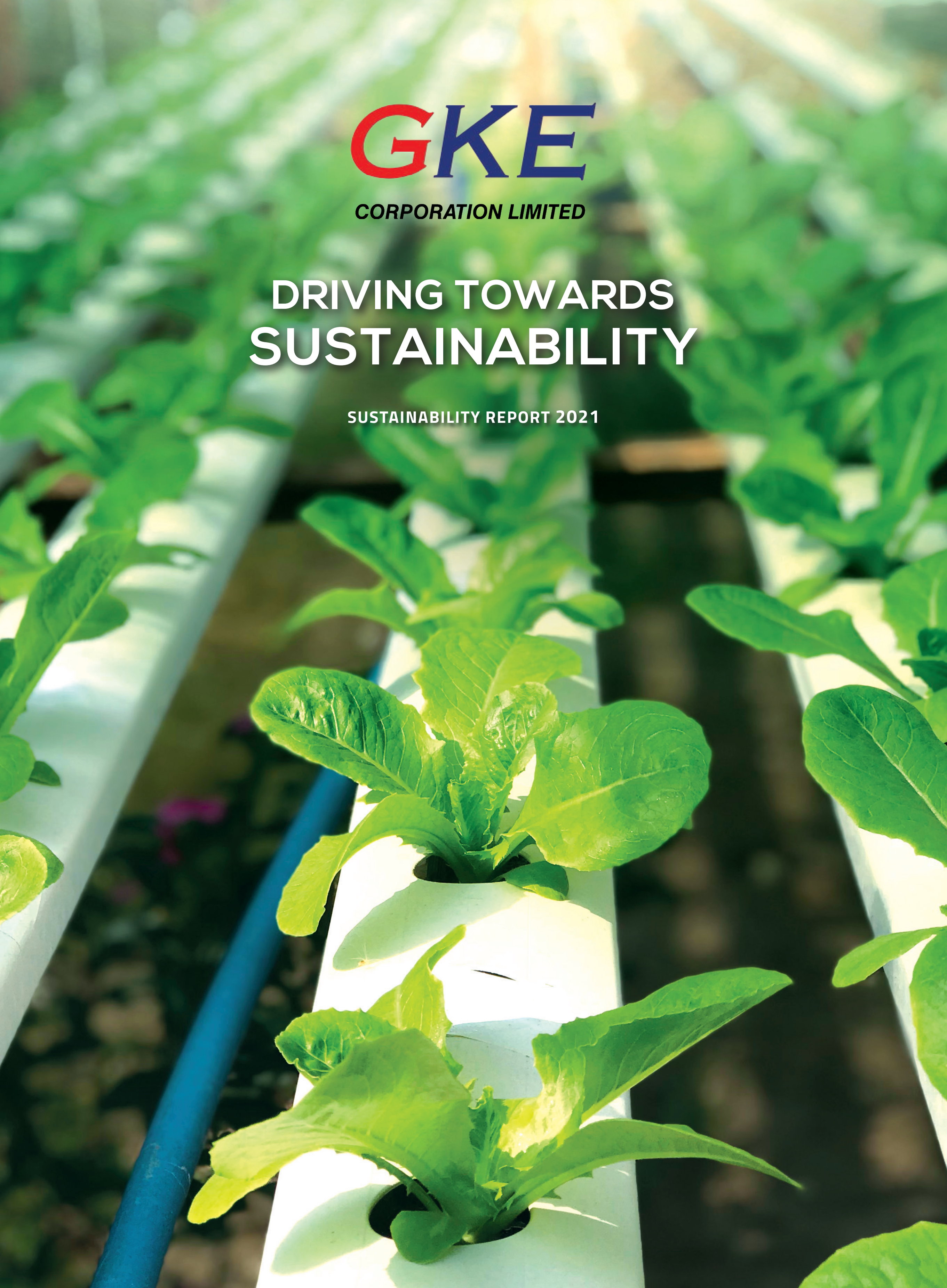

GKE

CORPORATION LIMITED

DRIVING TOWARDS SUSTAINABILITY

SUSTAINABILITY REPORT 2021

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This sustainability report has been prepared by GKE Corporation Limited (the "Company") and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Sponsor has not independently verified the contents of this sustainability report.

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.

BOARD STATEMENT

Economic Enhancement & Compliance

Our Customers

Environmental Responsibility

Empowering Employees

This is the fourth sustainability report ("**Report**") for GKE Corporation Limited ("**GKE**" or "**Company**" and together with its subsidiaries, "Group") for the financial year ended 31 May 2021 ("**FY2021**"). 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'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 2020 to 31 May 2021 ("**FY2021**") with regards to the Group's activities in Singapore and China, including acquisitions completed by 31 May 2021 unless otherwise stated. This Report has been prepared in accordance with the GRI Standards: Core Option and Singapore Exchange-ST Listing Rules Practice Note 7.6 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 (1 June 2020 to 31 May 2021). Our last sustainability report was published in October 2020. 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.

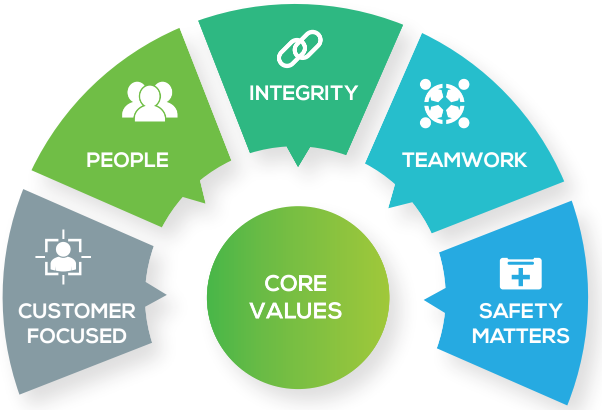
The Report is currently not externally assured but we may consider external assurance as our Report matures over time.

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.

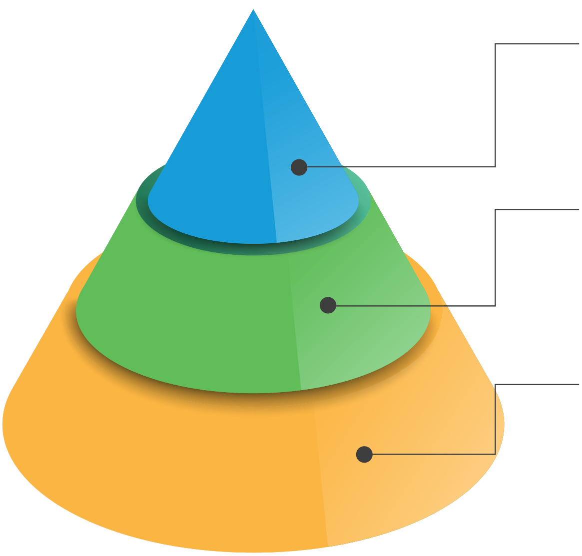


Sustainability Committee

GKE's Sustainability Committee comprises 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, coordinate and support GKE's sustainability initiatives and efforts.

2020/2021 Sustainability Committee



Board of Directors
Board of Directors comprises three (3) Executive Directors and four (4) Independent Directors

Sustainability Committee (Head)
The Chief Executive Officer and Executive Director of GKE

Sustainability Members
Supported by nine (9) members from different business units of which one is the Sustainability Champion

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

- Community Relations Committees
- Interactions with authorities / governments
- Membership of associations
- Dialogue with non-governmental organisations

CUSTOMER

- Company website: gke.com.sg
- Networking sessions
- Feedback channel

EMPLOYEES

- Q&A sessions with senior management
- Employee surveys
- Company human resource initiatives

INVESTORS

- Half-yearly results communications
- Annual shareholders' meeting
- Annual report
- Announcement through SGXNet

SUPPLIER

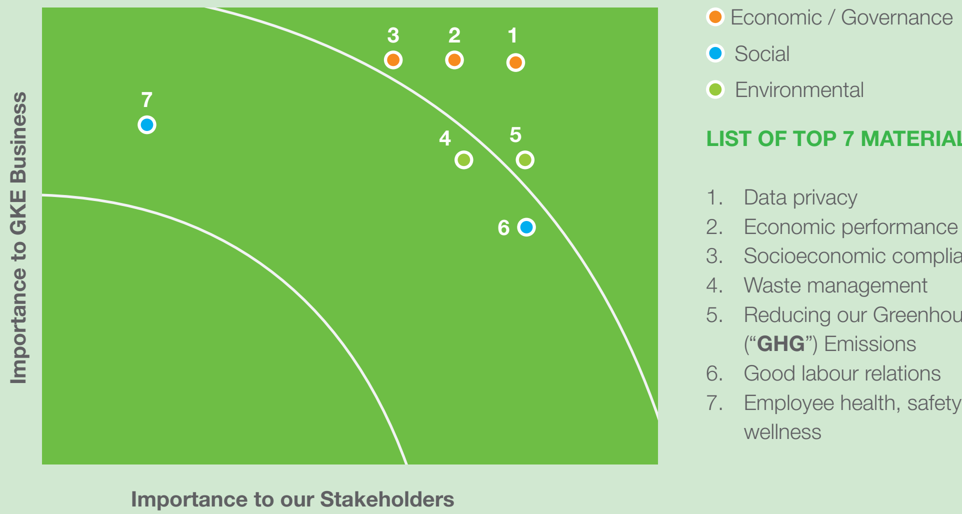
- Networking sessions
- Visits / Interactions with supplier

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 FY2021 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 consider new businesses and the relevance of our material topics. Our first external stakeholder survey was conducted in 2018, but as the business has now grown to include operations outside of Singapore, we intend to conduct another external stakeholder survey in FY2022 and will be reporting on the survey results in our next sustainability report.



LIST OF TOP 7 MATERIAL TOPICS

1. Data privacy
2. Economic performance
3. Socioeconomic compliance
4. Waste management
5. Reducing our Greenhouse Gas ("**GHG**") Emissions
6. Good labour relations
7. Employee health, safety and wellness

Focus Areas	Material Topics	GRI Standard	Boundary of Reporting	
			Singapore[1]	China
Economic enhancement and compliance	• Economic performance • Socioeconomic compliance • Data privacy	GRI 201 GRI 419 GRI 418	√	√
Environmental responsibility	• Waste management • Reducing GHG emissions	GRI 306 GRI 302, GRI 305	√	√[2]
Empowering employees	• 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.

[2] Excludes Cenxi Xing Jian Readymix Co. Ltd. as the site was still under construction and testing as at 31 May 2021.

PERFORMANCE OVERVIEW IN FY2021

11%
YEAR-ON-YEAR INCREASE IN REVENUE FROM **S$107.2 MILLION** IN FY2020 TO **S$119.0 MILLION** IN FY2021

RANKED 45TH
OUT OF 75 COMPANIES IN **SINGAPORE'S FASTEST GROWING COMPANIES** IN 2021[3]

903
EMPLOYEES IN **SINGAPORE AND CHINA**

95%
OF OUR EMPLOYEES ARE **PERMANENT EMPLOYEES**

29,420 KG
OF PLASTIC AND PAPER WASTE **RECYCLED**

NO CASES
OF BREACHES OF CUSTOMER PRIVACY OR LOSS OF CUSTOMER DATA

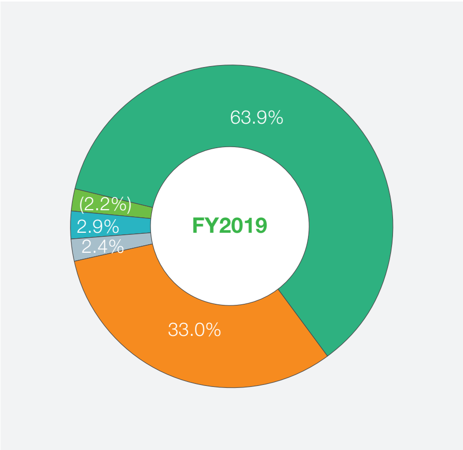
OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

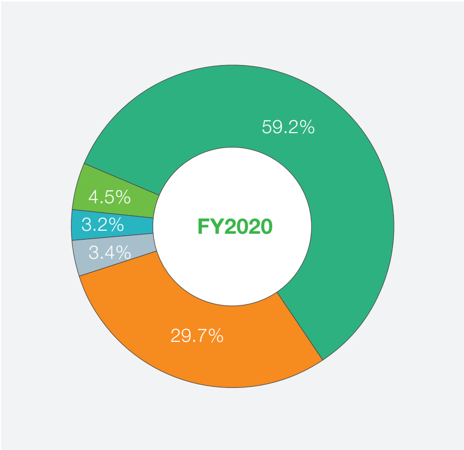
3 GOOD HEALTH AND WELL-BEING	• The Wuzhou Xing Jian's Ready-Mix Concrete ("**RMC**") plant in Wuzhou City, China ("**RMC plant**") has a fully enclosed structure and runs on electricity. The trucks and traffic areas are frequently sprayed with water and the trucks are also washed before they go onto 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.
5 GENDER EQUALITY	• GKE recognises the importance of women participation and equal opportunities for leadership in the organisation – 14% of our Board comprises of females, and 60% of our key management team is represented by females.
8 DECENT WORK AND ECONOMIC GROWTH	• 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.
11 SUSTAINABLE CITIES AND COMMUNITIES	• 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.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• GKE encourages reducing and recycling in all our operations. In FY2021, 29,420 kg 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.
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• GKE does not tolerate any form of discrimination based on nationality, race, religion or political inclination that could compromised equal opportunities in the recruitment process and career development.

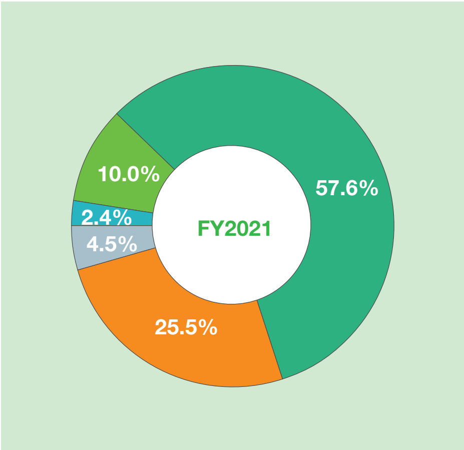
[3] *https://www.straitstimes.com/fastest-growing-companies-2021*

Economic Performance (GRI 201-1)

In FY2021, GKE distributed approximately 32.4% of our revenue to key stakeholders – 25.5% to employees, 4.5% to government in countries where we operate, namely Singapore and China, and 2.4% to capital providers. The Group's revenue has increased by 11.0% year-on-year from S$107.2 million in FY2020 to S$119.0 million in FY2021. This improved performance is due to an increase in productivity at our RMC plant in Wuzhou City, China, as well as higher utilisation of warehouse space at better rental rates and streamlining of our businesses to enhance efficiency. More details of our economic performance can be found in our Annual Report for FY2021.







- 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 Code of Corporate Governance 2018. More details can be found in our Annual Report for FY2021.

In FY2021, GKE had zero cases of socioeconomic non-compliance. The safety and well-being of our employees remains our utmost priority and we continue to ensure our safety measures are strictly enforced. We strive to maintain zero non-compliance cases in the financial year ending 31 May 2022.

Our response to COVID-19

Business continuity

The evolving COVID-19 pandemic continues to challenge businesses globally. In FY2020, we appointed a Business Continuity Manager to steer the company's direction in minimising disruptions while embedding sufficient safety mechanisms in our work arrangements. We continue to exercise caution and remain agile with the changes in local public health advisories while ensuring our businesses remain adaptable and resilient. Flexible working arrangements continue to be the default, such as work from home, staggered working hours and split teams. Social distancing measures of at least 1 metre remain to be strictly enforced. Meetings and trainings continue to be conducted online whenever possible to minimise physical contact.

The health and safety of our employees remain our priority. We continue to ensure enhanced sanitation of our facilities and all key touch points. An adequate supply of surgical masks is maintained. Safe Entry check in/out system and temperature screenings for all visitors continued to be required for all visitors. The Safe Management Officer ("**SMO**") regularly conducts and inspects the safe management measures to ensure compliance at all times.

Our customers and vendors

GKE continued to work with our customers in various cost saving exercises such as passing on the rental reliefs, while ensuring our services were delivered with quality and standard. Our vendors and customers continued with contactless payments and postponed any non-essential on-site visits to avoid commingling of personnel.

Our employees

Our Malaysians employees continue to be affected by the border closures between Singapore and Malaysia. For those who were affected by the Movement Control Order ("**MCO**"), GKE has been supporting them since 2020 by subsidising their accommodation costs in Singapore so that they can continue work and live in Singapore with minimum disruption.

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 Readymix Co., Ltd., is a fully enclosed plant 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. This will help to avoid adverse impacts on the environment, human and animal health and ecosystems, and at the same time create a safer working environment for our employees.

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 production 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 in order 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 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.

Managing our waste responsibly

O=C=O

Reducing our GHG emissions

ENVIRONMENTAL RESPONSIBILITY

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.

In FY2021, we have recycled approximately 26 tonnes of paper and plastic shrink wrap and disposed 200 tonnes of general waste. We also disposed 3,236 litres and 54 kilograms of hazardous chemicals on behalf of a customer whose goods had been damaged during transportation. We worked with a licensed contractor to ensure that the hazardous waste was collected and disposed in according with the local regulations.

At our RMC plant in Wuzhou City, China, our trucks and traffic areas are frequently sprayed with water to minimise dust emissions and this water runoff is channelled into a water treatment facility which recycles the water for the RMC mixing process.

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 of vehicles for our operational needs. We operate our own fleet of vehicles, including prime movers and trailers, and have replaced our older trucks with Euro 6 model in our logistics business, which complies with Singapore National Environmental Agency regulations. This will help reduce nitrogen oxides pollutants and fine particulate matters.

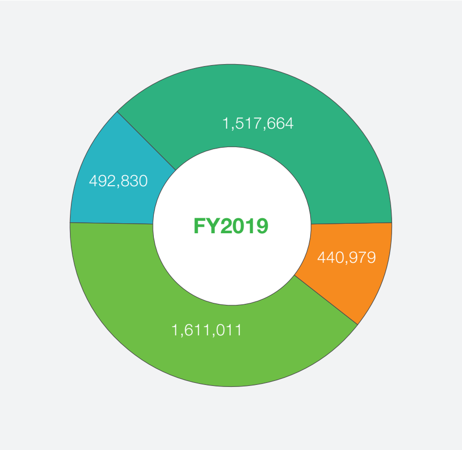
Since FY2020, we have moved away from traditional paper-based operations for job order handling in our warehousing operations. With digitalisation, the need for printing of hard copy documents is eliminated as job order instructions can now be sent directly from the customer service team to operations team. With more efficient storing and sharing of information, administrative tasks are reduced, hence increasing productivity of the teams. An Enterprise Resource Planning ("**ERP**") system has also been implemented in GKE Services Pte Ltd which helps to cut down the printing of purchase orders and invoices and there are plans to roll this out to the other entities by 2023. With a connected digital network and data stored in the Cloud, it has allowed us to move away from disparate systems, enabling us to better streamline our business processes.

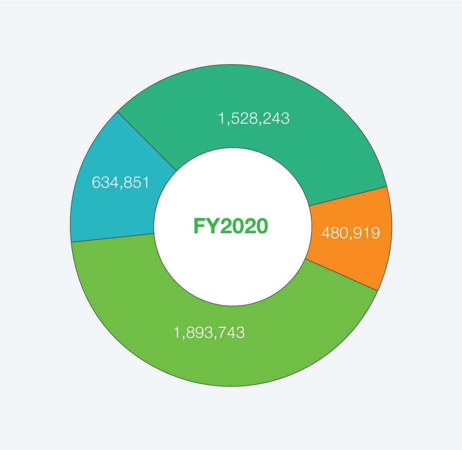
Our overall energy consumption in FY2021 for Singapore and China operations was 73,563 gigajoules, which is approximately a 34% increase from FY2020. The increase in energy consumption was largely due to an increase in production capacity at the RMC plant in Wuzhou City, China, which also saw an increase of 37% in the energy consumed. This can be attributed to fuel used by the trucks as well as electricity used by the RMC plant. For the Warehousing and Logistics segment, the energy consumed in FY2021 increased by 30% as compared to FY2020, this is partly due to the inclusion of an additional entity, Marquis Services Pte Ltd, in the consolidation of our data reporting.

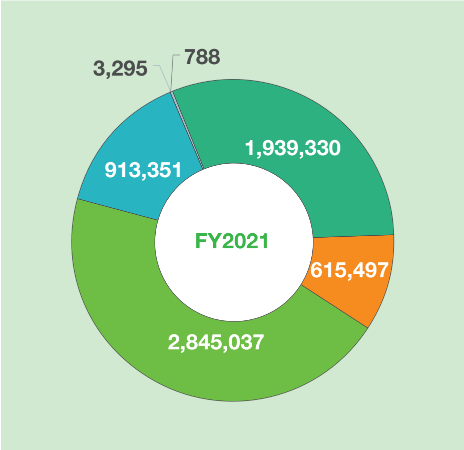
Our overall Scope 1 and Scope 2 greenhouse gas (GHG) emissions in FY2021 amounted to 6,317 tonnes CO_2e, which is an approximately 40% increase compared to FY2020. Our Scope 1 emissions account for 75% of our total overall emissions, with more than half of the Scope 1 emissions attributable to the trucks used by our RMC plant in Wuzhou City, China.

GKE emitted approximately 0.053 kg of GHG per million Singapore dollars in FY2021. This is our carbon intensity based on our Scope 1 and Scope 2 emissions. 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 as well as ways to transition to a lower carbon economy.

ENVIRONMENTAL RESPONSIBILITY







- Warehousing & Logistics / Scope 1 GHG Emissions
- Warehousing & Logistics / Scope 2 GHG Emissions
- Infrastructural Materials & Services / Scope 1 GHG Emissions
- Infrastructural Materials & Services / Scope 2 GHG Emissions
- Other / Scope 1 GHG Emissions
- Other / Scope 2 GHG Emissions

As the world becomes increasingly digital, our opportunities continue to expand. But with these opportunities come 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 FY2021, 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 in FY2022.

EMPOWERING EMPLOYEES

Good labour relations (GRI 401-1)

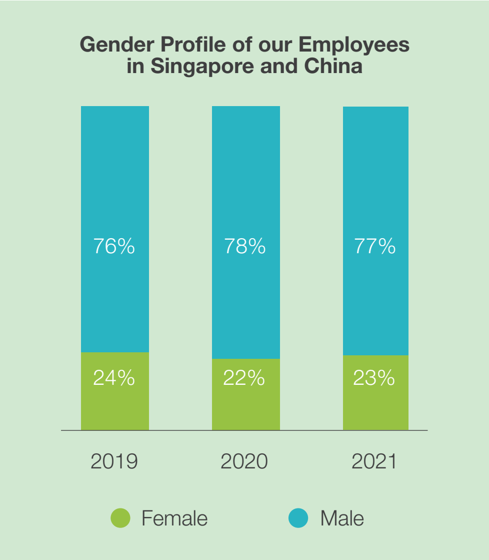
At GKE, we operate on the basis of continuous improvement – constantly looking for ways that we can be more efficient, more responsive, less wasteful, more profitable and safer.

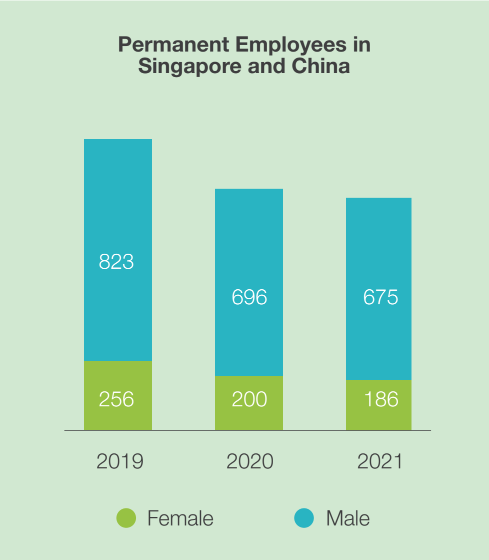
GKE aims to foster an excellence culture. Our employees are passionate, committed, and excel in what they do. In return, we recognise their efforts and encourage a culture of collaboration. The talent and motivation of our 903 employees in FY2021 across our various business units are the foundation for our success. Implementing a strong, common culture and purpose across the Group remains the main priority of our management team. As part of our restructuring exercise that began in FY2018, we started to integrate similar functions across the different business units in FY2019 with the aim of having common corporate functions, such as human resource, sales and marketing. By having common corporate functions, we create closer links and drive synergy when implementing new initiatives across the various business units.

In FY2021, we had a turnover rate of 13% and a hiring rate of 17%. Our turnover rate was mostly due to the logistics business segment in Singapore where workers had returned to their home countries to be with their families during the pandemic, and had not been able to return to work in Singapore when entry restrictions and border closures were imposed. The increase in headcount was primarily due to the additional entities – Marquis Services Pte Ltd and Cenxi Xing Jian Readymix Co., Ltd, which were included in this Report for FY2021 as well as an increase in headcount for the RMC plant in Wuzhou City, China. Our RMC plant hires employees from the surrounding communities near the factory. As part of the employees' benefits in China, the company provides free dormitory accommodation and daily meals at the staff canteen for the employees.

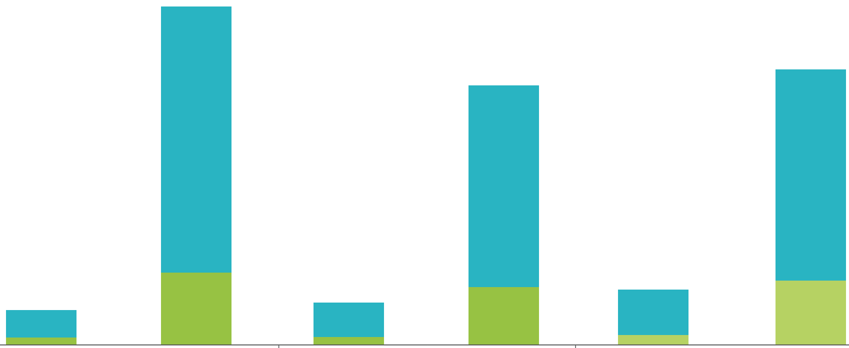
We aim to reduce our overall turnover rate to 12% in FY2022.

GRI 102-8



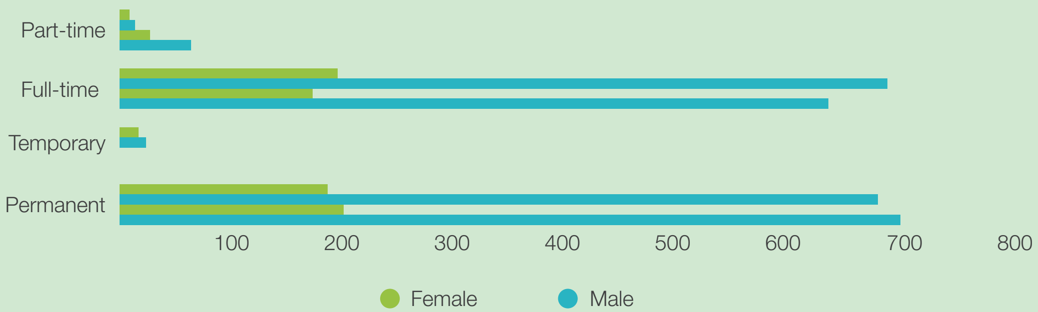


Full Time Employees by Gender in Singapore and China

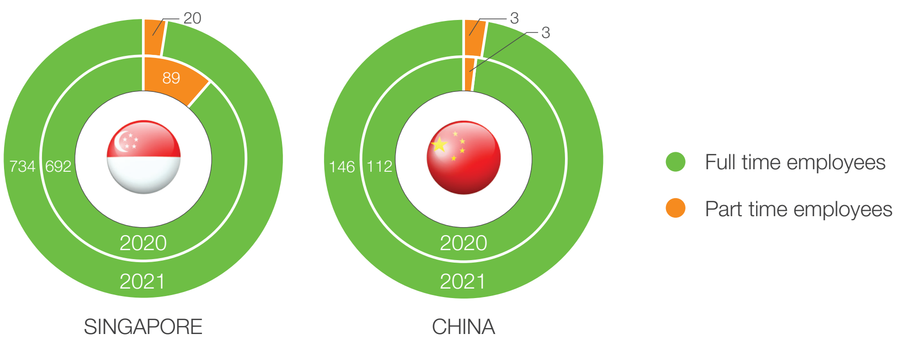


	2019		2020		2021	
	China	Singapore	China	Singapore	China	Singapore
Male	74	710	93	539	121	564
Female	18	192	19	153	25	170

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



Total number of employees by employment type (based on country)



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 and 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 regulations[4] 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 controls[5] 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 GKE's Senior Manager – Quality, Health, Safety and Environment ("**QHSE**") and Dangerous Goods ("**DG**") Compliance, 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 GKE's Senior Manager – QHSE and DG Compliance. 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 would be required to attend Company Emergency Response Team ("**CERT**") or Site Incident Controller ("**SIC**") training as they are responsible for incident response at their respective sites. All new employees 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. GKE's Senior Manager – QHSE and DG Compliance, conducts regular in-house training on topics such as fire drills, handling of heavy loads and dangerous goods management.

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

5 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 FY2021, local authorities were invited to speak to our employees on the importance of road safety, and safe driving techniques. Standard operating procedures ("**SOPs**") have also been developed for the various activities carried out on site and training provided to all employees before they start their work as well as on-the-job. In accordance with local regulations in Singapore and China, all employees are provided with personal protective equipment and undergo statutory health checks where required.

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 which are qualified to bizSAFE level 3 are preferred, the contractors are also required to complete a contractors evaluation form which ensures that they have the necessary procedures and competent personnel before they start work.

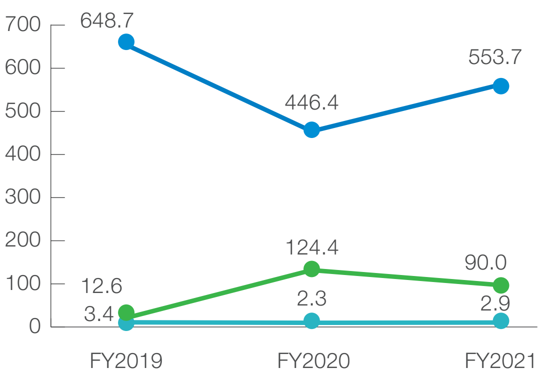
Top management is briefed monthly on the overall GKE health and safety performance by GKE's Senior Manager – QHSE and DG Compliance, as well as by the Directors of the various entities. Our health and safety committees at the various sites are represented as follows and report to the CEO.

EMPOWERING EMPLOYEES

In FY2021, there were a total of 5 reportable accidents across the whole Group, resulting in 156 lost days. These 5 cases occurred in our warehousing and logistics business segment – 2 cases resulted in hand injuries, another 3 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. There were no work-related injuries or fatalities attributable to employees or contractors working at our premises in China.

In FY2022, we aim to improve the health and safety awareness of our employees with an objective to reduce the number of work-related accidents and lost days.

GKE's Health and Safety Performance



	FY2019	FY2020	FY2021
Workplace Injury Rate	648.7	446.4	553.7
Accident Frequency Rate	12.6	124.4	90.0
Accident Severity Rate	3.4	2.3	2.9

SOCIAL CONTRIBUTIONS

In September 2020, GKE partnered with Soles4Souls, a global organisation that collects unwanted shoes and clothes for the underprivileged. A total of 516 pairs of shoes and more than 15 boxes of clothes was collected for this initiative which we then handed over to Soles4Souls for distribution to various micro-enterprise programs in developing countries.

Our RMC plant in Wuzhou City, China, also contributed stationary, schoolbags and food to needy families in the community.

In FY2021, GKE also donated $5,000 each to West Coast Community Centre and the UOB Chinese New Year charity drive. The UOB Chinese New Year charity drive supports the arts, children and education, including The Business Times Budding Artists Fund and The Straits Times School Pocket Money Fund.

PERFORMANCE DATA

Economic Performance (GRI 201-1)

	FY2019		FY2020		FY2021	
	S$M	% of direct value generated	S$M	% of direct value generated	S$M	% of direct value generated
Direct value generated[6]	88.3		107.2		119.0	
Economic value distributed	90.2		102.4		107.1	
Operating cost[7]	56.4	63.9%	63.6	59.2%	68.7	57.6%
Employee wages and benefits[8]	29.1	33.0%	31.8	29.7%	30.3	25.5%
Government[9]	2.1	2.4%	3.6	3.4%	5.3	4.5%
Capital providers[10]	2.6	2.9%	3.4	3.2%	2.8	2.4%
Total economic value retained[11]	(1.9)	(2.2%)	4.8	4.5%	11.9	10.0%

S$M: Singapore Dollars, in Million

Employee Data (GRI 102-8)

	FY2019		FY2020		FY2021	
Total employees by gender	Singapore	China	Singapore	China	Singapore	China
Males	749	74	600	96	575	124
Females	238	18	181	19	179	25
Total employees	987	92	781	115	754	149

	FY2019		FY2020		FY2021	
Total employees by employment contract and gender	Males	Females	Males	Females	Males	Females
Full time employees (Singapore)	710	192	539	153	564	170
Full time employees (China)	74	18	93	19	121	25
Part time employees (Singapore)	39	46	61	28	11	9
Part time employees (China)	0	0	3	0	3	0
Permanent contract (Singapore)	749	238	600	181	564	170
Permanent contract (China)	74	18	96	19	111	16
Temporary contract (Singapore)	0	0	0	0	11	9
Temporary contract (China)	0	0	0	0	13	9

[6] This includes revenue and other income – net.

[7] This includes cost of goods and administrative expenses, and excludes employee compensation.

[8] This includes wages, salaries and benefits.

[9] This includes income tax expenses.

[10] This includes dividends and interest expenses on borrowings and other finance cost.

[11] Economic value retained = Economic value generated – Economic value distributed

New Employees Hire and Employees Turnover in Singapore & China for FY2021 (GRI 401-1) (data only available since FY2020)

		FY2020				FY2021			
		New Hires		Employee Turnover		New Hires		Employee Turnover	
		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
	30-50 yrs	47	5.2	67	7.5	78	8.6	66	7.3
	Over 50 yrs	9	1.0	18	2.0	27	3.0	21	2.3
By Gender	Male	70	7.8	79	8.8	121	13.4	97	10.7
	Female	14	1.6	25	2.8	33	3.7	21	2.3
	Overall Total	84	9.3	104	11.6	154	17.0	118	13.1

Workplace Safety and Health Statistics for our Operations in Singapore and China (GRI 403-9)

Description	FY2019	FY2020	FY2021
Workplace injury rate (number of injuries per 100,000 employed persons)	648.7	446.4	553.7
Accident frequency rate (reportable accidents per million man-hours)	3.4	2.3	2.9
Accident severity rate (man-days lost per million man-hours)	12.6	124.4	90.0
Occupational disease rate	0	0	0
Work related fatalities	0	0	0

For FY2019, 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 (1,079 employees) = 2,071,680 man hours

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

Definitions

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

[2] Accident Frequency Rate (AFR) = $\dfrac{\text{No. of Workplace Accidents Reported}}{\text{Number of Man-hours worked}} \times 100{,}000$

[3] Accident Severity Rate (ASR) = $\dfrac{\text{No. of Man Days Lost To Workplace Accidents Reported}}{\text{Number of Man-hours worked}} \times 100{,}000$

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

PERFORMANCE DATA

Waste Generated (GRI 306-3)

Hazardous Waste

		FY2019	FY2020	FY2021
Type of Hazardous Waste	Disposal Method	Weight (kg)	Weight (kg)	Weight / Volume
Chemical Waste	Licensed contractor	Nil	Nil	3,236 L
				54 kg
Disposal of Drum	Recycled	Nil	Nil	104 drums

Non-Hazardous Waste

		FY2019	FY2020	FY2021
Type of Non-Hazardous Waste	Disposal Method	Weight (kg)	Weight (kg)	Weight / Volume
General Waste	Incinerated	142,100	189,940	325,659 kg
				31,680 L
Paper	Recycled	-	-	3,520 kg
Carton Boxes	Recycled	15,950	17,860	13,230 kg
Plastic Shrink Wrap	Recycled	17,978	18,245	12,670 kg

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

	Business unit	FY2019		FY2020		FY2021	
		Fuel	Electricity^	Fuel	Electricity^	Fuel	Electricity
Warehousing & Logistics	GKE Express Logistics Pte Ltd	17,213,305	163,919	17,151,878	153,997	19,250,394	229,068
	GKE Private Limited	0	547,646	0	421,769	0	575,436
	GKE Services Pte Ltd	2,438,862	405,380	2,358,208	48,167	2,379,512	297,014
	GKE Warehousing & Logistics Pte Ltd[#]	3,933,923	2,670,085	992,514	3,140,612	777,738	3,557,931
	Marquis Services Pte Ltd	Not Applicable		Not Applicable		3,610,017	764,759
	Subtotal	23,586,090	3,787,030	20,502,600	3,764,545	26,017,661	5,424,208
	Annual Subtotal	27,373,120		24,267,145		31,441,869	
Infrastructural Materials & Services	Wuzhou Xing Jian Readymix Co., Ltd	23,771,666	2,082,384	28,103,614	2,682,468	38,210,652	3,859,229
	Subtotal	23,771,666	2,082,384	28,103,614	2,682,468	38,210,652	3,859,229
	Annual Subtotal	25,854,050		30,786,082		42,069,881	
Others	GKE Agritech Pte Ltd	Not applicable	Not applicable	Not applicable	Not applicable	44,203	6,948
	Subtotal	Not applicable	Not applicable	Not applicable	Not applicable	44,203	6,948
	Annual Subtotal	Not applicable		Not applicable		51,151	
	TOTAL	47,357,756	5,869,414	48,606,214	6,447,013	64,272,516	9,290,385
	ANNUAL TOTAL	53,227,170		55,053,227		73,562,901	

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

		FY2019		FY2020		FY2021	
	Business unit	Scope 1 GHG Emissions (kg CO_2e)*	Scope 2 GHG Emissions (kg CO_2)	Scope 1 GHG Emissions (kg CO_2e)*	Scope 2 GHG Emissions (kg CO_2)	Scope 1 GHG Emissions (kg CO_2e)	Scope 2 GHG Emissions (kg CO_2)
Warehousing & Logistics	GKE Express Logistics Pte Ltd	1,271,304	19,087	1,278,484	17,932	1,434,905	25,993
	GKE Private Limited	0	63,771	0	49,113	0	65,296
	GKE Services Pte Ltd	151,565	47,204	175,778	48,167	177,366	33,703
	GKE Warehousing & Logistics Pte Ltd**	94,795	310,917	73,981	365,707	57,972	403,726
	Marquis Services Pte Ltd	Not applicable	Not applicable	Not applicable	Not applicable	269,087	86,779
	Subtotal	1,517,664	440,979	1,528,243	480,919	1,939,330	615,497
	Annual Subtotal	1,958,643		2,009,162		2,554,827	
Infrastructural Materials & Services	Wuzhou Xing Jian Readymix Co., Ltd.	1,611,011	492,830@	1,893,743	634,851@	2,845,037	913,351
	Subtotal	1,611,011	492,830@	1,893,743	634,851@	2,845,037	913,351
	Annual Subtotal	2,103,841		2,528,594		3,758,388	
Others	GKE Agritech Pte Ltd	Not applicable	Not applicable	Not applicable	Not applicable	3,295	788
	Subtotal	Not applicable	Not applicable	Not applicable	Not applicable	3,295	788
	Annual Subtotal	Not applicable		Not applicable		4,083	
	TOTAL	3,128,675	933,809	3,421,986	1,115,770	4,787,662	1,529,636
	ANNUAL TOTAL	4,062,484		4,537,756		6,317,298	

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.

@FY2019 and FY2020 Scope 2 emissions data for Infrastructural Materials & Services has been recalculated due to different emission factors applied for China.

*Scope 1 data for all entities for FY2019 and FY2020 have been restated to account for additional greenhouse gases (CH_4 & N_2O) which were previously not included.

**Scope 2 Emissions figures 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.

#Energy consumed 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.

##Energy consumption for GKE Private Limited in FY2019 and FY2020 was previously

^Data for energy consumption for FY2019 and 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 these entities to provide greater clarity on energy consumption from various sources.

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference	Omission
GRI 102: General Disclosures 2016			
102-1	Name of the organization	AR 2021, Pg. 1 (Corporate Profile)	
102-2	Activities, brands, products, and services	AR 2021, Pg. 1-2 (Corporate Profile)	
102-3	Location of headquarters	AR 2021, Pg. 1 (Corporate Profile)	
102-4	Location of operations	AR 2021 Pg. 1-2 (Corporate Profile)	
102-5	Ownership and legal form	SR 2021, Pg. 2 (Corporate Structure)	
102-6	Markets served	AR 2021, Pg. 2 (Business Operations)	
102-7	Scale of the organisation	SR 2021 Pg. 2 (Corporate Structure) SR 2021, Pg. 14 (Empowering Employees)	
102-8	Information on employees and other workers	SR 2021, Pg. 14 (Empowering Employees)	
102-9	Supply chain	We have approximately 695 suppliers providing goods and services to GKE Group.	
102-10	Significant changes to the organization and its supply chain	GKE has divested its stake in Van der Horst Group and acquired the remaining 30% shares in Marquis Services Pte Ltd in FY2021. Performance Review AR 2021, Pg. 14-16	
102-11	Precautionary Principle or approach	Risk Management AR 2021, Pg. 33-34	
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 2021, Pg. 1 (Board Statement)	
102-16	Values, principles, standards, and norms of behaviour	AR 2021, Pg. i, ii (Core Values, Vision, Mission)	
102-18	Governance structure	AR 2021, Pg. 18-20 (Board of Directors)	
102-40	List of stakeholder groups	SR 2021, Pg. 4 (Stakeholder Engagement)	
102-41	Collective bargaining agreements	Not applicable. There is no collective bargaining agreement.	
102-42	Identifying and selecting stakeholders	SR 2021, Pg. 4 (Stakeholder Engagement)	
102-43	Approach to stakeholder engagement	SR 2021, Pg. 4 (Stakeholder Engagement)	
102-44	Key topics and concerns raised	SR 2021, Pg. 5 (Materiality)	

GRI Standard	Disclosure	Reference	Omission
102-45	Entities included in the consolidated financial statements	SR 2021, Pg. 2 (Corporate Structure)	
102-46	Defining report content and topic Boundaries	SR 2021, Pg. 1 (Board Statement)	
102-47	List of material topics	SR 2021, Pg. 5 (Materiality)	
102-48	Restatements of information	SR 2021, Pg. 23	
102-49	Changes in reporting	None	
102-50	Reporting period	SR 2021, Pg. 1 (Board Statement)	
102-51	Date of most recent report	The most recent previous report was published in Oct 2020	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	enquiry@gkegroup.com.sg SR 2021, 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 2021 Pg. 24-26 (GRI Content Index)	
102-56	External assurance	None	
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	SR 2021, Pg. 5 (Materiality)	
103-2	The management approach and its components	SR 2021, Pg. 7-8 (Economic Enhancement and Compliance) SR 2021, Pg. 9-12 (Environmental Responsibility) SR 2021, Pg. 13 (Our Customers) SR 2021, Pg. 14-18 (Empowering our Employees)	
103-3	Evaluation of the management approach	SR 2021, Pg. 7-8 (Economic Enhancement and Compliance) SR 2021, Pg. 9-12 (Environmental Responsibility) SR 2021, Pg. 13 (Our Customers) SR 2021, Pg. 14-18 (Empowering our Employees)	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	SR 2021, Pg. 7, 20 (Economic Enhancement and Compliance)	
GRI 302-1: Energy 2016			
302-1	Energy consumption within the organization	SR 2021, Pg. 11, 12 (Environmental Responsibility)	

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference	Omission
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG Emissions	SR 2021, Pg. 11-12, 23 (Environmental Responsibility)	
305-2	Energy indirect (Scope 2) GHG Emissions	SR 2021, Pg. 11-12, 23 (Environmental Responsibility)	
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	SR 2021, Pg. 10, 22 (Environmental Responsibility)	
306-2	Management of significant waste-related impacts	SR 2021, Pg. 10, 22 (Environmental Responsibility)	
306-5	Waste directed to disposal	SR 2021, Pg. 10, 22 (Environmental Responsibility)	
GRI 401: Employment 2016			
401-1	New employees hires and employee turnover	SR 2021, Pg. 14-15, 21 (Empowering Employees)	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system of work-related fatalities	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-2	Hazard identification, risk assessment, and incident investigation	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-3	Occupational health services	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-4	Worker participation, consultation, and communication on occupational health and safety	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-5	Worker training on occupational health and safety	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-6	Promotion of worker health	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR 2021, Pg. 16-18, 21 (Employee Health, Safety and Wellness)	
403-9	Work-related injuries	SR 2021, Pg. 16-18, 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 2021, Pg. 13 (Our Customers)	
GRI 419: Socioeconomic Compliance 2016			
419-1	Non-compliance with laws and regulations in the social and economic area	SR 2021, Pg. 8 (Economic Enhancement & Compliance)	

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