



KORI HOLDINGS LIMITED

Sustainability Report 2020

Contents

CEO's Message	3
Our Sustainability Story	4
Reporting Practice	8
Ethics and Integrity	9
Environmental Protection	10
Steel Reuse	10
Technology Adoption	10
Managing Our Suppliers	11
Environmental Compliance	11
Our People, Our Assets	12
Safety Against COVID-19	12
Occupational Health and Safety	12
Our Workforce	13
Employee Benefits and Retention	14
Corporate Social Responsibility	15
Noise Management	15
Vector Measures	15
Giving Back to Society	15
Socioeconomic Compliance	15
SGX Five Primary Components Index	16
GRI Standards Content Index	16

CEO's Message

Dear Stakeholders,

I am pleased to present the Sustainability Report of Kori Holdings Limited and its subsidiaries ("Kori" or the "Group") for the financial year ended 31 December 2020 ("FY2020"). This report is prepared by taking reference from the Sustainability Reporting Guide in Practice Note 7F of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules") and references the Global Reporting Initiative ("GRI") Standards which represent the global best practices for reporting on a range of economic, environmental and social impacts. This report highlights the key economic, environmental, social and governance ("EESG") related factors and initiatives carried throughout FY2020.

The Group has a broad view on sustainability that looks beyond simply our environmental impact but also encompasses creating a positive impact to the society and industry which we are in. We believe that our continuous commitment to make positive changes to the community is our driving force towards long-term commercial success.

We endeavour to reduce the environmental impact of our operations, and we are well aware that continuing our efforts in reusing materials is essential to achieving this environmental target.

In addition, we are committed to safeguarding the welfare of our workforce. We strictly comply with local labour regulations where we operate, and we implement adequate safety measures to ensure that workplace health and safety risks are minimised. We endeavour to achieve zero health and safety incidents at our worksites.

In FY2020, a newly discovered coronavirus emerged and resulted in the formidable COVID-19 outbreak which evolved into a global pandemic. It has impacted the Built Environment industry greatly and affected the process of construction projects due to the outbreak among foreign workers. During these unsettling times, we stay committed to prioritising the safety of our employees and workers. We have implemented strict safety protocols in compliance with government regulations and educated all staff and workers on the necessary measures to ensure that they are well-prepared in keeping themselves safe.

We would like to take this opportunity to thank our employees and business partners for their support, expertise and engagement in helping Kori establish its role as a trusted partner in building a more sustainable economy.

Sincerely,

Mr. Hooi Yu Koh
Executive Chairman and CEO

Our Sustainability Story

At Kori, we recognise that implementing sustainable policies and measures is a priority in our business that is important for the long-term development and success of our business. The Group strongly advocates sustainable practices that create positive impacts to the environment and society.

We have obtained our license in structural steel for specialising in the design, supply and erection of ERSS, such as steel struts and steel retaining walls, as well as steel decking systems. To maintain the license, we are rigorously assessed by the Building and Construction Authority (“BCA”) for renewal of the license every three years. This ensures that our operations are in strict compliance with environmental laws and regulations.

Sustainability Targets and Performance

The Group will continue to maintain and uphold our material saving initiatives and sustainable construction practices. We will continue to monitor and explore new ways to minimize the environmental impacts of our operations, whilst maintaining strict compliance with local environmental regulations where we operate in.

We will continue to develop a safe working environment for our employees and endeavour to maintain the record of zero workplace safety incidents.

Below is a summary table of the Group’s sustainability targets and performance during the reporting period of FY2020.

Environmental Performance in FY2020	
FY2020 Target	Performance Update
Promote environmental sustainability	Achieved 100% reuse of steel inventory for all projects
Environmental compliance	Achieved zero incidence of environmental non-compliance
Supplier environmental evaluation and compliance	Achieved zero incidence of environmental non-compliance in our supply chain
Environmental Targets for FY2021	
FY2021 Target	Action Plan
Promote environmental sustainability	To maintain 100% reuse of steel inventory for all projects
Environmental compliance	To maintain zero incidence of environmental non-compliance
Supplier environmental evaluation and compliance	To maintain zero incidence of environmental non-compliance in our supply chain

Social Performance in FY2020	
FY2020 Target	Performance Update
Occupational health and safety	Achieved zero reportable safety incidents
Promote employee development	The average training hours per employee for FY2020 was 15.4 , which is higher compared to 12.4 hours in FY2019. The Company had achieved 2204 training hours for all employees, which is higher than the target to maintain at least 2,000 training hours for all employees.
Socioeconomic Compliance	Achieved zero incidence of socioeconomic non-compliance
Social Targets for FY2021	
FY2021 Target	Action Plan
Occupational health and safety	To maintain zero reportable safety incidents
Promote employee development	To maintain at least 2000 training hours for all employees based on the estimation of 190 employees, amounting to an average of 10.5 training hours per employee as we are focusing on attending courses that are relevant to the primary job scope of the employees.
Socioeconomic Compliance	To maintain zero incidence of socioeconomic non-compliance
Zero incidence of non-compliance with COVID-19 laws and measures	Comply strictly with local COVID-19 safety measures and policies

Noteworthy Awards

The Group has won numerous accolades and awards in recognition of our excellence in construction practices, such as Land Transport Authority (“LTA”) Sub-contractor’s Safety Recognition Awards as well as Safety Recognition Awards from our clients.

Governance and Statement of the Board

At Kori, sustainability is prioritised at the Board level. We have established a Sustainability Task Force to implement and manage the Group's sustainability efforts. The Task Force is chaired by the CEO.

The Board incorporates sustainability issues into the strategic formulation of the Group. The Board approves the material economic, environmental, social and governance ("EESG") factors identified by the Sustainability Task Force on an annual basis and ensures that the factors identified are well-managed and monitored by the Task Force. In FY2020, the Task Force has reviewed the material EESG factors identified in FY2019 and was of the view that they remain relevant in FY2020. New material EESG factors such as Supplier Environmental Evaluation and Compliance and Socioeconomic Compliance have also been included, as they are deemed to be material to the Group in FY2020.

Please refer to the Corporate Governance Report in our 2020 Annual Report for more information on corporate governance practices and risk management structure.

Stakeholder Engagement

The Group believes that sustainable growth is dependent upon meeting and exceeding the reasonable expectations of its key stakeholders. We determine material issues based on the principle of materiality to stakeholders. We actively engage in meaningful and productive dialogues with our stakeholders and participate in various industry and government forums to keep abreast of any material stakeholder issues.

We identify key stakeholders as groups which have material impact or could potentially be impacted by our operations. The following table summarises our key stakeholders, engagement platforms and their key concerns.

Stakeholders	Engagement platforms	Key concerns	Read more in the following sections
Employees	<ul style="list-style-type: none"> • Remuneration and benefits • Training and development • Ethics and conduct • Diversity and fair employment • Health and Safety • Trainings on COVID-19 safety measures. 	<ul style="list-style-type: none"> • Performance appraisal • Training and education 	<ul style="list-style-type: none"> • Ethics and Integrity • Our People, Our Assets • Safety Against COVID-19
Suppliers and Subcontractors	<ul style="list-style-type: none"> • Health and Safety • Environmental compliance • Social compliance 	<ul style="list-style-type: none"> • Site inspections and site meetings • Supplier and subcontractor evaluation 	<ul style="list-style-type: none"> • Environmental Protection • Occupational Health and Safety • Managing Our Suppliers
Governments and Regulators	<ul style="list-style-type: none"> • Anti-corruption • Employment practices • Health and Safety 	<ul style="list-style-type: none"> • Licensing • Site inspection 	<ul style="list-style-type: none"> • Anti-corruption • Environmental Protection • Our People, Our Assets • Safety Against COVID-19
Community	<ul style="list-style-type: none"> • Environmental and social compliance • Regulatory and industrial requirements 	<ul style="list-style-type: none"> • SGX announcements • Annual reports • Sustainability reports 	<ul style="list-style-type: none"> • Environmental Protection • Our People, Our Assets
Shareholders and Investors	<ul style="list-style-type: none"> • Economic performance • Anti-corruption 	<ul style="list-style-type: none"> • SGX announcements • Annual reports • Investor relations management • Sustainability reports 	<ul style="list-style-type: none"> • Ethics and Integrity • Annual Report 2020

Reporting Practice

Our sustainability report is produced in accordance with the GRI standards' **"Core"** option, covering our Group's performance from 1 January 2020 to 31 December 2020.

The GRI standards represent the global best practices for reporting on economic, environmental and social topics.

The report also incorporates the primary components of report content as set out by the SGX's "Comply or Explain" requirements on sustainability reporting under Catalist Rule 711B.

GRI does not require external assurance and the Group's Sustainability Task Force has assessed that external assurance is not required as the Group is strengthening the foundations for the sustainability report in FY2020.

This report supplements the Group's 2020 Annual Report. Detailed section reference with GRI Standards is found at the GRI Standards Content Index section of this report.

The Group's material topics are identified based on its impacts on our internal and external stakeholders, as outlined in the Stakeholders Engagement section.

Material Topics	Boundaries (i.e. which segment, country or subsidiary, where applicable)
ECONOMIC	
GRI 203: Indirect Economic Impacts	The Group
GRI 205: Anti-corruption	
ENVIRONMENTAL	
GRI 301: Materials	The Group
GRI 307: Environmental Compliance	
GRI 308: Supplier Environment Assessment	
SOCIAL	
GRI 401: Employment	The Group
GRI 403: Occupational Health and Safety	
GRI 404: Training and Education	
GRI 405: Diversity and Equal Opportunity	
GRI 413: Local Communities	
GRI 414: Supplier Social Assessment	
GRI 419: Socioeconomic Compliance	

Ethics and Integrity

Anti-corruption (GRI 205 -1, 205-2, 205-3)

The Group takes a strong stance against corruption and malpractice and does not tolerate any impropriety, statutory non-compliance or wrongdoing by employees in their work. The Code of Conduct strictly prohibits any acts by employees to use their position to obtain advantages for themselves.

The Group is strongly committed to a high legal and moral standard in all of our business activities. We have adopted a Personnel Policy to place emphasis on high standards of professionalism and ethics. All employees are required to read, understand and agree to comply with the purposes and provisions of the Personnel Policy. Employees are held liable for their failure to comply which may result in disciplinary actions. The severity of these disciplinary actions depends on circumstances and the gravity of the misconduct.

The Audit Committee of Kori had developed and approved whistleblowing procedures outlining their responsibilities and the procedures to receive certain complaints and allegations. Employees of the Group and any other persons may, in confidence, raise concerns about possible improper financial reporting or other matters to Chairman of Audit Committee, CEO or Administration Manager. The objective for such arrangement is to ensure independent investigations of such matters and for appropriate follow-up actions. The Company did not receive any whistle-blowing reports in FY2020.

Environmental Protection

Kori is an environmentally responsible corporate citizen and we strive to operate in a prudent and sustainable manner. To optimise the environmental management of our operations, we evaluate potential environmental risks and impacts before implementing our sustainability strategies. We also strive to adopt new technologies where possible to achieve our environmental targets.

Steel Reuse

GRI 301-2

Steel is heavily used in our structural steel projects. The steel struts we use are designed to meet the requirements and specifications of different projects, thus they vary in size and length. To save natural resources and minimise negative environmental impacts, the Group has adopted practices to reuse 100% of our steel materials in new projects after dismantling from completed projects. In addition, the steel beams we use are mostly pre-fabricated off-site to reduce material wastage.

Furthermore, minimal waste is produced through steel reuse, thus reducing our carbon footprint throughout the lifecycles of our projects.

In FY2020, we achieved 100% reuse of steel inventory for all our projects, leading to direct cost and resource savings. This is higher than the steel industrial material efficiency rate which stands at 97.49%¹.

Technology Adoption

GRI 203-2

With our unique and advanced expertise in steel decking works built through years of practice in various projects, we have successfully developed the Kori Large Panelling Traffic Decking System, which is a reusable steel platform for public traffic diversion with pre-mix surface designed specifically for Singapore.

For the Kori Large Panelling Traffic Decking System, we use steel panels which consist of a special type of rugged grid-pattern beam sections as a temporary platform which permits more efficient and stable decking works. This sustainable design improves the efficiency and stability of decking works and is now widely adopted throughout infrastructure projects in Singapore. We are the first in the construction industry to provide services/solutions for the design of reusable pre-cast road diversion deck panels. This is more cost-saving and resource efficient than conventional steel road diversion deck panels. This has been duly acknowledged as a productive and innovative method by the BCA under the Productivity Innovation Project (“PIP”) scheme.

The Group is committed to continuously monitor, develop and implement technology in our operations to improve our productivity and reduce material usage.

¹ Based on the latest available statistics from Worldsteel data. Sustainable indicators, worldsteel, 2019

Managing Our Suppliers

GRI 308-2

The Group has gone the extra mile to ensure that all contractors and subcontractors are informed of their environmental responsibilities, and are able to meet the standards expected by the Group. All contractors and subcontractors are reviewed and selected with consideration to their environmental compliance. Contractors and subcontractor with repeated violation records will not be selected.

In FY2020, there was no incidence of negative environmental impact among the contractors and subcontractors engaged by the Group.

Environmental Compliance

GRI 307-1

Kori carefully monitors the different stages of all services to ensure strict compliance with relevant laws and regulations, including vector control measures or adherence to the permissible noise levels set by National Environmental Agency (“NEA”) and allowable vibration limit under the BCA.

In FY2020, there was no incidence of non-compliance with environmental laws and regulations in our operations.

Our People, Our Assets

At Kori, we strive to create an inclusive workplace environment where there is mutual respect, fairness and equality for all our staff and workers. We provide training and development opportunities for staff to continue to learn and improve their skills. We also strive for zero fatal accidents at all sites and have implemented measures to ensure workplace safety.

Safety Against COVID-19

GRI 403-1

In view of the recent Covid-19 (Coronavirus) outbreak, we have implemented a business continuity plan to prepare for all eventualities and we constantly monitor any regulatory guidelines issued to ensure the health and safety of our employees.

In FY2020, the COVID-19 outbreak resulted in a global pandemic which posed as a safety risk to our employees and workers. During these unsettling times, we stay committed to prioritising their safety. We have implemented safe management measures (“SMM”) at our office and all worksites and are in strict compliance with local COVID-19 safety measures and regulations, such as safety distancing measures and frequent disinfection of our premises, especially areas with high contact points. All staff, contractors and subcontractors are briefed on the SMM and are required to ensure strict enforcement. This helps us to minimise the risk of transmission among the workers and surrounding community.

In FY2020, there were 93 incidences of COVID-19 transmission among staff and foreign workers. We will continue to do our utmost to ensure the safety of our employees during this difficult period.

Occupational Health and Safety

GRI 403-2, 403-4, 403-5, 403-8, 403-9, 414-1, 414-2

We are committed to providing a safe working environment to our employees, suppliers and contractors. We have implemented adequate health and safety policies, standards and practices, as well as a Safety Committee that actively reviews, monitors, improves and implements all issues related to occupational health and safety. The workplace health and safety policies, standards and practices apply to all employees and subcontracted workers.

Kori performs risk assessments on steel strutting and decking works regularly. Potential hazards are identified and evaluated, and control measures are thereafter implemented to minimise the identified risks.

In addition, we educate and train our employees on proper health and safety practices at work. We also engage external qualified safety consultants for their advice and guidance on programs and initiatives to prevent any potential occupational accident and injury.

We provide opportunities and support our staff in their acquisition of knowledge and certifications on workplace health and safety. Our management and supervisory staff are encouraged to attend certification courses such as the Building Construction Supervisor Safety (“BCSS”) Course and Supervise Work in Confined Space Operation for all

supervisory staff and the Lifting Supervisor Safety Course for all lifting supervisors. In FY2020, we achieved an average attendance rate of 100% for our certification courses.

Furthermore, the Group assesses all contractors and subcontractors to ensure that they are informed of their workplace health and safety responsibilities, and are able to meet the standards expected by the Group. We evaluate their track record and worksite health and safety practices during the quotation and tendering process before awarding the contract. In FY2020, 100% of new contractors and subcontractors were assessed for the worksite health and safety practices.

Kori has been internationally recognised for meeting Health and Safety Management requirements such as ISO 45001:2018 and has obtained bizSAFE Level Star certificate from Workplace Safety and Health Council of certified Singapore.

In FY2020, there was no major work-related injury and incident at our worksites and among our suppliers. In addition, there was no negative social impact among our suppliers.

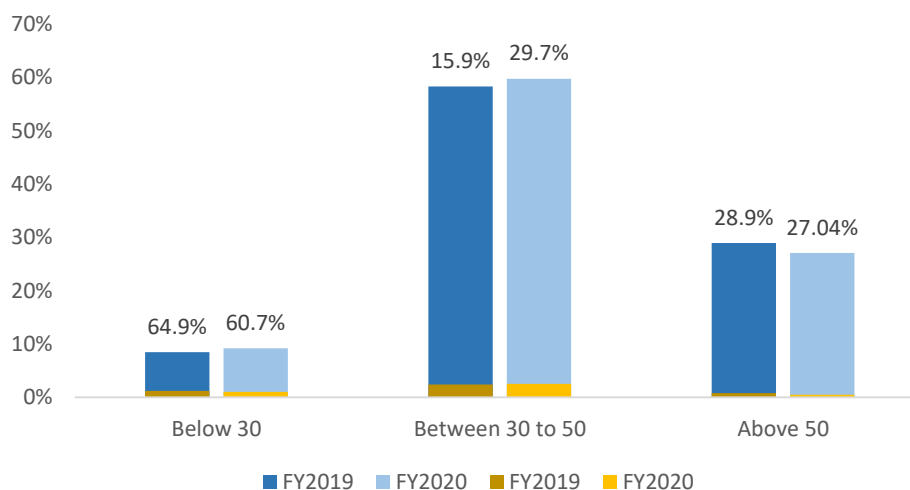
Our Workforce

GRI 401-1, 405-1

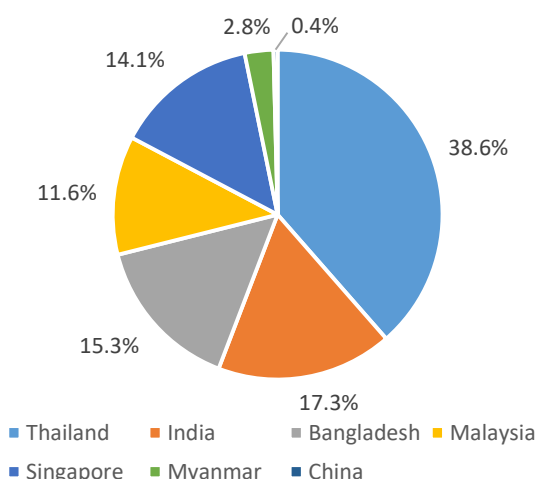
The Group does not discriminate against gender or age in staff employment to ensure continuity in the pipeline of skilled employees. Our employee diversity is a major force in driving change and innovation in the Group.

In FY2020, our total staff strength stood at 196 employees. A total of 8 employees were hired, equivalent to a new hire rate of 4.08%. The graph below shows the gender and age distribution of the Group’s employees in FY2019 and FY2020. Despite the male-dominated nature of our industry, we maintained our workforce diversity and will continue to strive for a balanced male to female ratio for our workforce where possible.

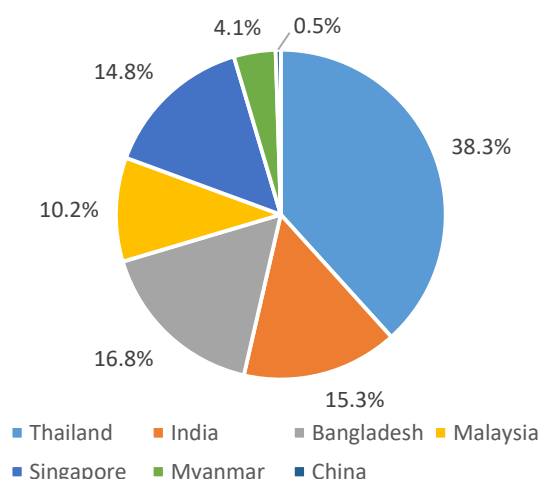
Workforce Diversity in FY2019 and FY2020



Workers by Nationality in FY2019



Workers by Nationality in FY2020



Employee Benefits and Retention

GRI 401-3, 404-2, 404-3

We recognise the valuable contribution by our employees. On top of competitive salaries and performance-based bonuses, employees of Kori are entitled to a range of benefits including workmen compensation insurance, group personal accident insurance, medical and healthcare benefits as well as hospitalisation leave.

We also support the government's pro-family policies and follow regulations implemented by the Ministry of Manpower regarding parental and childcare leave.

Kori is dedicated to nurturing and encouraging the growth of our employees. In FY2020, 100% of staff received annual performance reviews to optimise their career development. The performance evaluation system also provides a channel of communication for employees to provide their feedback to the management.

As part of our effort to enhance skills for our employees, appropriate trainings are identified and conducted through various platforms of knowledge acquisition such as onsite trainings, seminars, conferences, workshops and classroom trainings.

In FY2020, the Group conducted 10 training courses for a total of 143 employees, and we achieved an average of 15.4 training hours per employee, higher than 12.4 training hours per employee in FY2019. The Group has met its targeted total number of training hours to be conducted for all of its employees for FY2020.

Corporate Social Responsibility

As a company that focuses on improving the wellbeing of the population, we strive to do our best in giving back to the society and minimising any impact of our operations on the community.

Noise Management

GRI 413-1

Kori has implemented programmes to assess noise levels and minimise the impact of our operations on the community. Our movable noise enclosure concept has been recognised by LTA and we were awarded the Innovative Noise Management Award at the 19th Annual Safety Award Convention in September 2017 for Contract T216.

In FY2020, there was no incidence of non-compliance with noise regulations.

Vector Measures

GRI 413-1

To protect our workers and the surrounding community from dengue, vector control plans are implemented at every construction site, including our storage yards, to prevent mosquito breeding. Regular inspection and control measures are also implemented and monitored by supervisors.

In FY2020, the Group did not receive any fine or penalty for mosquito breeding.

Giving Back to Society

GRI 413-1

Kori believes that community engagement is an integral part of our business sustainability. We are committed to being a responsible corporate citizen and we endeavour to give back to the community.

Our management has been actively contributing to the discussion on industry and workforce developments in Singapore through media outlets such as the Straits Times and the Business Times. The Group's initiatives on foreign worker engagement and workplace health and safety practices are shared with the community through such channels. We also routinely provide donations for community prayer events.

Socioeconomic Compliance

GRI 419-1

The Group endeavours to be a socially responsible employer, and we act in strict compliance with social and economic laws and regulations. We continue to educate our workforce on proper social behaviour to prevent causing public nuisance or disorderly behaviour.

In FY2020, there was no incidence of non-compliance with laws and regulations in the social and economic area.

SGX Five Primary Components Index

S/N	Primary Component	Section Reference
1	Material Topics	<ul style="list-style-type: none"> ▪ Economic, Environmental and Social Topics ▪ Stakeholder Engagement
2	Policies, Practices and Performance	<ul style="list-style-type: none"> ▪ CEO's Message ▪ Our Sustainability Story ▪ Economic, Environmental and Social Topics
3	Board Statement	Governance & Statement of the Board
4	Targets	Our Sustainability Story
5	Framework	Reporting Practice

GRI Standards Content Index

GRI Standards	Disclosure Content	Section Reference
102-1	Name of the organisation	Organisation Profile
102-2	Activities, brands, products, and services	Organisation Profile
102-3	Location of headquarters	Organisation Profile
102-4	Location of operations	Organisation Profile
102-5	Ownership and legal form	Organisation Profile
102-6	Markets served	Organisation Profile
102-7	Scale of the organisation	Organisation Profile
102-8	Information on employees and other workers	Our People, Our Assets
102-9	Supply chain	Managing Our Suppliers
102-10	Significant changes to the organisation and its supply chain	Letter to Shareholders
102-11	Precautionary principle or approach	Corporate Governance Report
102-12	External initiatives	N.A.
102-13	Membership of associations	N.A.
102-14	Statement from senior decision-maker	CEO's Message
102-15	Key impacts, risks, and opportunities	Our Sustainability Story
102-16	Values, principles, standards, and norms of behaviour	Ethics and Integrity
102-17	Mechanisms for advice and concerns about ethics	Ethics and Integrity
102-18	Governance structure	Governance and Statement of the Board
102-40	List of stakeholder groups	Stakeholder Engagement
102-42	Identifying and selecting stakeholders	Stakeholder Engagement
102-43	Approach to stakeholder engagement	Stakeholder Engagement
102-44	Key topics and concerns raised	Stakeholder Engagement
102-45	Entities included in the consolidated financial statements	Notes to the Financial Statements

GRI Standards	Disclosure Content	Section Reference
102-46	Defining report content and topic boundaries	Reporting Practice
102-47	List of material topics	Reporting Practice
102-48	Restatements of information	N.A.
102-49	Changes in reporting	N.A.
102-50	Reporting period	Reporting Practice
102-51	Date of most recent report	N.A.
102-52	Reporting cycle	Reporting Practice
102-53	Contact point for questions regarding the report	Feedback on our sustainability practices by contacting: admin@kori.com.sg
102-54	Claims of reporting in accordance with the GRI Standards	Reporting Practice
102-55	GRI content index	GRI Standards Content Index
102-56	External assurance	Reporting Practice
203-2	Significant indirect economic impacts	Technology Adoption
205-1	Operations assessed for risks related to corruption	Ethics and Integrity
205-2	Communication and training about anti-corruption policies and procedures	Ethics and Integrity
205-3	Confirmed incidents of corruption and actions taken	Ethics and Integrity
301-2	Percentage of materials used that recycled input materials	Steel Reuse
307-1	Non-compliance with environmental laws and regulations	Environmental Compliance
308-1	Percentage of new suppliers that were screened using environmental criteria	Managing Our Suppliers
308-2	Negative environmental impacts in the supply chain & actions taken	Managing Our Suppliers
401-1	New employee hires and employee turnover	Our Workforce
401-3	Parental leave	Employee Benefits and Retention
403-1	Occupational health and safety management system	Safety Against COVID-19
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety

GRI Standards	Disclosure Content	Section Reference
403-5	Worker training on occupational health and safety	Occupational Health and Safety
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety
403-9	Work-related injuries	Occupational Health and Safety
404-2	Programs for upgrading skills & transition assistance	Employee Benefits and Retention
404-3	Regular performance and career development review	Employee Benefits and Retention
405-1	Diversity of governance bodies and employees	Our Workforce
413-1	Operations with local community engagement, impact assessments & development programs	Noise Management Vector Measures Giving Back to Society
414-1	New suppliers screened using social criteria	Occupational Health and Safety
414-2	Negative social impacts in the supply chain & actions taken	Occupational Health and Safety
419-1	Non-compliance with laws and regulations in the social and economic area.	Socioeconomic Compliance