



ENERGISING NEW GROWTH

SUSTAINABILITY REPORT 2018



A-Smart Holdings Ltd.

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We use the Global Reporting Initiative (GRI) framework to guide the Board's monitoring and reporting of our impact on Environmental, Social, and Governance (ESG) matters. The topics discussed in this report were primarily determined based on the study of ESG topics monitored and reported by local and global players along our value chain. Other factors that influenced our selection of material topics to monitor and report included our cost structure, industry trends on ESG concerns relevant to the print and media, property development and smart technologies industries.

ABOUT US

Established in 1986, A-Smart Holdings Ltd. ("A-Smart" or the "Group") was listed on the SGX Mainboard on 28 June 1999. Headquartered in Singapore, the Group currently has four main business segments, namely:

- Print and Media
- Investment Holding
- Property Development and Real Estate Investment
- Smart Technologies

The Group's printing arm operate under its subsidiary – Xpress Print Pte Ltd ("Xpress Print") supported by a comprehensive network of printing partners in the region. Xpress Print has over 30 years of track record of innovating one-stop print solutions for its clients including time-sensitive financial research reports, annual reports, asset management reports and IPO prospectuses.

It also produces on behalf of its commercial clients, corporate brochures, year books, magazines and other commercial publications, collaterals and corporate gifts/premiums. It offers the full range of print management services including time-sensitive financial

printing, conceptualisation, design, copywriting, translation, typesetting, colour proofing, printing, post-press packaging, global distribution and delivery. This segment also organises media events and provides publishing services.

Under the Smart Technologies Business, the Group aims to be a leading developer and provider of smart information technology ("IT") and Artificial Intelligence ("AI") solutions and applications for key sectors such as food and beverage ("F&B"), retail, motoring and hospitality in the region.

Our Group remains invested as a 10% shareholder in Sheng Siong's joint venture to establish a supermarket chain in China. The first outlet, situated at a busy district centre in Kunming, commenced business in late 2017.

The Group has membership in the following associations:

- Singapore Chinese Chamber of Commerce and Industry
- Singapore Business Federation
- Print & Media Association, Singapore
- Singapore-China Business Association

Business Segments



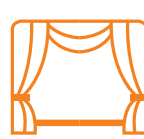
Print



Investment Holding



Smart Technologies



Publication & Event Management



Property Development and Real Estate Investment

Organisation Scale

No. of Key Operating Entities	12
Revenue	SGD7.2 million (for FY2018)
Total Assets	SGD13.8 million (as at 31 July 2018)
Total Liabilities	SGD3.5 million (as at 31 July 2018)
Total Equity	SGD10.4 million (as at 31 July 2018)

BOARD MESSAGE

Dear Stakeholders,

The Board of directors ("Board") is pleased to present A-Smart Holdings Ltd.'s (the "Group") first sustainability report in line with the Singapore Exchange guidelines on Sustainability Reporting.

The Board will continue to embrace sustainable growth strategies and incorporate sustainability as a key component of the Group's strategy towards achieving long term success for its stakeholders. Our commitment in taking care of the well-being of employees, the environment and the communities in which we operate is reflected in our sustainable business strategy and material ESG factors which are shown in the report.

Through our stakeholder engagement, the Board and Management identified many key trends and topics that our internal and external stakeholders are concerned with.

Proper management and disposal of raw materials and effluents

We have implemented procedures and internal controls to ensure proper management and disposal of raw materials such as waste paper, ink and their by-products as well as to minimise wastage of raw materials. Our employees are also trained to adopt techniques that reduce paper waste in various stages of the production process.

To minimise the risks of chemical leaks and spills, the Group follows closely the guidelines recommended by the Singapore Civil Defence Force and engages only NEA licensed waste management companies to handle the disposal of chemical waste.

Anti-corruption

A whistle-blowing policy is in place to provide arrangements whereby concerns on financial improprieties or other matters raised by whistle-blowers may be investigated and appropriate follow up action taken.

BOARD MESSAGE

Training and Development

We remain committed to training and upgrading the skills of our employees as it is crucial for organisation development and success. Our training and development policy encourages employees to upgrade their skills and enhance their knowledge.

Workplace Health & Safety

Our workers' welfare ranks high in our organisational value system as employees are our key assets. To prevent workplace injuries and illnesses, we conducted training and set up safety procedures to improve occupational health and safety awareness of the employees.

Our Commitment

The Board has considered sustainability issues as part of its strategic formulation, determined the material environmental, social and governance ("ESG") factors to be:

- Anti-Corruption
- Raw Materials
- Management of Effluents
- Workplace Health & Safety
- Training and Development

The Board has also overseen the management and monitoring of the above material ESG factors. Moving ahead, we will continue to improve our sustainability efforts and actively engage our key stakeholders.

MA WEIDONG

Non-Executive Chairman

SIGNIFICANT CHANGES IN OPERATIONS

In January 2018, the Group expanded its core businesses to include Property Development and Real Estate Investment. The Group's maiden property development project, Timor Marina Square ("TMS"), is currently in progress in Dili, the capital city of Timor-Leste and construction is expected to commence in the second half of 2019. TMS is situated at a prime coastal location opposite the Port of Dili, Timor-Leste, where the World Bank, foreign embassies and government offices are located. The building and design plan to develop a mixed development property (comprising retail, residential and office units) has undergone pre-consultation with the Timor Building Authorities and will soon be formally submitted to the authorities for approval.

STAKEHOLDER ENGAGEMENT

We study international best practices to determine areas of sustainable development that may be relevant to the Group over the long term. We have the following goals in our stakeholder engagement activities:

- Understand stakeholder priorities and values in sustainable development.
- Align our goals and values with that of the stakeholder group.
- Improve on environmental, social and governance matters that our activities have an impact on.

The external stakeholders that we study include customers, regulators, industry associations, and suppliers. Priority is given to stakeholders that show extensive best practices track record as well as those that have a significant impact on the Group's business (such as revenue contribution, as well as the availability of published information such as supplier code of conduct). In addition to research on our stakeholders' sustainability objectives, we also engage them in the following ways:

Stakeholders	Mode of engagement	Sustainability concerns
Customers	<ul style="list-style-type: none"> • Customer inspection visit • Two-way dialogue • Customer feedback survey • Website 	<p>Optimal usage of paper materials Adopt design and layout techniques that provide optimal use of paper materials.</p>
Employees	<ul style="list-style-type: none"> • Performance appraisal • Staff meeting • Training 	<p>Workplace Health & Safety Process safety management procedures for the Group's operations</p> <p>Training and Education Implement training and development policy which encourage employees to upgrade their skills and enhance their knowledge</p>
Regulators	<ul style="list-style-type: none"> • Forum and dialogue • Networking event • Seminar • Bilateral communication • Briefing and consultation 	<p>Proper Disposal of Effluent</p> <ul style="list-style-type: none"> • Waste chemicals are disposed by NEA licensed waste management company • Guideline for emergency response plan which aims to detail the various measures and operational actions in the event of fire or other emergencies is being developed
Industry Associations	<ul style="list-style-type: none"> • Forum and dialogue • Networking event • Seminar 	<p>Responsible Management of Raw Materials Paper volumes consumed, supplier certification, management of waste paper and recycling unused materials and disposable packaging</p>

STAKEHOLDER ENGAGEMENT

Stakeholders	Mode of engagement	Sustainability concerns
Shareholders, investors, media	<ul style="list-style-type: none"> • Shareholder meeting • Media release • Website • Annual general meeting • Annual Report 	Anti-Corruption Corporate communication policies
Suppliers	<ul style="list-style-type: none"> • Trade fair • Site visit & inspection • Supplier performance feedback • Website 	Responsibly-sourced raw materials Obtain paper sourced using sustainable methods

The material topics that we discuss in our first Sustainability Report include:

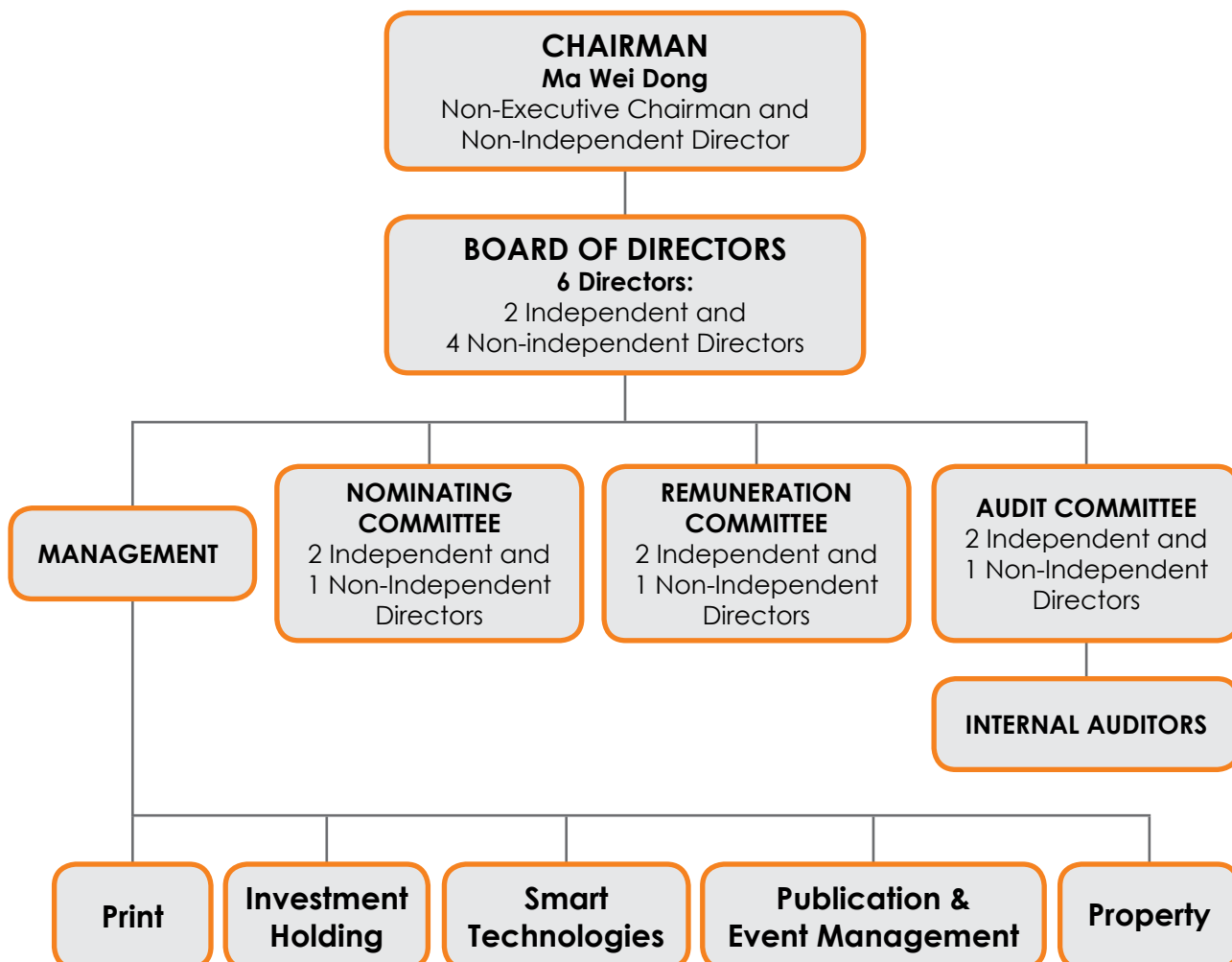
Economic	Environmental	Social
<ul style="list-style-type: none"> • Anti-corruption 	<ul style="list-style-type: none"> • Materials • Effluents and Waste 	<ul style="list-style-type: none"> • Workplace Health and Safety • Training and Development

ECONOMIC & GOVERNANCE

The Group's values are as follows:

- Vision: To lead the way in building smart solutions – creating smarter businesses, smarter cities.
- Mission:
 - ✓ To exceed customers' expectations through service excellence and product innovation
 - ✓ Reach and surpass shareholders' expectations by striving for new growth and cost efficiencies
 - ✓ Develop employees' potential by providing a challenging, but safe and happy work environment
 - ✓ Be fair and considerate to suppliers' needs
 - ✓ Be socially and environmentally conscious, and where possible, to positively contribute back to the society.

Governance Structure



ECONOMIC & GOVERNANCE

Anti-Corruption

The Audit Committee ("AC") has in place a whistle-blowing policy to provide arrangements whereby concerns on financial improprieties or other matters raised by whistle-blowers may be investigated and appropriate follow up action taken. Under such whistle-blowing procedures, employees are free to submit complaints confidentially or anonymously to the Chairman of the AC who is well known to many employees and easily accessible. All complaints are to be treated as confidential and are to be brought to the attention of the AC. Assessment, investigation and evaluation of complaints are conducted by or at the direction of the AC. If it deems appropriate, independent advisors are engaged at the Group's expense. Following investigation and evaluation of a complaint, the AC will then decide on recommended disciplinary or remedial action, if any. The action so determined by the AC to be appropriate shall then be brought to the Board or to the appropriate senior executive staff for authorisation or implementation respectively.

The AC reports to the Board on such matters at the Board meetings. Should the AC receive reports relating to serious offences and/or criminal activities in the Group, the AC and the Board have access to the appropriate external advice where necessary. Where appropriate or required, a report shall be made to the relevant government authorities for further investigation or action.

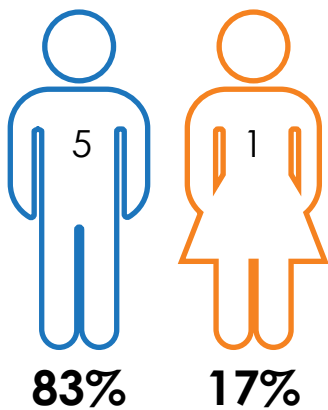
The AC is kept updated annually or from time to time on any changes to the accounting and financial reporting standards by the external auditors. No former partner or director of the Group's existing auditing firm has acted as a member of the AC.

There were no whistle-blowing reports received in FY2018.

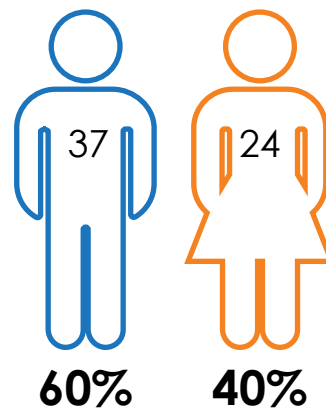
SOCIAL IMPACT

We practice transparency and equal treatment in recruitment, remuneration, promotion and benefits aspects. Performance targets are mutually set and agreed with employees and desired behaviour aligned to the Group's values are shared with the employees. All employees are given fair opportunities based on objective assessment, regardless of gender, race, marital status, disability, age or family status.

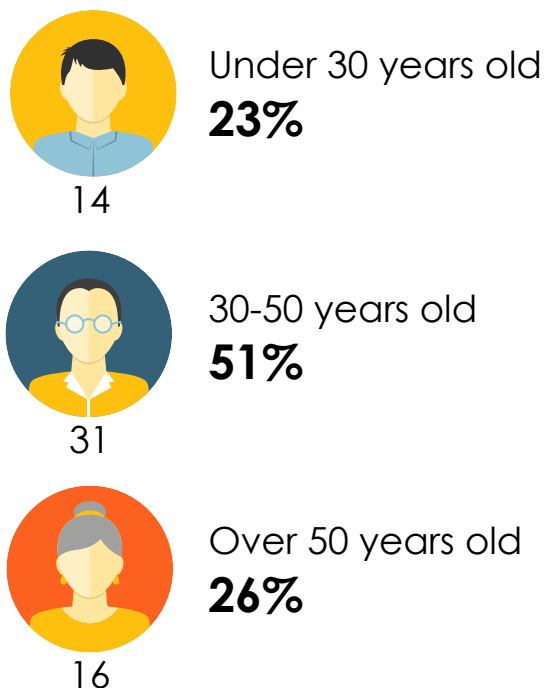
GENDER DIVERSITY OF BOARD OF DIRECTORS



GENDER DIVERSITY OF EMPLOYEES



AGE DIVERSITY OF EMPLOYEES



SOCIAL IMPACT

Training & Development

Our training and development policy encourages employees to upgrade their skills and enhance their knowledge. The training includes formal training sessions (corporate), employee coaching and mentoring, participating in conferences, on-the-job training, job shadowing and job rotation.

In FY2018, the Group invested an average of 4.7 training hours on employees who were sent for training.

Total no. of Training Hours	56
Total Employees Sent for Training	12
Average no. of Training Hours	4.7

Workplace Health & Safety

We highly prioritise our workers' welfare in our organisational value system as employees are our key assets. Thus, we are committed to maintaining a healthy and safe workplace for employees. To prevent workplace injuries and illnesses, we conducted training and set up safety procedures to improve occupational health and safety awareness of the employees.

Additionally, suitable employees are designated as safety personnel and sent for Occupational First Aid Courses at government approved centres.

Work-related Incidents	FY2018
Total man hours worked	139,568
Fatality	0
High-consequence Injury	0
Recordable injury	1
Accident frequency per million hours	7
Lost work days	2
Average work days lost per incident	2

The Group did not encounter any incident resulting in high-consequence work-related injuries or fatalities in FY2018. There was 1 recordable work-related injury for 139,568 man hours worked during the period under review, translating into an accident frequency rate of 7 per million man hours.

ENVIRONMENTAL IMPACT

Raw material

Paper makes up a substantial portion of the Group's inputs and remains the main raw material used throughout the Group's business operations. Trees are being cut down to be made into papers and thus proper management of paper use is essential to promote environmental sustainability.

To reduce the amount of paper used as well as paper waste generated, our sales team works very closely with our customers to ensure customers' requirements are interpreted correctly. Besides that, our production team calibrates the design of print jobs to ensure the optimal use of paper. Our employees are also well-trained in the areas of efficient cutting, binding techniques and printing colour control which further reduce paper waste. Unusable waste papers are sold to scrap dealers for recycling purpose.

Furthermore, we purchase paper only from responsible certified suppliers, such as those with Forest Stewardship Council (FSC™) certification as FSC™ certified suppliers obtain paper supplies only through sustainable forest management solutions.

Management of Effluents

As an organisation with a printing business, we require large amounts of ink chemicals for our print products. The proper management of waste is important to the communities where we operate and thus, we are committed to dispose waste chemicals responsibly.

We have a dedicated team of experienced handlers that store chemicals in the designated safe areas, so that the risk of any chemical leaks can be minimised. These safe areas are under surveillance and can only be accessed by authorised personnel. The Group has obtained the Petroleum & Flammable Materials Storage Licence from Singapore Civil Defence Force for storing the chemicals in the designated areas.

The Group is aware of the negative effects that inappropriate handling/disposal of chemical waste can have on the environment. Therefore, the Group engages a NEA licensed waste management company to handle the disposal of chemical waste.

In addition, the Group also has, as part of the Emergency Response Plan, guidelines on how to respond to accidents or hazardous events resulting from chemical spills or fire.

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GRI 102-5	Ownership and legal structure	Incorporated in Singapore and publicly listed on the Mainboard of Singapore Exchange since 1999.
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GRI 102-50	Reporting period	FY2018
GRI 102-51	Date of most recent report	N.A.
GRI 102-52	Reporting Cycle	Annually from 1 August to 31 July
GRI 102-53	Contact point for questions regarding the report	Yong Jingwen jingwen@financialpr.com.sg Sim Kih simkih@financialpr.com.sg
GRI 102-54	Claims of reporting in accordance to the GRI Standards	This report contains Standard Disclosures from the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (2016).
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GRI 102-56	External assurance	The disclosures in this report are not externally assured.
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