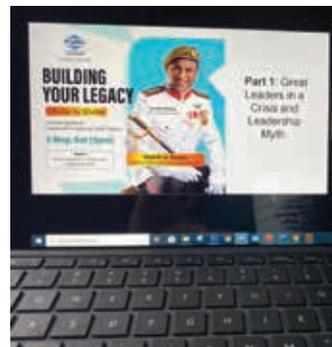




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# ABOUT THIS REPORT 01

This is PropNex Limited’s (“PropNex”) third annual Sustainability Report (“Report”).

The report summarises PropNex’s policies, practices, targets and performance for our material environmental, social and governance (“ESG”) factors in the financial year ended 31 December 2020 (“FY2020”). The scope of the report encompasses our real estate brokerage business in Singapore, namely PropNex Limited and PropNex Realty Pte Ltd.

This report has been prepared in line with the sustainability reporting requirements of the SGX-ST Listing Manual (Rules 711A and 711B), and with reference to the 2016 Global Reporting Initiative (“GRI”) Standards. We have included disclosures covering energy, emissions and environmental compliance. Please see the GRI index on Page 21 for more details.

All monetary and financial figures stated are in Singapore dollars.

All information is disclosed in good faith and to the best of our knowledge. Your feedback is important to us in our sustainability journey; we look forward to receiving comments on our sustainability practices and reporting at [corpcomms@propnex.com](mailto:corpcomms@propnex.com).



Image taken before COVID restrictions



Image taken before COVID restrictions



# 02 BOARD STATEMENT



2020 marks another milestone in PropNex's history as the Group celebrates 20 years of trusted service in real estate. We are delighted to share that PropNex has a stronger foothold in the Singapore's property industry – producing unprecedented 30 Millionaire Achievers in FY2020. Today, we continue to be the market leader in new launches and in attracting record number of experienced and new salespersons to join PropNex. Despite the global COVID pandemic, it is commendable that we achieved a revenue of \$515.6 million for FY2020.

While the market was impacted by the circuit breaker period in Singapore, PropNex was able to harness our exceptional assets – leveraging on the strong branding and talent of our people across the Company, to win in the marketplace.

A cornerstone of our success is our focus on sustainability. Sustainability is fundamental to achieving our long-term vision of success. We have incorporated considerations for social and governance factors in the way we grow our business, cultivate our people and serve our communities. This is based on the belief that PropNex will thrive when our people are motivated, committed and empowered to continuously improve themselves and give back to society.

With support of the Sustainability Steering Committee ("SSC"), composed of our management team, we have considered sustainability issues as part of our strategic formulation, determined the material ESG factors, overseen the management and monitoring of the ESG factors. The SSC will continue to assist the Board in integrating ESG considerations into our strategic formulation, as well as monitor, manage and report on our ESG performance.

Our commitment to service excellence has enabled us to become Singapore's largest home-grown listed real estate agency and we will continue to drive our business for years to come. We take pride in our motto "Service You Trust" and together with our Core Values, our business decisions are made with the aim of taking pole position in the market.

We are pleased to share with you PropNex's approach to sustainability and efforts taken to be a sustainable business in the Group's Sustainability Report.

**Board of Directors**  
PropNex Limited

# CHAIRMAN'S MESSAGE 03



We soared as Singapore's largest listed real estate agency and continued to grow our salesforce. We recorded a total of 9,050 salespersons as at 8 February 2021. PropNex has proven to be the preferred agency of choice by clients and salespersons and we are on track in realising our vision of having 10,000 PropNex salespersons by 2022. As a brand owner-manager, we also possess a strong desire to build the PropNex brand into a leading regional brand.

The pandemic had created new norms in the way we conduct our business. As the Group had invested over S\$2 million in IT infrastructure and IT-related training in 2019, this allowed our accelerated adoption of technology in 2020. As a result, the Group was able to react swiftly during the crisis. Our salesforce effectively used these myriad virtual platforms to continuously engage their clients via webinars and managed to close million-dollar private and HDB properties, despite the restrictions brought about by the pandemic.

Aside from delivering a commendable set of financial results in 2020, we stayed true to our continued focus on corporate citizenry as well. We donated \$750,000 to The Community Chest, at an event officiated by Minister Desmond Lee and the Chairman of The Community Chest, Mr Phillip Tan during our Mid-Year Virtual Convention in September 2020. We were heartened to see that the \$250,000 went to helping the vulnerable communities who were affected by the COVID-19 situation as well as the frontline heroes who were fighting the virus. Since 2013, PropNex has been contributing \$500,000 annually to benefit underprivileged children and the less fortunate.

On the client-front, the Group launched a new customer marketing programme – PropNex Friends – in December 2020. This formation of a community was created with the aim of staying close to our customers through curated, personalised experiences.

The achievements we have accomplished today, after 20 years in the real estate business, are made possible by our very own salespersons, managers, leaders and also all our PropNex staff who have continued to trust in the PropNex brand. It is through their belief and efforts that have made us number one in the industry.

We will continue to fly the PropNex flag high, backed by their trust and support, as well as that of our clients, developers and partners.

With Service You Trust,

**Ismail Gafoor**

Executive Chairman and CEO  
PropNex Limited

# FY2020 04 SCORECARD



**5.3%**  
Staff Count Y-o-Y  
percentage change



**8,918**  
Number of salespeople  
(as at 1 January 2021)



**7.1%**  
Salesforce count Y-o-Y  
percentage change



**128**  
Number of Consumer  
Webinars



Due to COVID Pandemic,  
seminars could not be  
conducted at the showflats  
in 2020



**\$750,000**  
Charitable Contributions



**525,637.40kWh**  
Electrical Consumption



**112.31tCO<sub>2</sub>e**  
Carbon Emission



**0.2t/\$m**  
Electrical consumption



**\$515.6m**  
Net Revenue



**\$31.2m**  
Net Profit after tax

# SUSTAINABILITY AT PROPNE X 05

In line with our 20<sup>th</sup> anniversary tagline "Building Legacies for Generations", we believe in helping our various stakeholders make a difference in their lives and the lives of their loved ones.



# 06 SUSTAINABILITY AT PROPNEK



- C**ontinuous Self-improvement
- A**utonomy and Entrepreneurship
- R**espect and Concern for individuals
- E**thics, Honesty and Integrity

## Sustainability Structure

We adopt a top-down approach to the management of sustainability issues material to our business and our stakeholders. The Board of Directors spearheads our sustainability agenda, including determining the material ESG factors that we focus on.

The Board is supported by the SSC in the implementation of the sustainability agenda, which consists of the Chief Executive Officer, Key Executive Officer, Chief Financial Officer, Chief Operating Officer and the Director of Corporate Communications and Marketing.

The SSC is responsible for developing the sustainability strategy and targets in the strategic formulation of the Group, implementing action plans, and monitoring and managing our sustainability performance.

The Board approves the material ESG factors identified by the Sustainability Task Force and ensures that the factors are well-managed and monitored.

# ASSESSING OUR MATERIALITY 07

This report has been prepared in accordance with the requirements of SGX-ST Listing Rules 711A and 711B, and with reference to the GRI Standards. The GRI Standards were selected as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures.

To identify and prioritise material ESG factors that are important to our business and key stakeholders, we have implemented a three-step materiality assessment process that is in line with GRI Standards' Materiality Principle.



The assessment for 2020 yielded seven material ESG factors and we shall continue to review the list of material ESG factors annually to ensure their relevance.

Material ESG Factors	Materiality Relevance	Corresponding Topic-specific
<b>Economic Performance</b>	As a listed company, driving the growth and economic performance of our company is the first and foremost step to ensuring the sustainability of our business.	<ul style="list-style-type: none"> <li>GRI 201: Economic Performance</li> </ul>
<b>Compliance with Laws and Regulations</b>	To maintain our stakeholders' trust in us, we uphold high standards of integrity and conduct business in full compliance with all applicable laws and regulations.	<ul style="list-style-type: none"> <li>GRI 205: Anti-corruption</li> <li>GRI 418: Customer Privacy</li> <li>GRI 419: Socioeconomic Compliance</li> </ul>
<b>Environment</b>	Our business relies on the physical environment and geography of Singapore. A clean, healthy and conducive living environment is therefore crucial for the success and sustainability of our company.	<ul style="list-style-type: none"> <li>GRI 302: Energy</li> <li>GRI 305: Emissions</li> <li>GRI 307: Environmental Compliance</li> </ul>
<b>Employment</b>	Our people are the cornerstone of our company. We are committed to attracting, motivating and retaining dedicated individuals that will inspire others, so as to ensure the smooth running of our business.	<ul style="list-style-type: none"> <li>GRI 401: Employment</li> </ul>
<b>Training and Education</b>	Our people's capabilities to deliver relevant information and excellent customer service determine our reputation in the market and our business success. We carry out numerous training programmes to help our people excel professionally and individually.	<ul style="list-style-type: none"> <li>GRI 404: Training and Education</li> </ul>
<b>Technological and Digital Innovation</b>	We support our salespersons with technological solutions that help enhance their productivity, maintain service excellence and meet evolving client needs in a competitive business landscape.	<ul style="list-style-type: none"> <li>Not applicable (non-GRI topic)</li> </ul>
<b>Consumer Empowerment</b>	Customer trust and loyalty are paramount to our business sustainability. We cultivate customer rapport by educating and empowering our customers to recognise and leverage on property opportunities.	<ul style="list-style-type: none"> <li>Not applicable (non-GRI topic)</li> </ul>
<b>Local Communities</b>	Serving the communities around us is a core belief that contributes to our success. We strive to empower both our people and the less fortunate through our Corporate Social Responsibility ("CSR") initiatives.	<ul style="list-style-type: none"> <li>GRI 413: Local Communities</li> </ul>

# 08 ENGAGING OUR STAKEHOLDERS

Our core values C.A.R.E. are ingrained in the way we interact with our key stakeholders. We ensure our communications with our stakeholders are regular and transparent so that we can address their concerns with respect.

Stakeholders	Engagement	Methods Frequency
<b>Customers</b>	<ul style="list-style-type: none"> <li>Customer feedback channel</li> <li>Research reports</li> <li>Consumer empowerment seminars</li> <li>Virtual Property Shows Webinars</li> <li>PropNex Privilege Membership/PropNex Friends</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> </ul>
<b>Employees/Salespersons</b>	<ul style="list-style-type: none"> <li>Staff performance appraisals</li> <li>Staff satisfaction survey</li> <li>Staff suggestion form</li> <li>Training and development programmes for staff and salespersons, including orientation</li> <li>Quarterly Conventions</li> <li>Team Leaders and Team Managers' Meetings</li> <li>Strategic/Department meetings</li> <li>Monday Morning Parades</li> <li>Salespersons' Recognition platforms</li> <li>Jumpstart Trainings</li> <li>Staff Service Awards</li> <li>Staff Outings and Christmas party</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Annually</li> <li>Throughout the year</li> <li>Throughout the year</li> <li>Quarterly</li> <li>Monthly</li> <li>Monthly</li> <li>Monthly</li> <li>Monthly</li> <li>Annually</li> <li>Annually</li> <li>Annually</li> </ul>
<b>Investors/Shareholders</b>	<ul style="list-style-type: none"> <li>Financial results briefings</li> <li>Annual General Meeting</li> <li>Timely updates, announcements and press releases on key business decisions and developments via SGXNet and corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>Throughout the year</li> </ul>
<b>Government/Regulators</b>	<ul style="list-style-type: none"> <li>Meetings, discussions and consultations</li> <li>Compliance with reporting requirements</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Throughout the year</li> </ul>
<b>Industry peers</b>	<ul style="list-style-type: none"> <li>Co-broking transactions</li> <li>Cross-agency collaboration</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Throughout the year</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>Media releases and interviews on property updates</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly, ad hoc</li> </ul>
<b>Local communities/ Non-governmental organisations</b>	<ul style="list-style-type: none"> <li>CSR initiatives</li> <li>Division charitable initiatives</li> <li>PropNex Cares Programme</li> <li>Sponsor-A-Child Programme</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Throughout the year</li> <li>Monthly</li> <li>Throughout the year</li> </ul>

# GROWING OUR PROPnex FAMILY 09

We help our people establish a fulfilling career at PropNex by offering them the care, guidance and resources they need to continuously improve themselves, exercise entrepreneurship and achieve autonomy.

## EMPLOYMENT

The collective sum of our people – including their life experiences, knowledge, creativity and talent – represents the PropNex culture, reputation and achievements. We are committed to recruiting, cultivating and retaining staff and salespersons that believe in and practise our core values, and who consistently strive to provide service that our customers trust.

### Recruitment

#### Staff

Our Recruitment & Selection Policy and Diversity Policy guides the recruitment of our employees. We embrace and encourage our employees' differences in age, colour, ethnicity, marital status, gender, national origin, political affiliation, race, religion, sexual orientation and other characteristics that make our employees unique.

At PropNex, we take cultivating a culture of diversity and inclusion seriously. Employees who believe they have been subjected to any kind of discrimination that conflicts with our Diversity Policy are encouraged to seek assistance from their immediate superior or the Human Resources Department. Any employee found to have exhibited any inappropriate conduct or behaviour against others may be subject to disciplinary action.

Our referral programme encourages our staff and salespersons to recommend suitable candidates to apply for job openings at PropNex. Upon appointment and subsequent confirmation in the position, a referral fee will be awarded to the referee.

#### Salespersons

Our cultivation of salespersons begins even before they become a PropNexian and extends to providing assistance to new real estate salespersons ("RES") candidates. Any person interested in becoming a RES is welcome to participate in our Real Estate Programme in RES Study Groups and we train and guide new RES candidates in preparation for the RES exam. Once they pass the RES exam, they will be eligible to participate in our recruitment programme (Success Seminar) for brand-new RES and activities like the Accelerated Closing System ("ACS") for experienced RES.

All employment conditions, including responsibilities and the split of commission, are stated in the Associate Agreement that our salespersons sign with us. We require our salespersons to review their contract with us at least once every two years to ensure that they are reminded of and fully understand their employment conditions. For our Team Leaders, we ask that they sign an additional contract when they become Team Leaders to ensure they understand their role and responsibilities.



# GROWING OUR PROPnex FAMILY

## Benefits

### Staff

PropNex provides a suite of benefits to ensure that our staff members are well taken care of, including:

- Festive advance for salaries and festive leave for staff's choice of festive period;
- Birthday vouchers;
- Discounted medical consultation and health screenings for staff and their family through Make Health Connect Corporate Programme;
- Discounts and promotion schemes for telecommunication services; and
- Discounted premium rates for group term life and personal accident insurance.

### Salespersons

There are also various benefits which PropNex salespersons enjoy, including:

- Discounted premium rates for group term life and personal accident insurance;
- 10-year pension scheme programme for performing Team Leaders;
- Legacy Planning Programme for Team Leaders to receive passive income after retirement;
- Spouse protection scheme for deceased Team Leaders;
- Discounted medical consultation fees for our salespersons and dependents at over 500 participating clinics;
- PX MediCare app, developed exclusively for PropNexians to access medical services with ease;
- Professional indemnity insurance that includes individual coverage;
- Discounts and promotion schemes for telecommunication services; portals and group discounts for digital onboarding; and
- Special advertising rates in the classified sections of local publications.



# GROWING OUR PROPnex FAMILY

11

## Recognition

We believe in recognising and rewarding the contributions and achievements of our staff and salespersons. We have put in place the following schemes to showcase our gratitude towards staff and salespersons who exhibit excellence and dedication.

Monthly, quarterly and yearly performance recognition for our salespersons.



### Service Awards for Staff

- Staff who have served the Company for at least 4.5 years are awarded with trophy for Good Service and a crossed cheque of \$500.
- Staff who have served the Company for at least 9.5 years is awarded with trophy for Long Service and a gift item valued at \$1,000.
- Staff who have served the Company for at least 14.5 years is awarded the Long Service Award trophy and a gift item valued at \$1,500.



### PropNex Ambassadors for Salespersons

PropNex Ambassadors are salespersons who have:

- been with PropNex for 5, 10, 15 or 20 years;
  - established a niche for themselves in the real estate industry;
  - contributed to business continuity and client engagement; and
  - actively participated in PropNex's CSR initiatives.
- PropNex Ambassadors are recognised and presented with their charity plaques and a prestigious Ambassador badge at our quarterly mega conventions.

	2020	2019
Number of new employee hires	13	31
Annual rate of new employee hires	12.62%	32.0%
Monthly average rate of new employee hires	1.07%	2.68%
Number of employee turnover	8	23
Annual rate of employee turnover	7.77%	23.71%
Monthly average rate of employee turnover	0.66%	1.97%
Number of salespersons recruited	594	924

2020 Performance against 2020 Targets: Achieved, the Group has a similar level of staff retention and has recruited over 594\* and working towards the vision of 10,000 salespersons.

#### Notes:

The total number and rate of new employee hires and employee turnover disclosed in this report are regardless of gender, age group and region.

Computation of new employee hires rate and employee turnover rate include full-time permanent staff only.

Annual rate of new employee hires/employee turnover = total number of employee hired/resigned ÷ total number of employees as of 31 December for the FY.

Monthly average rate of new employee hires/employee turnover = sum of every month's new employee hires/employee turnover rate during FY ÷ 12.

\* No RES exams were conducted from Jan to August 2020, which slowed down our recruitment numbers.

Employment Targets for 2021	
FY2021 Target	Action Plan
Continue to retain and attract talents.	Continue to provide benefits, recognition and incentives to attract and retain employees and salespersons.

# 12 GROWING OUR PROPnex FAMILY

## TRAINING AND EDUCATION

Continuous self-improvement is a core value at PropNex as the regular training and education of our employees and salespersons are critical for the growth and sustainability of our business. We provide customised and comprehensive training programmes that enable our people to achieve their potential, both individually and professionally.

### Staff

We provide a variety of training programmes for our staff to ensure that they are equipped with the right skills to perform their job to the best of their abilities. We discuss with our employees about their projected career path, identify their challenges and training needs, and monitor their training progress during the annual performance review. The Human Resources Department consolidates training needs for discussion and coordinates the relevant training.



#### Orientation Programme

Introduction to PropNex’s core values, organisational structure, welfare and benefits, Code of Conduct, Staff Handbook and internal systems and platforms.



#### Built to Last Programme

A customised six session training programme personally facilitated by our CEO to align our staff with PropNex’s values and to equip our staff with practice continual innovation.



#### Customer Service Training Programme

This programme is offered annually to ensure that our staff are adequately trained to provide excellent service, including management of challenging internal and external customers.



#### Supervisory Training Programme

Head of Department/Supervisors are trained on effective communication, coaching, supervisory and delegation skills to enable them to be effective supervisors.



#### Property-related Training

Staff members are required to complete property-related training and compliance trainings (ie PDPA) based on and related to their job scope, such as property laws, through the Life Mastery Academy.



#### Personal Enrichment Programme

This is a series of personal development programmes that emphasise the use of positive psychology to realise an individual’s natural potential to achieve their career, family and life goals. The Human Resources Department identifies key management and supervisory staff to attend such trainings annually.

# GROWING OUR PROPnex FAMILY 13

## Salespersons

We have developed a comprehensive world-class training roadmap for our salespersons that provides a clear path for professional progression. Each roadmap can be further customised according to and based upon the needs, level of experience and career aspirations of each salesperson. Our impressive training roadmap focuses on providing training in the following three main aspects: market segment and specialised skills; policies and regulations; and mindset training. Advanced training programmes are also available for experienced salespersons or those who have chosen to become a Team Leader through the Dual Career Path Scheme.

## Addressing COVID-19

In light of the current COVID-19 situation, we leverage on online alternatives like e-learning to substitute physical classes. In playing our part in the community to slow the transmission of the virus, PropNex had suspended physical trainings last year like bootcamps. In light of the challenging times, we rolled out a \$28.8m PropNex Resilience Package, in helping our salespersons to tide over the period. It consisted of Commission Express Scheme (New Launches & Resale Properties), Overriding Express Service for PropNex Team Leaders & Early Pension Payouts, Waived off for Auto Deduction of 2021 Convention Fee, Subsidized Continuing Professional Development ("CPD") Training Fee, Administrative Office Space Fee Waived, Training/Meeting Room Bookings were made available for free.

### Market Segment and Specialised Skills Training

- Courses on project presentation, closing techniques, digital prospecting and more.
- Quarterly updates on market outlook, including development in specific regions and of specific projects.

### Mindset Training

- Salespersons' Bootcamp.
- Leadership Bootcamp.

### Continuous Training

- Talks that provide updates, such as Director's mentoring – Power Coaching Session, KEO Tutorial, Monthly company IT platform training.
- Regular workshops on legal compliance subject matter.

### Dual Career Path Scheme

- Salespersons who have completed specific training courses and achieved certain commission targets may be elected to become a Team Manager, and may subsequently be promoted to Team Leader. Team Managers and Leaders are responsible for recruiting, supervising and mentoring salespersons.

### Asset Progression Consultant Training

- Training in advanced concepts, such as asset progression and wealth management, is provided to experienced salespersons who are interested.

## Team Building Virtual Training

Through our Virtual Office platform and proprietary mobile phone application, our salespersons are able to sign up for training courses, track their training progress and make sure that they have completed all compulsory training, including those required by PropNex and fulfilling CPD credits mandated by the Council for Estate Agencies ("CEA") regulatory framework.

**2020 Performance against 2020 Targets:** Average training hours for our staffs remain similar to 2019 and we have shifted many of the physical training to be conducted online via webinar over the weekends and during working hours due to the COVID situation. However, our salespersons' trainings were increased.

Training & Education Targets for 2021	
FY2021	Target Action Plan
Training and Development of staff and salespersons.	Continue to review training roadmaps and provide comprehensive training programmes for our staff and Salespersons.

# 14 SERVING OUR CUSTOMERS

## CONSUMER EMPOWERMENT

Our mission is to enhance customers' quality of life through value-added professional service. Property purchases are important life decisions and we are committed to sharing our knowledge with our customers and consumers at large to help them make the right choices.

As Singapore's largest listed home-grown real estate agency, we pride ourselves of being in the best position to give consumers relevant and timely advice on all aspects of property investment. We have been empowering homebuyers and investors since 2013 by giving advice on the latest property trends, outlook of the real estate market, and sharing knowledge and strategies to navigate the constantly fluid real estate landscape.

We regularly monitor and annually review our consumer empowerment roadmap to develop consumer empowerment initiatives for the year, including topics of focus and channels and medium through which to engage consumers.

We also actively engage and empower consumers, as well as prospective and existing customers, through the following channels:

 **Consumer Empowerment Seminars**

Keynote speakers from our management team, including our Executive Chairman and CEO Mr. Ismail Gafoor and Executive Director Mr. Kelvin Fong, share valuable tips, insights to market sentiments, risks and investment opportunities in current property market, and knowledge on specific property segments such as HDB and Core Central Regions with consumers.

 **PropNex Privilege Membership Programme**

We provide insights and updates from our property experts and analysts to our members on property related new, policies and market outlook.

### Addressing COVID-19

In light of the current COVID-19 situation, we leverage on online alternatives like webinars and social media to substitute face to face meet-ups and physical seminars. We also organised the virtual Property Shows in collaboration with Mediacorp and 99.co that drew over 100,000 viewers.

	2020	2019
Number of Consumer Empowerment Seminars/ Webinars held	131	9
Number of Consumer Showflat Talks held	Not Available due to restrictions	95



**2019 Performance against 2019 Targets:** Achieved, held Consumer Empowerment Webinars in replacement of those at showflats due to COVID restrictions.

Social Targets for 2021	
FY 2021	Target Action Plan
Continue to hold Consumer Empowerment Webinars.	Conduct consumer empowerment webinars and virtual property show.

## COMPLIANCE WITH LAWS AND REGULATIONS

We believe the key to achieving this is to conduct our business ethically, honestly and with integrity, thereby serving as a role model for others. PropNex does not tolerate any acts of fraud and corruption, and follows all laws and regulations relevant to our business.

Like other real estate practitioners, PropNex adheres to the regulatory framework of the Estate Agents Act, established by the CEA, a government agency under the Ministry of National Development. PropNex regularly collaborates with CEA on industry development programmes and supports them in protecting the interests of the consumers through targeted public education schemes.

Being a service-oriented company working closely with customers, PropNex also closely abides by the Personal Data Protection Act, ensuring the security of our customers' private data.

Furthermore, our employees and salespersons must abide by the PropNex Code of Conduct, Staff Handbook, Associate Agreements and various corporate policies, such as the Conflict of Interest Policy. They must also conduct themselves in a professional and ethical manner. For our salespersons, we have implemented the Annual CEA License Renewal Exercise Policy to check and verify their license to practice.

All departments have also put in place policies and processes to ensure that our operations comply with applicable laws and regulations. Our Compliance Department is responsible for monitoring our performance on regulatory compliance. Internal audits are conducted annually to evaluate the effectiveness of compliance controls in place.

Our Whistleblowing Policy, for both employees and salespersons, details the proper channels and procedures by which they can raise their concerns about possible improprieties and misconduct.

We regularly provide relevant briefings and training to update our staff and salespersons on changes in laws and regulations. Staff and salespersons are also educated via compulsory monthly Morning Parade briefings, circulars, e-mail broadcasts, and company announcements in our Virtual Office.

**2020 Performance against 2020 Targets:** Achieved. There were no non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions against the Group. There were no letter of complaints against the Group from Personal Data Protection Commission ("PDPC") concerning breaches of customer privacy and losses of customer data. The Group had no incidents of corruption in 2020.

Social Targets for 2021	
FY 2021 Target	Target Action Plan
Maintain zero non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions against the Group.	To continue to conduct various programmes in raising professionalism standards of our sales force and using cases studies to educate salespersons.
Maintain zero letter of complaints against the Group from authorities like Personal Data Protection Commission ("PDPC") concerning breaches of customer privacy and losses of customer data.	
Maintain zero incidents of fraud or corruption.	

# 16 EMBRACING OUR COMMUNITY

PropNex strives to be a positive corporate citizen and influence, both for our society today as well as future generations. We do this by championing our core values of respect and concern for others, in reaching out and helping less privileged communities.

Since 2000, we have been involved in various charitable events and championed numerous meaningful causes, in Singapore and overseas. Our CSR Philosophy, "Empowering Future Generations through Education", guides our CSR initiatives. We review current initiatives and plan for future CSR direction and initiatives during our strategic meetings.

PropNex firmly believes in contributing back to the communities around us and in which we operate, at the company, team and individual levels. We can only truly help our communities when a culture of giving is instilled in each and every one of our employees and salespersons. PropNex has established programmes and initiatives to enable everyone within the PropNex family to easily be involved with and contribute to our CSR initiatives.

### SHARE Programme

Monthly deduction of commission or salaries from salespersons or staff who have opted in for this programme.

### Sponsor-A-Child Programme

Pairing contributing and participating staff and salespersons with a child whom they have sponsored, to spend time and enjoy a day of engagement together.

### Division Charity Initiatives

Different teams within PropNex take the lead to organise charity initiatives of their own on a regular basis.

PropNex has adopted Community Chest as its main charity beneficiary since 2013. Through Community Chest, we support myriad social service programmes that assist over 300,000 people in need in Singapore. We have also expressed a preference for adopting schools and centres that cater to children with special needs and disabilities as beneficiaries, to further align our contribution with our CSR philosophy.

Continuing our commitment of an annual \$500,000 in donations since 2015, we contributed another \$529,179 to Community Chest in 2020 through our monthly SHARE and Sponsor-A-Child programme. The funds raised will help to improve facilities and programmes provided at our adopted beneficiaries, Pathlight School, AWWA, Care Corner Student Care Centre, SHINE and Metta Welfare Association.



	2020	2019
Monetary contribution to local community initiatives	\$750,000	\$529,179

**2020 Performance against 2020 Targets:** Achieved, contributed at least a total of S\$500,000.

#### Supporting COVID-19 front-line warriors

During this unprecedented crisis, PropNex donated an additional \$250,000 dedicated to support front-line warriors fighting the current COVID-19 pandemic.

Social Targets for 2021	
FY2021	Target Action Plan
To continue to contribute to charity beneficiaries of at least \$500,000 and volunteer hours.	Continue to raise funds for the unprivileged and volunteer hours.

# INNOVATING ON THE DIGITAL FRONT 17

Technology in the real estate realm has disrupted and transformed how business is conducted, and will continue to play a pivotal role in the way corporations conduct their business.

One of our key strategies is the empowerment of our people by enhancing our technological capabilities. We are committed to improving our salespersons' productivity by providing relevant and reliable technological support. This in turn helps them to provide better customer service for their clients.

Our Information Technology ("IT") Working Committee has developed the PropNex IT Roadmap to guide our future investments in technological and digital innovation. In consultation with our salespersons, we identified their needs and challenges. These were then translated into modules and focal points in our Roadmap. We continuously evaluate our IT needs and calibrate our IT Roadmap accordingly throughout the year.

## Long term target

We aim to achieve the following through the implementation of our IT Roadmap:

- Digitalise manual procedures and processes;
- Reduce redundancies in procedures and processes;
- Facilitate the collaboration and sharing of resources amongst salespersons;
- Enable consumers to access relevant property information more easily.

As of 2020, we have developed several technological solutions that aim to assist our salespersons, as summarized below.



### PA APP

This app transforms the way our salespersons work as it frees up our salespersons' time on administrative work and improves the productivity of our salespersons. Some of the new features include Asset Planning 2.0 calculator so that our salespersons could assist clients in their assessment of risks before committing a property purchase. Other new features include a new Savings Plan, handover report, spot resale and bundle deals.

PropNex has raised the bar by being the first to roll out these new features in the industry, setting ourselves apart from others and leading with innovative practices.



## ZOOM

The group had also trained our salesforce on the usage of Zoom webinars, so that they could do virtual presentations and even viewings.

## REVAMPED WEBSITE

We took the opportunity to revamp our PropNex website and had completely changed the overall presentation and user experience, targeting at home investors in search of their dream homes. This offers another channel for our agents to display their listings more prominently for exposure.

Measurable	2020 Performance
Increased number of co-marketing listings in our website	Salespersons were able to seal the deal much faster

# 18 ENVIRONMENT

Rampant use of energy from non-renewable sources can cause global warming and, through the resultant melting of the polar ice caps, subsequent sea level rise. As a small island state of which a third is below five metres above means sea level, climate change can adversely impact Singapore and the main business of PropNex: real estate.

We have logged our electrical consumption captured at various corporate premises at HDB Hub Levels 10, 11 and 18, Branch Office and General Magnetic Building. Tabulations were based on utility bills from the electricity supplier.

All electricity is purchased from the national grid and is produced almost entirely by the combustion of natural gas, which is classified as Scope 2 emissions.

A total 525,637.4kWh of electricity was used, which translates to 112.3tCO<sub>2</sub>e.

No incident of non-compliance with environmental laws and regulations were identified within the reporting year.

## TOTAL MEASUREABLES (2020)



**525,637.4kWh**  
Total Electricity consumed



**112.31tCO<sub>2</sub>e**  
Total Carbon Emission



**0.2t/\$m**  
Per Million Dollar Revenue  
Carbon Emission Intensity

### Environmental Targets for FY2021

FY2021 Target	Action Plan
Undertake further initiatives to promote environmental sustainability.	The Group will explore and consider various initiatives such reducing the spaces and effectively using energy efficient appliances, motion sensors for lights etc.

# ECONOMIC PERFORMANCE 19

As the nation's largest real estate agency, PropNex fulfils an important role within the real estate sector by facilitating the buying, selling, renting and leasing of property in Singapore.

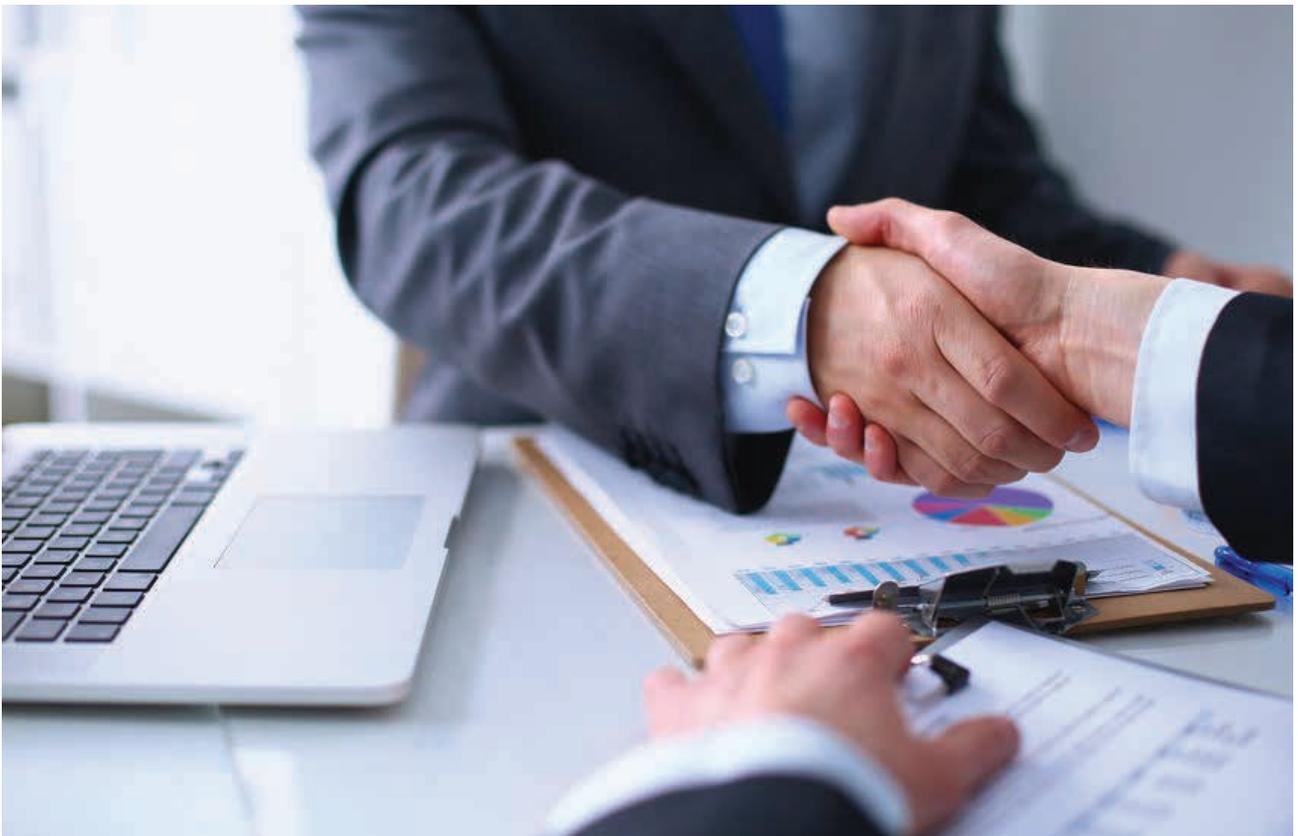
In line with our vision of having the strength of a big company and our status as a listed entity on the Singapore Exchange, PropNex also contributes to the economy by providing gainful employment to thousands of employees and salespersons.

The Group's revenue increased by approximately S\$95.8 million or 22.8%, to S\$515.6 million in FY2020, from S\$419.8 million in financial year ended 2019. This was mainly attributable to the increase in commission income from project marketing services of S\$83.8 million and an increase in agency services of S\$13.1 million, as a result of the higher number of transactions completed in FY2020.

The Group's salesforce grew from 8,324 as at 1 January 2020 to 8,918 as at 1 January 2021. Consequently, net profit after tax came in at 47.8% year-on-year growth for FY2020 to S\$31.2 million, despite COVID-19 and resulting restrictions in Singapore.

You may refer to our financial results announcements on SGXNET or PropNex's corporate website for more information.

No incident of non-compliance with socio-economic laws and regulations were identified within the reporting year



# GRI 20 INDEX

GRI Standard	GRI Standard Title	GRI Disclosure	GRI Disclosure Title
201	Economic Performance	201-1	Direct economic value generated and distributed
205	Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures
302	Energy	302-1	Energy consumption within the organization
302	Energy	302-3	Energy intensity
305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions
307	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations
401	Employment	401-1	New employee hires and employee turnover
404	Training and Education	404-1	Average hours of training per year per employee
404	Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs
413	Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs
418	Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data
419	Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area



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**PROPNE X LIMITED**

480 Lorong 6 Toa Payoh  
#10-01 HDB Hub  
Singapore 310480  
[www.propnex.com](http://www.propnex.com)