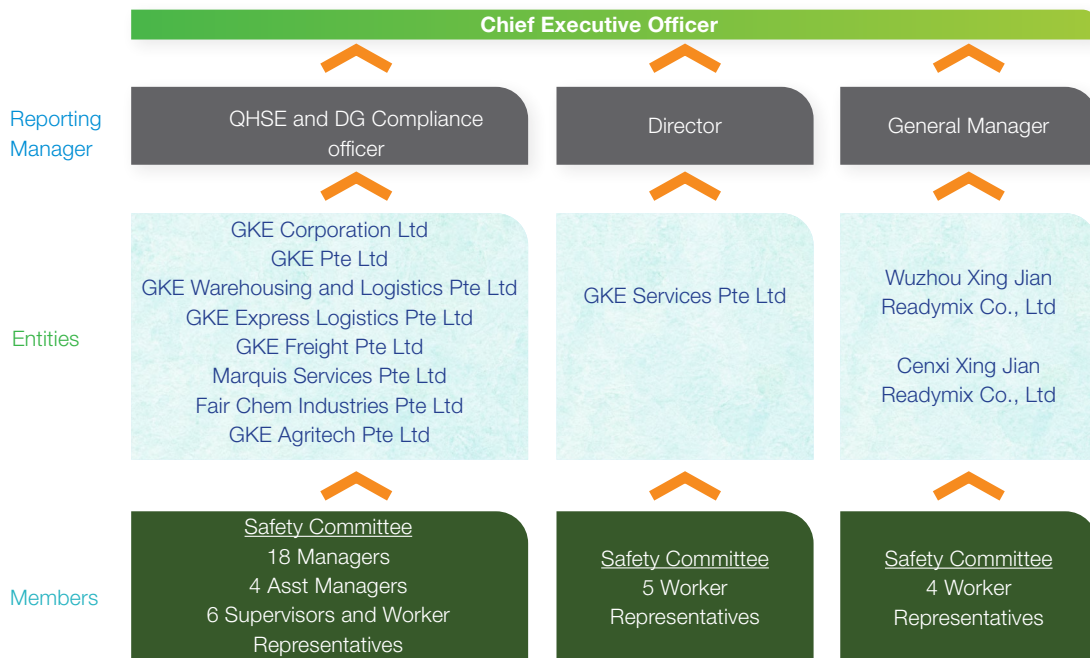
All subcontractors that work at our sites in Singapore and China are required to undergo pre-employment safety training and understand the company's rules and regulations before they are allowed to be deployed at our sites. For our Singapore sites, contractors undergo



a selection and evaluation process prior to the award of a job. Contractors are also required to submit their risk assessment and safe work procedures prior to the start of work, and those who have a minimum certification of bizSAFE level 3 are preferred.

Top management is briefed monthly on the overall GKE health and safety performance by QHSE and DG Compliance officer, as well as by the Directors of the various entities. Our health and safety committees at the various sites are represented as follows and report to the CEO. Our Health and Safety Committee has been updated in FY2022 to include representatives from GKE Agritech Pte Ltd and Fair Chem Industries Pte Ltd.

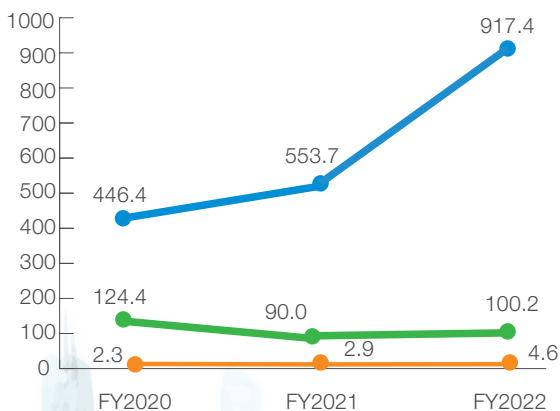
EMPOWERING EMPLOYEES



In FY2022, there were a total of 8 reportable accidents across the whole Group, resulting in 175 lost days. These 8 cases occurred in our warehousing and logistics business segment – 1 case resulted in hand injuries, another 7 cases resulted in back and leg injury. In all the cases, immediate action was taken to review the risk assessments and briefings conducted for all employees in the affected areas to ensure that they were aware of the hazards in the workplace and to exercise the necessary controls to prevent recurrence of these incidents. None of the cases resulted in high consequence injuries⁹. There were no work-related injuries or fatalities attributable to employees or contractors working at our premises in China.

For FY2023, we aim to improve the health and safety awareness of our employees through increased training programs with an objective to reduce the number of work-related accidents and lost days.

GKE's Health and Safety Performance



	FY2020	FY2021	FY2022
● Workplace Injury Rate (number of injuries per 100,000 employed persons)	446.4	553.7	917.4
● Accident Frequency Rate (reportable accident per million man-hours)	2.3	2.9	4.6
● Accident Severity Rate (man-days lost per million man-hours)	124.4	90.0	100.2

⁹ High-consequence work-related injury - work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

Soles4Souls

The success from the first shoe donation drive in FY2021 has encouraged GKE to continue collaborating with Soles4Souls for the second time. The shoes donated by GKE employee were used to raise funds which in turn provided food, shelter and education for families in countries that Soles4Souls are supporting. The 45 days shoe donation drive started on 23 November 2021 and our target was to collect 400 pairs of shoes. We have successfully received a donation of 730 pairs of shoes, which has exceeded more than 80% of our target.



Our Salute to Frontline Workers

To show our appreciation and gratitude to frontline workers for their efforts during the COVID-19 pandemic, GKE gifted 375 packs of our freshly grown kale to Singapore General Hospital on 8 October 2021.

Food Donation Drive with Food From The Heart

Throughout the month of August 2021, GKE Group initiated our second food donation drive in collaboration with Food From The Heart ("FFTH"). Established in February 2003, FFTH is a non-profit organisation that distributes food items to the needy through their various food distribution campaigns. Through this donation drive, we have contributed over 1,700 food items to FFTH. In addition, GKE Corporation Ltd also donated \$5,000 to FFTH.



PERFORMANCE DATA

Economic Performance (GRI 201-1)

	FY2020		FY2021		FY2022	
	S\$M	% of direct value generated	S\$M	% of direct value generated	S\$M	% of direct value generated
Direct value generated ⁹	107.2		119.0		104.8	
Economic value distributed	102.4		107.1		94.9	
Operating cost ¹⁰	63.6	59.2%	68.7	57.6%	52.9	50.5%
Employee wages and benefits ¹¹	31.8	29.7%	30.3	25.5%	35.3	33.7%
Government ¹²	3.6	3.4%	5.3	4.5%	3.8	3.6%
Capital providers ¹³	3.4	3.2%	2.8	2.4%	2.9	2.8%
Total economic value retained ¹⁴	4.8	4.5%	11.9	10.0%	9.9	9.4%

S\$M: Singapore Dollars, in Million

Employee Data (GRI 102-8)

	FY2020		FY2021		FY2022	
	Singapore	China	Singapore	China	Singapore	China
Total employees by gender						
Males	600	96	575	124	584	92
Females	181	19	179	25	172	24
Total employees	781	115	754	149	756	116

Total employees by employment contract and gender

	FY2020				FY2021				FY2022			
	Singapore		China		Singapore		China		Singapore		China	
Total employees by employment contract and gender	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females
Full time employees	539	153	93	19	564	170	121	25	578	163	92	24
Part time employees	61	28	3	0	11	9	3	0	6	9	0	0
Permanent contract	600	181	96	19	564	170	111	16	585	171	67	16
Temporary contract	0	0	0	0	11	9	13	9	0	0	25	8

⁹ This includes revenue and excludes other income – net.

¹⁰ This includes cost of goods and administrative expenses, and excludes employee compensation.

¹¹ This includes wages, salaries and benefits.

¹² This includes income tax expenses.

¹³ This includes dividends and interest expenses on borrowings and other finance cost.

¹⁴ Economic value retained = Economic value generated – Economic value distributed

New Employees Hire and Employees Turnover in Singapore & China (GRI 401-1)

		FY2020				FY2021				FY2022			
		New Hires		Employee Turnover		New Hires		Employee Turnover		New Hires		Employee Turnover	
		No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
By Age Group	Under 30 yrs	28	3.1	19	2.1	49	5.4	31	3.4	120	13.8	115	13.2
	30-50 yrs	47	5.2	67	7.5	78	8.6	66	7.3	223	25.6	237	27.2
	Over 50 yrs	9	1.0	18	2.0	27	3.0	21	2.3	63	7.2	85	9.7
By Gender	Male	70	7.8	79	8.8	121	13.4	97	10.7	347	39.8	370	42.4
	Female	14	1.6	25	2.8	33	3.7	21	2.3	59	6.8	67	7.7
Overall Total		84	9.3	104	11.6	154	17.0	118	13.1	406	46.6	437	50.1

Workplace safety and health statistics for our operations in Singapore and China (GRI 403-9)

Description	FY2020	FY2021	FY2022
Workplace injury rate (number of injuries per 100,000 employed persons)	446.4	553.7	917.4
Accident frequency rate (reportable accidents per million man-hours)	2.3	2.9	4.6
Accident severity rate (man-days lost per million man-hours)	124.4	90.0	100.2
Occupational disease rate	0	0	0
Work related fatalities	0	0	0

For FY2020, no. of man hours worked is assumed to be 8 hours a day, 20 days a month, for 12 months, for the total headcount in Singapore and China (896 employees) = 1,720,320 man hours

For FY2021, no. of man hours worked is assumed to be 8 hours a day, 20 days a month, for 12 months, for the total headcount in Singapore and China (903 employees) = 1,733,760 man hours

For FY2022, no. of man hours worked is assumed to be 1,745,895 man hours for the total headcount in Singapore and China (872 employees). Different assumptions have been used for the different entities depending on the number of hours worked a day (8 to 8.8 hrs/day) and different number of working days per month

Definitions

A. Workplace Injury Rate = $\frac{\text{No. of Fatal and Non-fatal Workplace Injuries}}{\text{No. of Employed Persons}} \times 100,000$

B. Accident Frequency Rate (AFR) = $\frac{\text{No. of Workplace Accidents Reported}}{\text{Number of Man-hours worked}} \times 1,000,000$

C. Accident Severity Rate (ASR) = $\frac{\text{No. of Man Days Lost To Workplace Accidents Reported}}{\text{Number of Man-hours worked}} \times 1,000,000$

D. Occupational Disease Incidence = $\frac{\text{No. of Occupational Diseases (i.e. chronic confirmed cases)}}{\text{No. of Employed Persons}} \times 100,000$

PERFORMANCE DATA

Waste Generated (GRI 306-3)

		FY2020	FY2021 ¹⁵	FY2022
Type of waste	Mode of disposal	Weight / Volume	Weight / Volume	Weight / Volume
Non-Hazardous Waste				
Paper & carton boxes	Recycled	17,860 kg	16,750 kg	16,532 kg
Plastic waste	Recycled	18,245 kg	12,670 kg	12,258 kg
Hazardous Waste				
Chemical waste (solid)	Disposed by licensed contractor	Data not available	54 kg	11,665 kg
Chemical waste (liquid)		Data not available	3,236 L	600 L
Disposal of drums (quantity)		0	104	0
General Waste				
Solid waste	Incinerated	189,940 kg	325,659 kg	233,050 kg
Liquid waste	Incinerated	Data not available	31,680 L	39,960 L
Other Waste				
Electronic waste	Recycled	Data not available	Data not available	665 kg

Energy consumption within the organisation from non-renewable sources (in MJ) (GRI 302-1)

	Business Unit	FY2020 ¹⁶		FY2021		FY2022	
		Fuel	Electricity ¹⁷	Fuel	Electricity	Fuel	Electricity
Warehousing & Logistics	GKE Express Logistics Pte Ltd	17,151,878	153,997	19,250,394	229,068	19,198,237	167,003
	GKE Private Limited	0	421,769	0	575,436	392,277	193,270
	GKE Services Pte Ltd	2,358,208	413,646	2,379,512	297,014	1,976,472	384,134
	GKE Warehousing & Logistics Pte Ltd ¹⁸	992,514	3,140,612	777,738	3,557,931	670,356	5,474,570
	Marquis Services Pte Ltd	Not Applicable		3,610,017	764,759	2,950,688	723,944
	GKE Freight Pte Ltd	Not Applicable		Not Applicable		Not Applicable	
	Subtotal	20,502,600	4,130,024	26,017,661	5,424,208	25,188,030	6,942,921
Annual Subtotal	24,632,624		31,441,869		32,130,951		
Infrastructural Materials & Services	Wuzhou Xing Jian Readymix Co., Ltd.	25,421,146	2,682,468	38,210,652	3,859,229	23,662,379	3,093,606
	Subtotal	25,421,146	2,682,468	38,210,652	3,859,229	23,662,379	3,093,606
	Annual Subtotal	28,103,614		42,069,881		26,755,985	
Others	GKE Agritech Pte Ltd	Not applicable		44,203	6,948	45,795	1,336,536
	GKE Corporation Limited	Not applicable		Not applicable		Not applicable	
	Subtotal	Not applicable		44,203	6,948	45,795	1,336,536
	Annual Subtotal	Not applicable		51,151		1,382,331	
	TOTAL	45,923,746	6,812,492	64,272,516	9,290,385	48,896,204	11,373,063
	ANNUAL TOTAL	52,736,238		73,562,901		60,269,267	

Conversion factors for the above table are based on Emission Factors for Cross Sector Tools March 2017

Direct (Scope 1) emissions & energy indirect (Scope 2) GHG emissions (GRI 305-1, GRI 305-2)

		FY2020		FY2021		FY2022	
Business unit		Scope 1 (kgCO ₂)	Scope 2 (kgCO ₂)	Scope 1 (kgCO ₂)	Scope 2 (kgCO ₂)	Scope 1 (kgCO ₂)	Scope 2 (kgCO ₂)
Warehousing & Logistics	GKE Express Logistics Pte Ltd	1,278,484	17,932	1,434,905	25,993	1,576,224	18,927
	GKE Private Limited	0	49,113	0	65,296	32,219	21,904
	GKE Services Pte Ltd	175,778	48,167	177,366	33,703	162,335	43,535
	GKE Warehousing & Logistics Pte Ltd ¹⁵	73,981	365,707	57,972	403,726	55,059	620,451
	Marquis Services Pte Ltd	Not applicable		269,087	86,779	242,351	82,047
	GKE Freight Pte Ltd	Not applicable		Not applicable		Not applicable	
	Subtotal	1,528,243	480,919	1,939,330	615,497	2,068,188	786,864
Annual Subtotal	2,009,162		2,554,827		2,855,052		
Infrastructural Materials & Services	Wuzhou Xing Jian Readymix Co., Ltd.	1,893,743	634,851	2,845,037	913,351	1,940,004	732,153
	Subtotal	1,893,743	634,851	2,845,037	913,351	1,940,004	732,153
	Annual Subtotal	2,528,594		3,758,388		2,672,157	
Others	GKE Agritech Pte Ltd	Not applicable		3,295	788	3,182	151,474
	GKE Corporation Limited	Not applicable		Not applicable		Not applicable	
	Subtotal	Not applicable	Not applicable	3,295	788	3,182	151,474
Annual Subtotal	0		4,083		154,656		
TOTAL		3,421,986	1,115,770	4,787,662	1,529,636	4,011,374	1,670,491
ANNUAL TOTAL		4,537,756		6,317,298		5,681,867	

Conversion factors for the above table are based on Emission Factors for Cross Sector Tools March 2017. Grid Emission Factors are sourced from Singapore Energy Market Authority (EMA) and IGES Institute for Global Environmental Strategies (2021). List of Grid Emission Factors, version 10.10.

¹⁵ FY2021 waste figures have been updated to reflect the new categories of waste in this Report

¹⁶ FY2020 figures have been restated due to different emissions factors applied: GKE Services Pte Ltd - energy consumed from electricity, Wuzhou Xing Jian Readymix Co., Ltd - energy consumed from fuel.

¹⁷ Data for energy consumption for FY2020 was previously reported as one consolidated figure (fuel and electricity) for the following entities - GKE Express Logistics Pte Ltd, GKE Private Limited and GKE Warehousing & Logistics Pte Ltd. Energy consumption from electricity has been reported separately in this report for those entities to provide greater clarity on energy consumption from various services.

¹⁸ Energy consumed and Scope 2 Emissions for GKE Warehousing & Logistics Pte Ltd includes GKE Freight Pte Ltd as they are both in the same building and have a common electricity billing.

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference	Omission
GRI 102: General Disclosures 2016			
102-1	Name of the organization	AR 2022, Pg. 1 (Corporate Profile)	
102-2	Activities, brands, products, and services	AR 2022, Pg. 1-2 (Corporate Profile)	
102-3	Location of headquarters	AR 2022, Pg. 1 (Corporate Profile)	
102-4	Location of operations	AR 2022, Pg. 1-2 (Corporate Profile)	
102-5	Ownership and legal form	AR 2022, Pg. 10 SR 2022, Pg. 2 (Corporate Structure)	
102-6	Markets served	AR 2022, Pg. 14-16 (Performance Review)	
102-7	Scale of the organization	AR 2022, Pg. 10 SR 2022, Pg. 2 (Corporate Structure) SR 2022, Pg. 13 (Empowering Employees)	
102-8	Information on employees and other workers	SR 2022, Pg. 13 (Empowering Employees)	
102-9	Supply chain	We have approximately 478 suppliers providing goods and services to GKE Group.	
102-10	Significant changes to the organization and its supply chain	GKE has acquired Fair Chem Industries in FY2022. Performance Review AR 2022, Pg. 14-16	
102-11	Precautionary Principle or approach	Risk Management AR 2022, Pg. 35-36	
102-12	External initiatives	None	
102-13	Membership of associations	Singapore Logistics Association, Singapore Transport Association, Singapore Business Federation	
102-14	Statement from senior decision-maker	SR 2022, Pg. 1 (Board Statement)	
102-16	Values, principles, standards, and norms of behaviour	AR 2022, Pg. ii (Core Values, Vision, Mission)	
102-18	Governance structure	AR 2022, Pg. 18-20 (Board of Directors)	
102-40	List of stakeholder groups	SR 2022, Pg. 4 (Stakeholder Engagement)	
102-41	Collective bargaining agreements	Not applicable. There is no collective bargaining agreement.	
102-42	Identifying and selecting stakeholders	SR 2022, Pg. 4 (Stakeholder Engagement)	
102-43	Approach to stakeholder engagement	SR 2022, Pg 4 (Stakeholder Engagement)	
102-44	Key topics and concerns raised	SR 2022, Pg. 5 (Materiality)	

GRI Standard	Disclosure	Reference	Omission
102-45	Entities included in the consolidated financial statements	AR 2022, Pg. 10 SR 2022, Pg. 2 (Corporate Structure)	
102-46	Defining report content and topic boundaries	SR 2022, Pg. 1 (Board Statement)	
102-47	List of material topics	SR 2022, Pg. 5 (Materiality)	
102-48	Restatements of information	SR 2022, Pg. 10 (Environmental Responsibility)	
102-49	Changes in reporting	None	
102-50	Reporting period	SR 2022, Pg. 1 (Board Statement)	
102-51	Date of most recent report	The most recent previous report was published in Oct 2021	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	enquiry@gkegroup.com.sg SR 2022, Pg. 1 (Board Statement)	
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core Option	
102-55	GRI content index	SR 2022 Pg. 24 (GRI Content Index)	
102-56	External assurance	None	
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	SR 2022, Pg. 5 (Materiality)	
103-2	The management approach and its components	SR 2022, Pg. 7-8 (Economic Enhancement and Compliance) SR 2022, Pg. 9-11 (Environmental Responsibility) SR 2022, Pg. 12 (Our Customers) SR 2022, Pg. 13-18 (Empowering our Employees)	
103-3	Evaluation of the management approach	SR 2022, Pg. 7-8 (Economic Enhancement and Compliance) SR 2022, Pg. 9-11 (Environmental Responsibility) SR 2022, Pg. 12 (Our Customers) SR 2022, Pg. 13-18 (Empowering our Employees)	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	SR 2022, Pg. 6, 20-23 (Performance Overview)	
GRI 302: Energy 2016			
302-1	Energy consumption within the organization	SR 2022, Pg. 9-11 (Environmental Responsibility)	

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference	Omission
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG Emissions	SR 2022, Pg. 9-11, 23 (Environmental Responsibility)	
305-2	Energy indirect (Scope 2) GHG Emissions	SR 2022, Pg. 9-11, 23 (Environmental Responsibility)	
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	SR 2022, Pg. 9-11, 22 (Environmental Responsibility)	
306-2	Management of significant waste-related impacts	SR 2022, Pg. 9-11, 22 (Environmental Responsibility)	
306-5	Waste directed to disposal	SR 2022, Pg. 9-11, 22 (Environmental Responsibility)	
GRI 401: Employment 2016			
401-1	New employees hires and employee turnover	SR 2021, pg. 13-18, 20-21 (Empowering Employees)	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system of work-related fatalities	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-2	Hazard identification, risk assessment, and incident investigation	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-3	Occupational health services	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-4	Worker participation, consultation, and communication on occupational health and safety	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-5	Worker training on occupational health and safety	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-6	Promotion of worker health	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	
403-9	Work-related injuries	SR 2022, Pg. 16-18, 20-21 (Employee Health, Safety and Wellness)	Data for non-employees is omitted as this is currently not available.
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR 2022, Pg. 12 (Our Customers)	
GRI 419: Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	SR 2022, Pg. 8 (Economic Enhancement & Compliance)	



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