
FH 复华国际
FORISE INTERNATIONAL LIMITED
SUSTAINABILITY
REPORT 2017

ABOUT THIS REPORT

The Board of Directors of Forise International Limited (the "Board") is pleased to present our inaugural Sustainability Report.

The Company's sustainability report is prepared in compliance with the requirements of SGX-ST Listing Rules 711A and 711B, and in accordance with the Global Reporting Initiative (GRI) G4 reporting guidelines, at Core level. Corresponding to G4's emphasis on materiality, the report highlights the key environmental, social and governance related initiatives carried out throughout the 12-month period, from 1 January to 31 December 2017.

Recognising the importance of sustainability, the Management leads sustainability efforts at the Company. The Management reports directly to the Board, which has considered sustainability issues as part of its strategic formulation, determined the material ESG factors and overseen the management and monitoring of these factors.

We welcome feedback from our stakeholders with regards to our sustainability efforts as this enables us to improve our policies, systems and results. Please send your comments and suggestions to contact@foriseinternational.com.

ORGANIZATIONAL PROFILE

Forise International Limited (formerly known as Great Group Holdings Limited) was incorporated on 29 February 2008 and listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX) on 25 September 2009.

Following the complete disposal of the garment manufacturing business and cessation of garment trading business in FY2017, the strategic direction of the Group is to focus on the development of its corporate advisory services, asset and wealth management services and commercial factoring business.



STAKEHOLDERS AND MATERIALITY

STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders and material aspects relevant to our business. The interests and requirements of key stakeholders are also taken into account when formulating corporate strategies. These key stakeholders include, but are not limited to, customers, suppliers, employees, investors, and regulators. We adopt both formal and informal channels of communication to understand the needs of key stakeholders, and incorporate these into our corporate strategies to achieve mutually beneficial relationships.

The table below sets out our engagement with our stakeholders:

Stakeholders	Engagement Platforms
Employees	Open dialogues among teams
Client	Email queries Client visits
Suppliers and Service Providers	Face-to-face meetings Annual review and feedback sessions
Investors/Shareholders	Group Annual Report Annual General Meeting Result briefings
Local communities	Face-to-face meetings Various social events
Government and Regulators	Regular reports Participation in discussions

MATERIAL ASPECTS ASSESSMENT

We conducted a materiality assessment during the year with the help of an external consultant. Going forward, materiality review will be conducted every year, incorporating input from the stakeholder engagements.

To determine if an aspect is material, we assessed its potential impact on the economy, environment and society and the influence on the stakeholders. Senior management took part along with our consultant. Aspects were identified and prioritised through internal workshops, peer reviews and social impact assessments at site level. Applying the guidance from GRI, we have identified the following material aspects:

Economic	**Economic performance**
Environmental	**Energy consumption** **Supplier environmental assessment**
Social	**Diversity and fair employment practice** **Training and education** **Contribution to society**
Governance	**Enterprise risk management**

ECONOMIC

ECONOMIC PERFORMANCE

Forise firmly believes that focus on sustainability is critical and that it offers attractive opportunities. Companies that are best-in-class when it comes to operating in a sustainable way will be able to provide superior products and services and recruit the best employees, thereby outperforming their competitors longer-term.

We are fully committed to the highest standards of corporate governance. The Company's basic principle is that long-term profitability and shareholder value is ensured by taking into account the interests of stakeholders, such as shareholders, employees, suppliers, government, media, local communities and society as a whole.

We will:

- comply with all local and national legislation in each country of operation,
- continuously improve our social, environmental and economic impact,
- analyse risks, formulate objectives and have adequate processes to manage and monitor control risks,
- adhere to the UN Global Compact (a voluntary initiative based on businesses' commitments to implement universal sustainability principles and to undertake partnerships in support of UN goals) and its ten principles as well as the OECD guidelines for Multinational Enterprises (which provide voluntary principles and standards for responsible business conduct consistent with applicable laws),
- encourage and promote diversity in our organizations, and
- have an active dialog with our stakeholders such as trading partners and shareholders.

For detailed financial results, please refer to the following sections in our Annual Report 2017:

• Financial Highlights, page 4
• Financial Review, pages 5 to 6
• Financial Statements, page 32 to 94

RESPONSIBLE ADIVSORY SERVICES

Forise considers Environment, Social and Governance (ESG) as an important lever for value creation. We also believe that our investment practices and advisory services have impact on society and are committed to promoting sustainable development.

Environment, Governance, Internal Controls, Social and Health and Safety and Human Capital are some of the areas assessed by deal teams and considered by our Board of Directors as part of the investment decision making process. In addition, various best practices processes are discussed with management for implementation in the areas of business conduct, management reporting, financial planning and analysis, cash management, internal controls and risk management, amongst others.

Thus, when providing advisory services to clients or making decisions on what to invest, we will invest in industries which are eco-friendly or morally ethical and also encourage our clients to do the same. If clients have specific requests to invest in companies with undesirable ESG factors, Forise may choose to turn down the transaction or re-assess the relationship.

ENVIRONMENT

Forise's direct environmental impact is limited, but we always strive to avoid unnecessary impact on the environment and to further reduce environmental impact.

ENERGY CONSUMPTION

Forise, as a group, is committed to energy efficiency. In order to manage energy effectively, our offices adopted the following measures:

1. Installed energy-efficient LED light bulbs,
2. Encouraged employees to practise energy-saving initiatives (i.e. turn off the lights when not in use),
3. Printing of paper is minimised, recycle paper for internal usage purposes, electronic mail is used.

SERVICE PROVIDER ENVIRONMENTAL ASSESSMENT

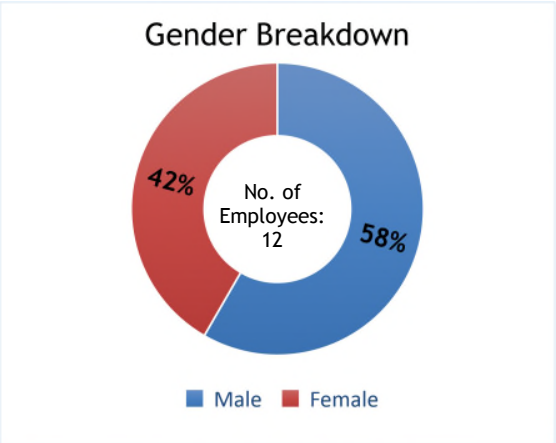
Forise will continue to reduce its environmental impact and to encourage its stakeholders, such as service providers and trading partners, to meet the same expectations. Going forward, Forise will regularly conducted annual evaluation of key service providers. Many of our clients now demand that we comply with anti-child labour laws and refrain from the use of non-eco-friendly materials which we will in due course require from our suppliers.

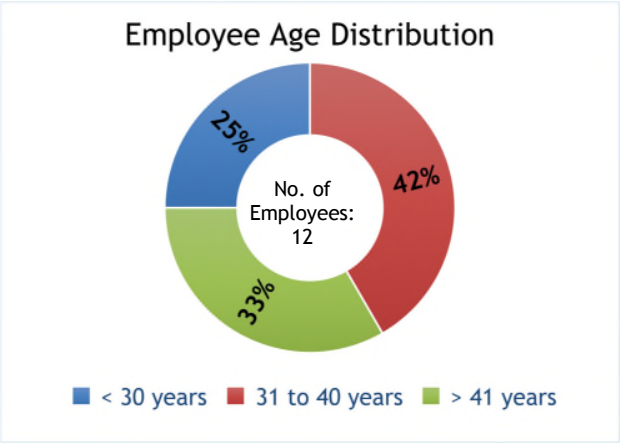
In addition to questions about child labour and the use of non-eco-friendly materials, in 2018 Forise will ask key suppliers on their policies on monitoring and managing their supply chain with regards to environmental issues, their policies that promote efficient use of resources, ethics, training and any cases of non-compliance on environmental or safety issues.

SOCIAL

DIVERSITY AND FAIR EMPLOYMENT

We embrace diversity, and at the same time expect employees to be aligned with group's vision and strategic initiatives. The age of our staff ranges from 20s to 50s. The ratio of male to female staff is almost 1:1.





Forise ensures compliance with labour and employment laws, including working hours. Furthermore, through our Code of Conduct, it is also stated that no colleagues should be discriminated against because of age, gender, national origin, disability, religion, sexual orientation, marital or maternity status, union membership or political opinion, among others. Non-compliance in relation to discrimination is reportable to the manager, HR or through our whistleblowing system.

We give preference to the hiring of local talent. We are committed to providing competitive remuneration and benefits to our employees. We are also committed to safeguarding our employees' health and safety against any potential workplace hazards. There have been no work place incidents for FY2017.

TRAINING AND EDUCATION

Forise understands that there is a continuous need to upgrade staff skills and knowledge. This is beneficial to the staff development and also to the Company. Thus, staff are encouraged to go for courses and seminars to keep themselves updated of the latest rules and regulations and the market investment trends. Senior Management team aims to go for training at least once every quarter.

CONTRIBUTION TO SOCIETY

Forise believes in being socially responsible and we are actively involved in corporate social responsibility projects. These projects including reaching out to the less fortunate people and extending a helping hand to them. We visit old folk's home / children's home regularly and also regularly donate food items to them. The most recent visit was to a cerebral palsy rehabilitation centre in October 2017. The centre provides special education, rehabilitation services, day activity centre programmes and training to persons with cerebral palsy and related disabilities.









GOVERNANCE

In 2017, we complied with the Code of Corporate Governance. Please refer to the Annual Report pages 13 to 30 on our Corporate Governance Statement.

Forise has a zero-tolerance stance for corruption. In our dealings with our clients, we require our employees to strictly uphold the Company's policy on anti-corruption/bribery. We may also ask our service providers through a service provider questionnaire on whether they have anti-corruption/bribery policies with respect to dealings with their upstream service providers.

ENTERPRISE RISK MANAGEMENT (ERM)

ERM is an integral part of good corporate governance as well as resource management. A thorough and comprehensive ERM framework enables Forise to identify, communicate and manage its risks and exposures in an integrated, systematic and consistent manner.

In FY 2017, subsequent to the complete disposal of the remaining fixed assets and subsidiaries in the contract manufacturing business, and with the development and expansion of our corporate advisory business, the Group engaged an external professional to assist in kick-starting its Enterprise Risk Management ("ERM") framework, based on the framework proposed by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). The ERM framework is designed to enable Management to identify areas of significant business risks (including the operational, financial and compliance risks of key operating units in the Group) as well as to take or put in place appropriate counter measures to control and mitigate these risks.

The Group reviews all significant control policies and procedures and highlights all significant matters to the Board and the Audit Committee ("AC"), being the parties primarily responsible for the governance of risk across the Group. The Group's risk profile will be reviewed by the Board and the AC annually to ensure regular assessment and update of the Group's key risks, determine appropriate risk appetite, how risks are managed and mitigated, the key persons responsible for each identified key risk and the assurance mechanism in place. This allows the Board and the AC to address on-going changes and challenges in the business environment with a view to reducing uncertainties and enhancing shareholder value.

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