



FIGTREE HOLDINGS LIMITED

(Company Registration No. 201315211G)

(Incorporated in the Republic of Singapore on 5 June 2013)

Sustainability Report 2017

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MESSAGE FROM THE BOARD



Danny Siaw - Executive Chairman and Managing Director

With increased expectations and emphasises on sustainable global economy, our Board believes that sustainability reporting practices can help to drive progress by all organisations towards a smart, sustainable and inclusive growth.

Our Board has taken into consideration material sustainability issues and identified various material ESG factors such as economic, environmental, social and governance. As part of our strategy formulation, the Board are constantly involves in overseeing and monitoring of these factors. With the aim to create long lasting value for all our stakeholders, sustainability is an integral part of our Company's strategy.

Our company will gradually place emphasis on sustainability and would implement appropriate policies and programmes when the opportunities arise. In addition, the Company has ongoing efforts to achieve and meet best practices set by industry standards from projects, in particular to environmental and workplace safety standards; this has been affirmed by the receipt of several accreditations and awards, such as BCA Green Mark Award and bizSAFE Star for FY2017.

ABOUT THIS REPORT

We, Figtree Holdings Limited (the “Company” and together with its subsidiaries and associated companies, the “Group”), hereby present our first sustainability report which discusses the key material issues identified that are important to our stakeholders, containing information on our economic, environmental and social issues.

We have adopted and applied the international reporting framework, Global Reporting Initiative (“GRI”) Standards: Core Option and the requirements of SGX-ST Listing Rules 711A and 711B in preparing the Company’s inaugural sustainability report. We have employed the principles of stakeholder inclusiveness, sustainability context, materiality and completeness during the drafting process of this report, in order to deliver a comprehensive report to the public. We have applied the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness. We have not sought external assurance for the Financial Year 2017.

Reporting Boundaries and Standards	<ul style="list-style-type: none">• Materiality: focusing on issues that impact business growth and are of utmost importance to stakeholders;• Stakeholder Inclusiveness: responding to stakeholder expectations and interests;• Sustainability Context: presenting performance in the wider context of sustainability; and• Completeness: including all information that is of significant economic, environmental and social impact to enable stakeholders to assess the Group’s performance.
Report Period and Scope	This report, which will be produced annually, covers data and information from 1 January 2017 to 31 December 2017 across the Group’s operations in Singapore. We will take into consideration the readiness of operations in Malaysia, China and Australia when producing our future sustainability reports.
Accessibility	The sustainability report will be publicly accessible through the Company’s website: https://www.figtreeasia.com as well as on SGXNET. We are committed to listening to our stakeholders and we look forward to their feedback. Please send any feedback to : https://www.figtreeasia.com

ORGANISATIONAL PROFILE

Background

Figtree Holdings Limited (“Figtree” or the “Company”, together with its subsidiaries and associates, the “Group”), was incorporated in 2009 and listed on SGX Catalist on 11 November 2013, with its headquarters located in Singapore. The main business areas include design and build, project and construction management consulting services, property development and property investment.

Since our incorporation, our Group has progressed steadily and ventured into different parts of the world which include China, Malaysia and Australia, with different specialised areas, as follows:

Countries	Specialised area
Singapore	Main contractor for local commercial and industrial real estate projects, covering new construction, A&A works on existing buildings and refurbishment and upgrading of existing buildings
China	Design, project and construction management consulting services Developing, constructing, selling and leasing of residential, commercial and industrial properties
Malaysia	Design, project and construction management consulting services
Australia	Developing, constructing, selling and leasing of residential, commercial and industrial properties

There are 30 employees under the Singapore operations. The Group’s Vision and Mission are as follow:

Vision	“To Strive together to be the Value Add leader in the Design and Build Construction Industry”
Mission	“To Design and Deliver Projects of high Value Add quality within the budget and time frame to the satisfaction of our clients”

Supply Chain Management

We maintain a policy of subcontracting to those parties best satisfying a range of criteria appropriate to the particular project. Amongst others, price competitiveness and quality shall be the major factors when considering to award works to sub-contractors.

We have ISO procedures on Purchase Control and Vendors Assessment in place which provides guidelines along the procurement process such as vendor sourcing and selection, purchase order preparation, review and approval and vendor assessment.

Generally, we do not enter into any long term agreements or arrangements with any one of our sub-contractors as this would provide us with the flexibility to evaluate and select more sub-contractors who are able to provide higher quality work at competitive prices. Nonetheless, to ensure sustainable provision of services from our sub-contractors, we actively engage our major sub-contractors to identify and evaluate areas for improvement during the course of and at the end of the project.

External Initiatives

The Group is committed to giving back to the community and also encourages active participation by its employees to make a difference to the community. During the reporting period, we have made donation to Care Community Ltd - the voluntary welfare organisation that aims to provide the best welfare assistance to the elderly, handicapped and less fortunate in Singapore.

Membership of Associations and Certificates

- Singapore Business Federation
- Association of Catalist Companies
- Singapore Chinese Chamber of Commerce & Industry

GOVERNANCE & SUSTAINABILITY APPROACH

The Company has established policies for matters such as Conflict of Interest and Whistle-blowing in order to maintain a high standard of corporate governance and in having effective corporate practices to safeguard against fraud, with the aim of protecting shareholders' interests as well as maximising long term success of the Group.

The Company has adopted a risk management framework to identify, review and manage key risks arising from the management and operations of the Group's operating segments.

Conflict of interest policy

The conflict of interest policy is embedded under the Company's Employee Handbook. All of our staff, including key management, are required to make yearly declarations to the Group on their interest (either directly or indirectly) with any of the stakeholders of the Group.

Whistle-blowing policy

Our Company has adopted a whistleblowing policy which is made known to our stakeholders. The stakeholders may, in confidence, raise concerns about improprieties in matters of financial reporting or other matters by submitting a whistle-blowing report via email or through a hotline.

Sustainability Approach

On day-to-day basis, we constantly evaluate the expectations of our stakeholders either through informal or formal means in order to create mutual beneficial relationships. The expectations of our stakeholders would be the areas emphasised by us during our strategy setting.

STAKEHOLDER ENGAGEMENT

In order to better manage the Group's material issues, we have considered stakeholder expectations through day-to-day interaction with each group of stakeholders. After consolidating stakeholders' expectations, the top 4 material topics identified are discussed in this report. This has help to strengthen the relevance of our reporting and approach to managing the Group's material issues.

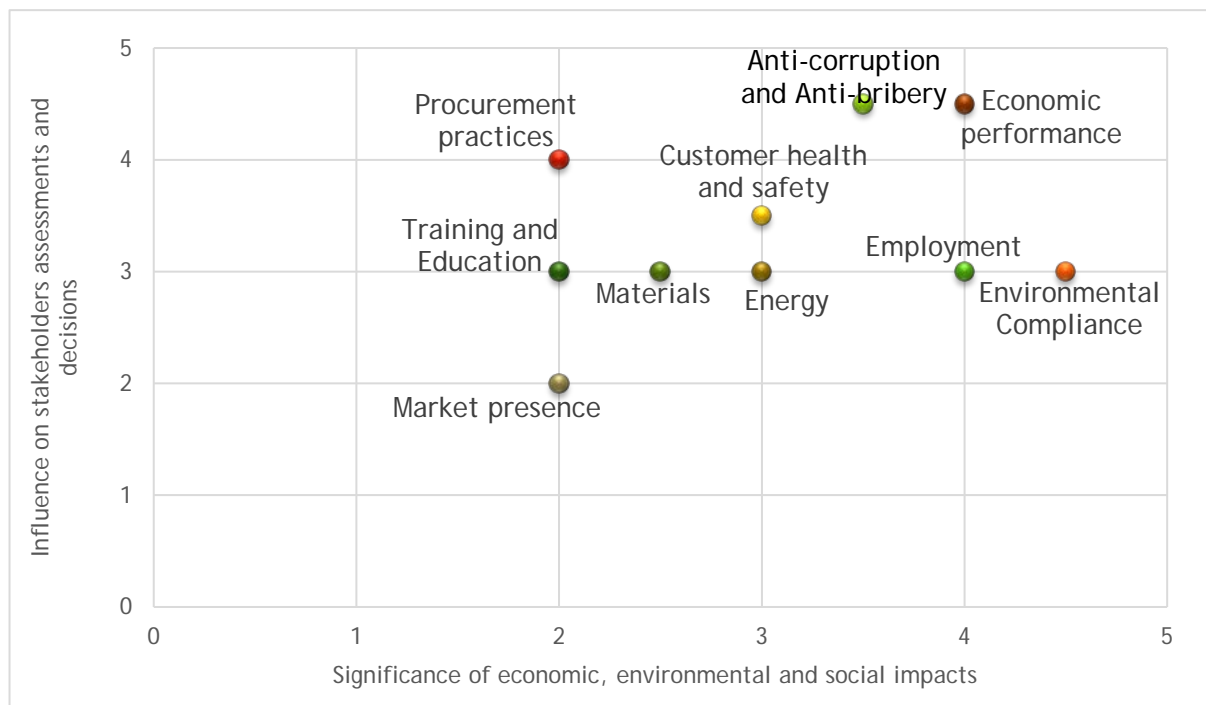
The following table illustrates the engagement activities and expectations with respective stakeholder groups.

Stakeholders	Stakeholder Engagement	Stakeholders' Expectations
Customers	<ul style="list-style-type: none"> • Enquiry and feedback channels 	<ul style="list-style-type: none"> • Good quality of products • After sales services
Sub-contractors/ Suppliers	<ul style="list-style-type: none"> • Quotations • Periodic discussion • Supplier evaluation 	<ul style="list-style-type: none"> • Compliance with terms and conditions of purchasing policies and procedures • Maintain ethical standards
Employees	<ul style="list-style-type: none"> • Induction and orientation program, • Staff appraisal • Internal memo • Training 	<ul style="list-style-type: none"> • Staff rights and welfare • Personal development • Good working environment
Investors	<ul style="list-style-type: none"> • Annual meetings • Board meetings • Circulars to shareholders 	<ul style="list-style-type: none"> • Profitability • Transparency • Timely reporting • Fair purchasing practices
Government and Regulators	<ul style="list-style-type: none"> • Discussions with government agencies and regulators 	<ul style="list-style-type: none"> • Environmental-friendly business approach • Compliance with regulations • Timely reporting and resolution of issues

MATERIAL TOPICS

Based on stakeholder feedback, challenges faced by the industry and our own business goals, we have identified the top 4 material topics to be discussed in this report.

The following matrix summarises our list of relevant sustainability topics and their influence on stakeholders' assessments and decisions as well as significance of economic, environmental, social and governance impact.



Based on the matrix, the top 4 material topics chosen to be reported are as follows:

- Economic Performance
- Anti-corruption and Anti-bribery
- Environmental Compliance
- Employment

Economic Performance

Economic performance is very important to stakeholders particularly to investors as economic performance provides them with a return on their investment. In addition, other stakeholders such as employees are also deemed to benefit from such performance. Thus, economic performance has been ranked as one of the material topics for stakeholders.

In order to generate tangible value for our stakeholders, the Group has strived to maintain healthy profits for the Group.

Financial Highlights

	Financial Year		Changes	Notes
	2016	2017		
Revenue	S\$57.6 million	S\$17.6 million	Decrease by 69.4%	Decrease in contribution from various design and build projects which were completed in FY2016.
Cost of sales	S\$39.7 million	S\$5.9 million	Decrease by 85.1%	Write back of an accrual of sub-contractors' cost of S\$2.4 million
Gross profit	S\$17.8 million	S\$11.7 million	Decrease by 34.3%	Nil

The Group considers the stakeholders' emphasis on the Group's economic performance. While the Group strives to maximise the stakeholders' short and long term value, we ensure there will be adequate due diligence processes and adopt a disciplined investment and project selection approach.

Subsequent reporting for FY2018

For FY2018, we hope to maintain and ensure our financial stability and generate positive returns to our stakeholders by exploring our options and viability in related fields. We also aim to secure more projects to increase revenue for the Group over the long-term.

Anti-Corruption and Anti-Bribery

There is no confirmed incident of corruption and bribery during the reporting period. Values are strictly enforced to our employees to ensure that our stand on corruption and bribery is clear. Several policies are in place and communicated to the employee to emphasise anti-corruption and anti-bribery value within the Company, as follows:

Code of Conduct

The code of conduct is stipulated under the Employee's Handbook. Employees' conduct during day-to-day operations will be monitored by their respective superiors or heads of department. Employees are subject to disciplinary actions in the event of breach of code of conduct.

Conflict of Interest

Under the Employee's Handbook, the Group established a clause in relation to conflicts of interest. All employees are to make yearly and/or at any appropriate time, a declaration to the Group on their interest (either directly or indirectly) with any of the sub-contractors, suppliers, customers, vendors or any other interested parties to the Group. In addition, employees who are involved in key business functions such as procurement, are provided with regular anti-corruption training.

Whistle-blowing Policy

Our Company has adopted a whistle-blowing policy which is made known to our stakeholders. The stakeholders may, in confidence, raise concerns about improprieties in matters of financial reporting or other matters by submitting a whistle-blowing report to figtree@nexiats.com.sg or through the hotline at +65 6597 7293.

Subsequent Reporting for FY 2018

We hope to maintain our zero record in corruption cases, continue to enhance our governing policies and cultivate an anti-corruption and anti-bribery environment and training for our employees.

Environmental Compliance

We do our part to protect the environment by complying with environmental laws and regulations, which contributes towards a cleaner, greener and healthier environment. We strive to introduce and promote environmental-friendly solutions to our customers. To name a few, properties under our portfolio are designed with extensive green features through passive and active strategies with holistic approach, provision of energy efficient Variant Refrigerant Flow air-conditioning system, energy efficient LED lights and lighting system.

As a testament of our commitment on this, our Group has received several awards and certifications as highlighted below. It is important that the Group consistently operate in a sustainable manner in line with our role in the environment. There was no reported incidents of non-compliance to environmental laws and regulations in the reporting period.

Although not mandatory, the Green and Gracious Builder Scheme (“GGBS”) program spearheaded by Building and Construction Authority (“BCA”) and Green Mark was adopted by Figtree Group and its subsidiary, Figtree Projects Pte Ltd (“Figtree Projects”). The adoption of this initiative by the Group involves operational implementation of industry good practices by Figtree Projects in order to ensure that both the Group and Figtree Projects are operating well above mandatory environmental compliance.

Figtree Projects is an ISO 14001 certified entity since 2014 and is currently certified as GGBS Merit-Contractor as well. With concern for our environment and taking product life cycle analysis into consideration, we have adopted the BCA’s Green Mark Scheme as an initiative to shape a more environmental friendly and sustainable built environment. Below are the awarded projects undertaken by Figtree Projects:

1. BCA Green Mark Award (Gold Plus) - Second Development Pte Ltd for Menlo Logistic Hub: 2013
2. BCA Green Mark Award (Gold Plus) - Tech-Link Storage Engineering Pte Ltd for KWE Singapore Logistics Centre: 2014
3. BCA Green Mark Award 2015 (Platinum) - Figtree Projects Pte Ltd Head Office (Office Interior - Version 1.1): 2015
4. BCA Green Mark Award 2015 (Platinum) - Development 8 Pte Ltd for LF Logistics Centre: 2015

Subsequent Reporting for FY 2018

We will continue to play a vital part in compliance with environmental laws and regulations in the countries which our major operations are in.

Employment

Being one of our most valued asset, we believe in investing in our employees. As we remained disciplined in executing our growth strategies, we strive to play our part in social contribution in terms of employment.

We provide full-time employment to more than 20 individuals from diverse backgrounds. We adopt fair hiring practice and provide wider benefits to our full time employees. The Group has established an Employee Handbook that contains policies and procedures to ensure transparency and fairness for all employees.

The Group provides various benefits to full-time employees, which includes the following:

- a) Work Injury Compensation Insurance
- b) Group Personal Accident Insurance
- c) Medical benefits
- d) Option of stock ownership under the Figtree Employee Share Option Scheme
- e) Parental leave

In addition to the minimum leave stated under Employment Act, the Group also provides parental leave for employees with children. During the reporting period, 8 male employees and 3 female employees have taken parental leave. The employees are still employed under the Group as at 31 December 2017.

Subsequent Reporting for FY 2018

We will continue to periodically review our employment policies and work towards a more inclusive workforce. We shall work towards expanding our scope of reporting to include our practice and performance on talent management and training.

New Employee Hires sorted by Age Groups

Under 30 years Old	1
Over 30 Years Old	1

**For the period 1 January 2017 to 31 December 2017*

	Male	Female
Number of Employees	23	7
Number of New Employees	-	2
Number of Resigned Employees	2	1
Turn Over Rate	9%	14%

**For the period 1 January 2017 to 31 December 2017*

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable (page)
GENERAL DISCLOSURE		
GRI 102: General Disclosures 2016	Organizational Profile	
	102-1 Name of the organisation	4
	102-2 Activities, brands, products, and services	5
	102-3 Location of headquarters	5
	102-4 Location of operations	5
	102-5 Ownership and legal form	5
	102-6 Markets served	5
	102-7 Scale of the organisation	5
	102-8 Information on employees and other workers	5
	102-9 Supply chain	6
	102-10 Significant changes to the organisation and its supply chain	NIL
	102-11 Precautionary principle or approach	7
	102-12 External initiatives	6
	102-13 Membership of associations	6
	Strategy	
	102-14 Statement from senior decision maker	3
	Ethics and Integrity	
	102-16 Values, principles, standards, and norms of behaviour	5
	Governance	
	102-18 Governance structure	Annual Report 2017
	Stakeholder Engagement	
	102-40 List of stakeholder groups	8
	102-41 Collective bargaining agreements	NIL
	102-42 Identifying and selecting stakeholders	8
	102-43 Approach to stakeholder engagement	8
	102-44 Key topics and concerns raised	9
	Reporting Practice	
	102-45 Entities included in the consolidated financial statements	Annual Report 2017
	102-46 Defining report content and topic boundaries	4
	102-47 List of material topics	9
	102-48 Restatements of information	NIL
	102-49 Changes in reporting	First SR Report
	102-50 Reporting period	4
	102-51 Date of most recent report	First SR Report
102-52 Reporting cycle	4	
102-53 Contact point for questions regarding the report	4	
102-54 Claims of reporting in accordance with the GRI	4	
102-55 GRI content index	15	
102-56 External assurance	4	

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if applicable (page)
MATERIAL TOPICS		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	10
	103-2 The management approach and its components	10
	103-3 Evaluation of the management approach	10
GRI 201: Economic Performance 2016	201-1 Direct Economic value generated and distributed	10
Anti-Corruption		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	11
	103-2 The management approach and its components	11
	103-3 Evaluation of the management approach	11
GRI 205: Anti- Corruption 2016	205-1 Operations assessed for risks related to corruption	11
	205-2 Communication and training about anti-corruption policies and procedures	11
	205-3 Confirmed incidents of corruption and actions taken	11
Environmental Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	12
	103-2 The management approach and its components	12
	103-3 Evaluation of the management approach	12
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	12
Employment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	13
	103-2 The management approach and its components	13
	103-3 Evaluation of the management approach	13
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	13
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	13
	401-3 Parental leave	13