



CHUAN HUP  
HOLDINGS  
LIMITED



# Securing Opportunities Creating Value

Sustainability Report 2023

# Contents

<b>STATEMENT FROM OUR BOARD</b>	<b>1</b>
<b>ABOUT THE REPORT</b>	<b>2</b>
<b>ABOUT CHUAN HUP</b>	<b>3</b>
<b>SUSTAINABILITY APPROACH</b>	<b>4</b>
Sustainability Governance	4
Materiality Assessment	5
<b>OUR GOVERNANCE</b>	<b>8</b>
Corporate Governance, Business Ethics And Compliance To Laws	8
Digitalisation & Information Security	9
<b>OUR PEOPLE</b>	<b>14</b>
Employee Profile	14
Health And Safety	15
Talent Management	17
<b>GRI CONTENT INDEX</b>	<b>19</b>

# Statement From Our Board 12-221

## **DEAR STAKEHOLDERS,**

The Board and Management team are pleased to present Chuan Hup Holdings Limited ("Chuan Hup", the "Company" or the "Group")'s sixth Sustainability Report ("the Report") for the financial year ended 30 June 2023 ("FY2023"). This Report details how the Group has identified, managed, and measured the management of Environmental, Social and Governance ("ESG") issues material to the Group.

## **ESG FOCUS**

The Board and Management team remains committed to investing in a more sustainable future, through improving the environmental, social, and economic interests of our internal and external stakeholders. Our key material topics continue to be of relevance in FY2023. The Management oversees the implementation of these practices and provides regular reports to the Board on such ESG matters.

## **GLOBAL ECONOMIC RECOVERY**

Economic activity has begun to return to pre-COVID-19 levels across the globe, with borders fully reopened and a significant growth in international business and leisure travel. Despite the changes in the past year, Chuan Hup continues to put the health and safety of our people first, as the central focus of our Company.

Chuan Hup's Business Continuity Plan ("BCP") and Business Continuity Management ("BCM"), which were implemented since the time of COVID-19, allow us to respond effectively and holistically to any pandemic situations that may arise in the future. The Board and the Management continue to work on a robust corporate governance system in its operation approach and sustainability strategy. Digitalisation initiatives introduced in response to the COVID-19 pandemic has accelerated the digital capabilities to support alternative work arrangements. The Board and the Management have put in place robust internal controls to build a secure information security infrastructure.

## **OUTLOOK**

In Australia, borders have been reopened for international business and leisure visitors. The population has grown significantly with net overseas migration reaching 390,000 people in 2022. In the last 2 years, rental and property prices have risen in key cities across the nation. These factors would normally point to a buoyant property cycle. However, rising inflation and interest rates have caused a slowdown in property transactions and an unprecedented crisis within the construction sector, with many national and state building contractors going under. Thankfully, while our contractors have not suffered the same fate, inflationary cost increases has meant lower profits for our completed development.

In Perth, Western Australia, our completed joint venture project, AT238 has been well received by the market albeit with slower sales momentum given the challenge of higher interest rates. Our other joint venture project, Garden Towers, has been selling well (off the plans) but has yet to commence construction. Barring any unforeseen circumstances, we expect to start construction in FY2024 and recognise revenue contribution upon completion of the building.

In Queensland, we have 3 joint venture development projects. All 3 projects are in the Gold Coast with 2 projects expected to commence construction in FY2024.

Capitalising on the rising demand in housing and accommodation in Singapore, the Group has further expanded its business portfolio to include the student accommodation sector through the acquisition of a majority stake in Homestead Capital Pte. Ltd. The Group believes that this acquisition will create long-term sustainable value and additional stream of recurring income in the years ahead.

Recognising challenges that may arise due to macroenvironment factors, the Group will continue to tread carefully while remaining cautious in assessing any new investment opportunity moving forward.

# About The Report

## REPORTING FRAMEWORK

This Report has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards (2021). The GRI standards have been selected as a framework for reporting because it offers a standardised approach in disclosing material sustainability matters. The disclosures in this Report have been updated to reflect the criteria of the 2021 GRI Standards instead of the 2016 Standards. Reference has also been drawn from the Singapore Exchange Securities Trading Limited ("SGX-ST") Practice Note 7.6 in meeting the primary components as set out in the SGX-ST Mainboard Listing Rule 711(B).

## REPORTING PERIOD AND SCOPE <sup>[2-2]</sup> <sup>[2-3]</sup>

Chuan Hup has adopted a phased approach towards sustainability reporting. This Report covers the sustainable practices of Chuan Hup's investment holding business and the performance relating to issues from Chuan Hup's operations; as Chuan Hup itself is not an operating company, the Report does not consider the sustainability performance nor sustainability issues relevant to Chuan Hup's investee companies at their local operations and Chuan Hup's subsidiaries. This Report, as published on 5 October 2023, outlines our sustainability journey and details the approach in managing material sustainability matters identified as part of the Group's operations for the period of 1 July 2022 to 30 June 2023 ("FY2023") on an annual reporting cycle. Where applicable, three years of historical performance data has been included for reference.

Chuan Hup is currently not falling within the industries mandated by SGX to comply with climate reporting under the Task Force on Climate-Related Financial Disclosures by FY2023. Nevertheless, we are actively taking measures to evaluate our current processes concerning climate-related matters and intend to incorporate climate-related disclosures in future reporting periods once an internal framework has been thoroughly designed and aligned with our overall strategies and business objectives.

## INDEPENDENT ASSURANCE

An internal review was performed on our sustainability reporting processes for FY2023 by an independent third party.

## FEEDBACK <sup>[2-3]</sup>

We welcome feedback from all stakeholders on our Sustainability Report. For any queries or comments on this Report, please contact [corpsec\\_legal@chuanhup.com.sg](mailto:corpsec_legal@chuanhup.com.sg).

# About Chuan Hup [2-1] [2-6]

Chuan Hup Holdings Limited ("Chuan Hup" or "the Group") is an investment company with a diversified portfolio of strategic investments which includes investment properties and property developments in Singapore, Australia and the Philippines, as well as equity investments.

Founded in 1970, Chuan Hup began as a tug and barge service provider to PSA Corporation in Singapore. Through the years, Chuan Hup has built its reputation as one of the leading owners and operators of marine logistics to the resource industry.

Following its listing on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") in 1983, Chuan Hup diversified its business footprints to include property development and electronics manufacturing services under the then Sesdaq-turned-Mainboard listed PCI Limited ("PCI").

In 2005, Chuan Hup divested its interests in the marine logistics business together with a 29.1% out of a total interest of 52.8% in CH Offshore Ltd ("CHO") to Scomi Marine Berhad ("Scomi"), for a consideration in cash and 28.9% interest in Scomi. In 2011, the Group divested all of its interests in Scomi. Subsequently in 2015, the Group divested its remaining stake of 24.67% in CHO. With this, Chuan Hup had divested all of its interests in the marine logistics and oil & gas sector.

In 2019, Chuan Hup divested all its interests in PCI, thereby exiting the electronic manufacturing sector.

With over two decades of experience in the property development sector, Chuan Hup has marked several milestones locally and in the Asia Pacific region. Starting off with its first residential project in Singapore in 1999, Chuan Hup then ventured overseas to invest in property development projects in Australia and the Philippines through strategic joint ventures with in-country local partners.

In Australia, Chuan Hup has ongoing development projects with its associate, Finbar Group Limited, who is recognised as a leading developer of residential apartment homes in Western Australia. In July 2021, the Group formed a joint venture with the Siera Property Group Pty Ltd in Queensland to acquire and develop a development land site located in Surfers Paradise, Queensland. Both partnerships have allowed the Group to expand its footprint in Australia with future projects to come.

In the Philippines, Chuan Hup's associate Keyland Ayala Properties Inc., is both a developer and owner of prime real estate in the central business district of Makati.

In Singapore, Chuan Hup built a portfolio of investment properties with the objective of long-term recurring rental income by acquiring three floors of office space in GB Building since 2014. The acquisition of one floor of office space in The Central was later added to its portfolio in 2019. To create long-term sustainable value, the Group also expanded its business portfolio to include student accommodation in May 2023.

With a focus on delivering long-term sustainable growth, Chuan Hup will continue to explore investment opportunities to generate sustainable returns and value for its stakeholders.

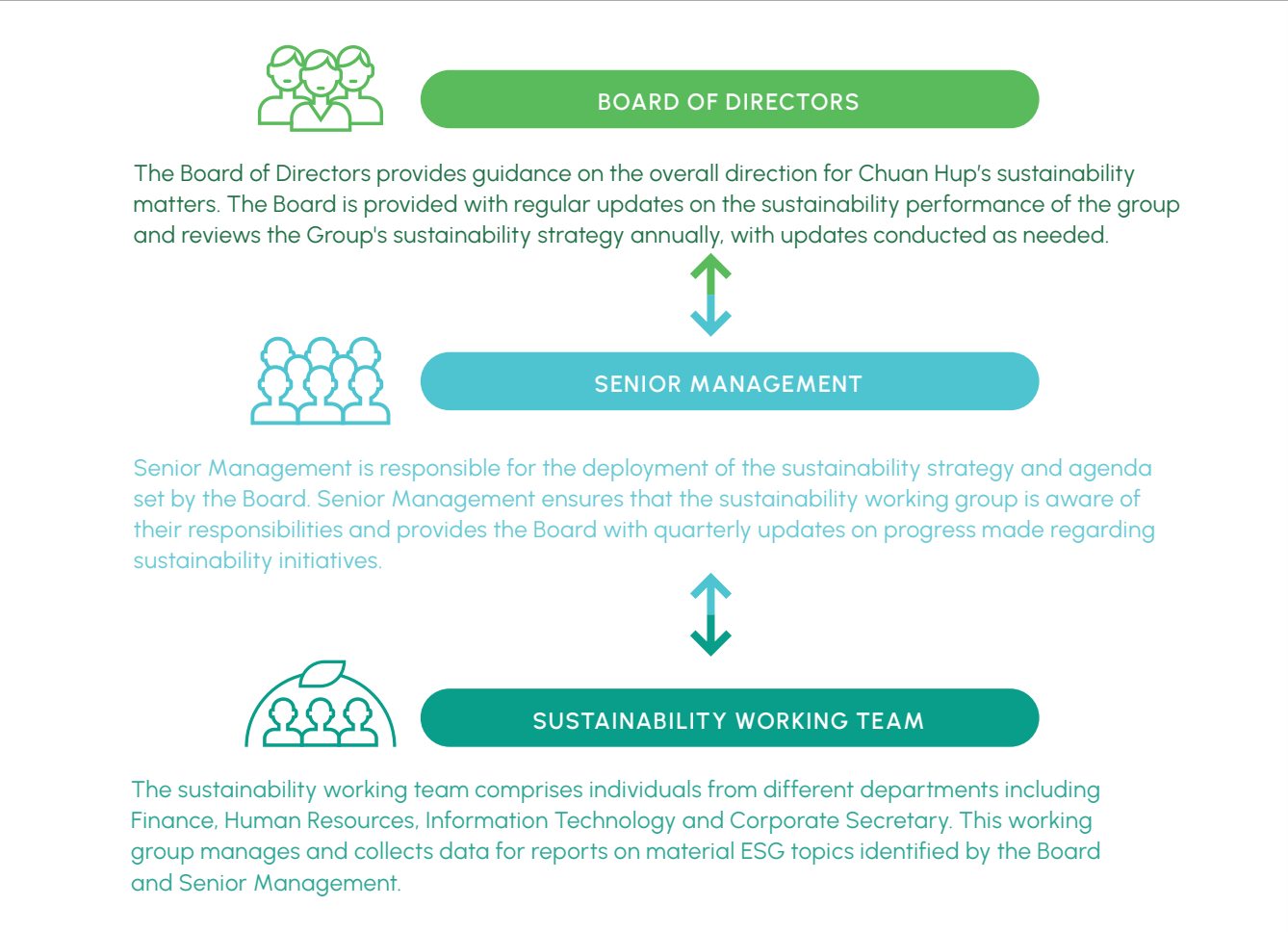
# Sustainability Approach

Chuan Hup addresses sustainability matters holistically, creating a robust governance and set of corporate values in a systematic manner as seen below in Figure 1.

### SUSTAINABILITY GOVERNANCE [2-9] [2-12] [2-13] [2-14]

At Chuan Hup, the Board of Directors decides on the strategy and provides the overall direction and supervision of Senior Management on ESG matters and material issues. Senior Management is responsible for the deployment and oversight of sustainability policies and practices within Chuan Hup's operations and provides regular updates on the performance of key ESG metrics to the Board. The Board and Senior Management work in tandem to ensure that all relevant ESG matters are incorporated into policy planning and their overall business strategy and that Chuan Hup's commitments to stakeholders are fulfilled.

Figure 1. Our sustainability governance structure



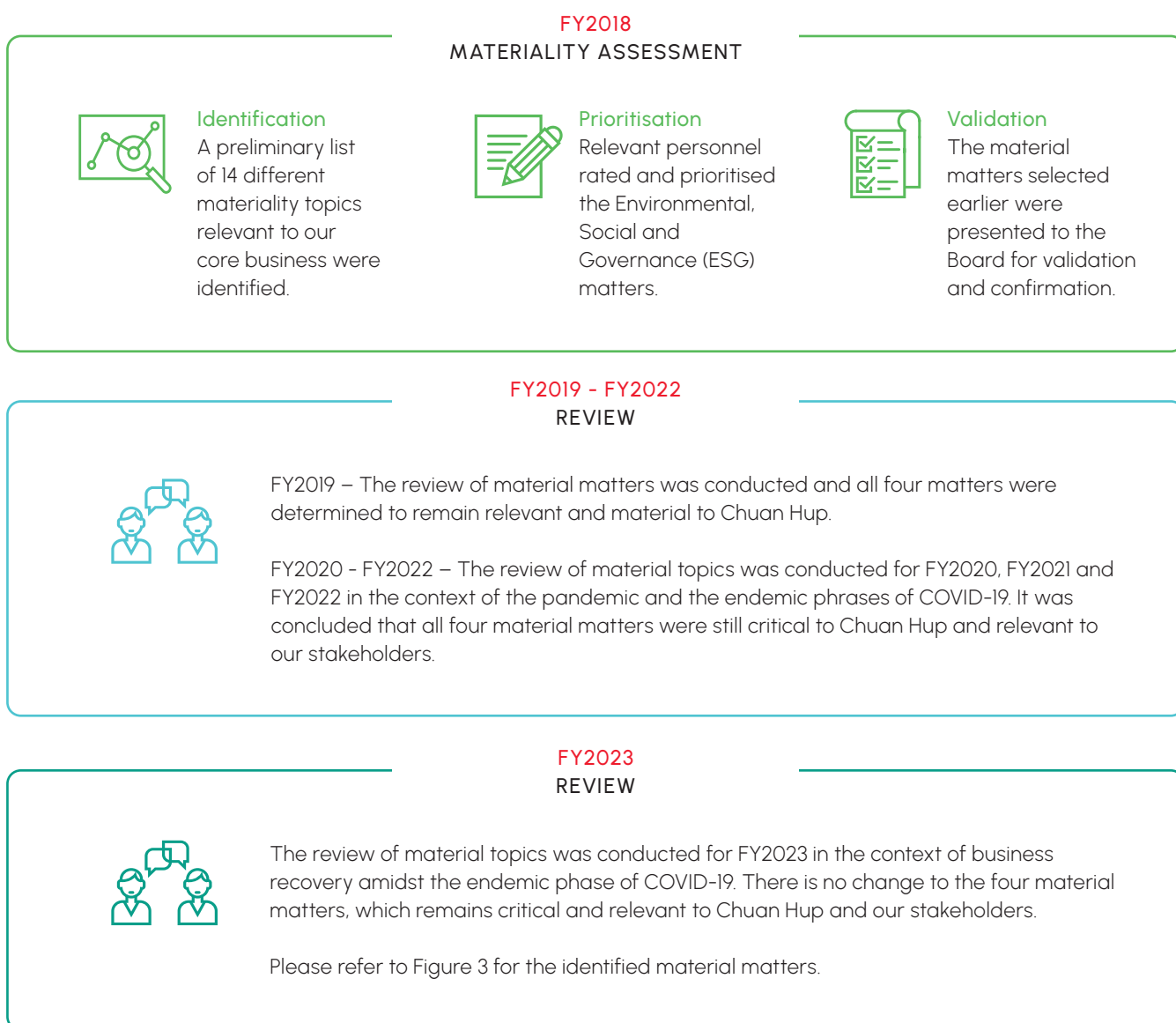
# Sustainability Approach

## MATERIALITY ASSESSMENT <sup>[3-1]</sup> <sup>[3-2]</sup>

To adequately address the sustainability concerns of our stakeholders, Chuan Hup maps the materiality matrix by identifying material topics of most relevance and significance to stakeholders and their impact on corporate sustainability development.

The first materiality assessment was conducted in FY2018 with four material matters and one reporting matter identified as summarised in Figure 3 and Table 1. To ensure the relevance and significance of the material topics to our business, we review them annually. In FY2023, we reviewed the material topics and assessed that they are still material to Chuan Hup. Moving forward, Chuan Hup will continue to monitor these material matters to ensure that they remain relevant not only for our business but also for our internal and external stakeholders.

Figure 2. Steps in our Materiality Assessment



# Sustainability Approach

Figure 3. Chuan Hup's Materiality Matrix

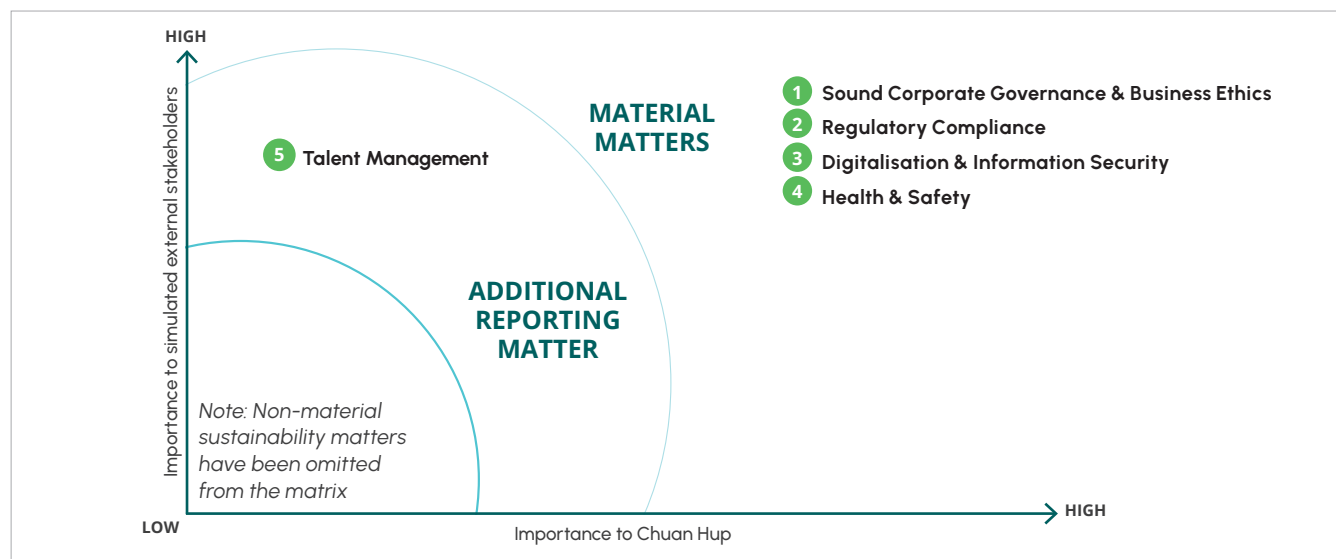


Table 1. Summary of Chuan Hup's Material Matters and Mapped GRI Standards Topic-Specific Disclosures

MATERIAL MATTERS	MAPPED GRI STANDARDS TOPICS	MAPPED GRI STANDARDS TOPIC-SPECIFIC DISCLOSURES
Sound Corporate Governance and Business Ethics	GRI 2: General Disclosures 2021	GRI 2-9 to 2-20 – General Disclosures 2021 (Governance)
	GRI 205: Anti-corruption 2016	GRI 205-1 – Operations assessed for risks related to corruption GRI 205-2 – Communication and training about anti-corruption policies and procedures GRI 205-3 – Confirmed incidents of corruption and actions taken
Regulatory Compliance	GRI 2: General Disclosures 2021 (Strategy, policies and practices)	GRI 2-27 – Compliance with Laws and Regulations
Digitalisation & Information Security	Non-GRI	Non-GRI <sup>1</sup> – Substantiated complaints concerning breaches of privacy and loss of organisation's data
Health & Safety	GRI 403: Occupational Health & Safety 2018	GRI 403-6 – Promotion of worker health
		GRI 403-9 – Work-related injuries
		GRI 403-10 – Work-related ill health
ADDITIONAL REPORTING MATTER	MAPPED GRI STANDARDS TOPICS	MAPPED GRI STANDARDS TOPIC-SPECIFIC DISCLOSURES
Talent Management	GRI 404: Training and Education 2016	GRI 404-1 – Average hours of training per year per employee GRI 404-2 – Programmes for upgrading employee skills and transition assistance programmes GRI 404-3 – Percentage of employees receiving regular performance and career development reviews

## STAKEHOLDER ENGAGEMENT <sup>(2-29)</sup>

The investment landscape continues to evolve, with regulators and societies continuing to adapt to the post-pandemic phase of COVID-19 and a greater emphasis on ESG-related disclosures by companies. As such, stakeholder engagement has become a more salient topic, with stakeholders paying greater attention to companies' sustainability performance and commitments.

<sup>1</sup> GRI 418: Customer Privacy is not applicable to Chuan Hup as we do not have any business relationships with customers.



# Sustainability Approach

Chuan Hup has a formalised approach to communicate and gather feedback from internal and external stakeholders on sustainability and business issues. Figure 4 provides an overview of the main concerns of our key stakeholder groups and the approach that we have taken to address and engage them. At Chuan Hup, we take consistent and holistic engagement seriously as it promotes proper management of any risks or opportunities that may arise.

Figure 4. Summary of Chuan Hup's Stakeholder Groups and how their concerns are managed



## MEMBERSHIPS AND ASSOCIATIONS [2-28]

A multi-stakeholder approach is essential to address sustainability matters meaningfully and practically. Participating in industry-level discussions while staying abreast on emerging trends and best practices is important to Chuan Hup. Our memberships are as follows:

- Singapore Business Federation
- Singapore National Employers Federation

# Our Governance

## CORPORATE GOVERNANCE, BUSINESS ETHICS AND COMPLIANCE TO LAWS [3-3]




Chuan Hup is committed to upholding the highest standard of governance with sound business ethics in our business operations. Our commitment serves to protect our integrity, reputation, and foster trust among our stakeholders. Compliance to regulatory requirements is the foundation of good corporate governance. We ensure adherence to all relevant local laws and regulations, including the principles and guidelines set out in the Singapore Code of Corporate Governance 2018.

Non-compliance can cause operational disruption, huge financial loss, and reputational damage, thus a further loss of existing or potential clients and opportunities. As such, Chuan Hup's Board of Directors is directly responsible for the implementation and management of policies and practices on corporate governance, and we remain committed to complying with all ongoing regulatory requirements which impact our business and operations.

## POLICIES AND PRACTICES [2-15] [2-23] [2-24] [2-25] [2-26] [205-1] [205-2]

It is mandatory for all employees to adhere to Chuan Hup's Corporate Governance policies and practices as summarised in Table 2. To ensure compliance, all employees are required to submit an annual declaration of non-conflict interest with the Company's business.

Table 2. Summary of Chuan Hup's Corporate Governance Policies

POLICIES/PRACTICES	DESCRIPTION
<p><b>Policy on Work Ethics</b></p> 	<p>All employees are expected to adhere to a high standard of personal conduct and not to engage in any activities or interests that conflict with any of the Company's business. This policy covers the following elements:</p> <ul style="list-style-type: none"> <li>· General conduct</li> <li>· Management of data and intellectual property</li> <li>· Anti-corruption (conflict of interests, prohibition, non-solicitation)</li> </ul> <p>In FY2023, anti-corruption policies were communicated to all employees and all Board members in the absence of formal training.</p>
<p><b>Whistleblowing Policy</b></p> 	<p>The policy serves to encourage and provide a channel to employees of the Company and any other persons to report in good faith and in confidence, without fear of reprisals, concerns about possible wrongdoing, or breach of applicable laws, regulations, policies, or other other matters.</p> <p>If an employee believes that any other employee or person acting on behalf of the Company has engaged in any wrongdoing, the employee may report it to the Chairman of the Audit Committee directly.</p>
<p><b>Internal Code on Dealing in Securities</b></p> 	<p>Chuan Hup's internal code on securities trading sets out the implications of insider trading and provides guidance and internal regulation on dealings in the Company's securities by its Directors and employees.</p>

# Our Governance

Chuan Hup conducts internal and external audits regularly to review the company policies and practices and to reinforce our commitment to ethical business in all our operations. In FY2023, we have assessed there are no corruption-related risks for Chuan Hup's investment holding and trading operations<sup>2</sup>. Feedback from all stakeholders during Annual General Meetings and Extraordinary General Meetings are communicated to Senior Management to further enhance and improve the Company's business operations. Also, to ensure compliance with all regulatory requirements, the Directors and Senior Management has been updated by both its external and internal auditors on changes to the Code of Corporate Governance and SGX Listing Rules. In compliance to the enhanced SGX sustainability reporting rules, all Directors have attended training on sustainability provided by the Singapore Institute of Directors (SID) and Institute of Singapore Chartered Accountants (ISCA).

More detailed corporate governance practices are set out in our Corporate Governance Report, found from pages 24 to 39 of Chuan Hup's 2023 Annual Report, with specific reference to the principles of the Code of Corporate Governance 2018.

## TARGETS AND PERFORMANCE [\[2-27\]](#) [\[205-3\]](#)

In FY2023, there were no cases of corruption and non-compliance with regards to environmental and socioeconomic laws and regulations. Chuan Hup will continue to maintain this high level of standards and performance by constantly reviewing and updating our policies and procedures to best meet our needs.

PERPETUAL TARGETS	FY2021	FY2022	FY2023
Zero reported incidents of corruption and fraud, yearly	✓	✓	✓
Zero non-compliance with laws and/or regulations resulting in significant fines, yearly	✓	✓	✓

## DIGITALISATION & INFORMATION SECURITY [\[3-3\]](#)

Information is of valuable importance in any organisation and must be adequately secured, with significant information security and privacy risks associated with the mismanagement of data. As business operations become increasingly digitised with the ever-changing technological advancements in the industry, challenges in data security have also increased.

Chuan Hup has put in place internal systems controls to protect our data and information. We are committed to building a secured information security infrastructure. Since starting on our digital transformation journey in FY2021, Chuan Hup has continued to identify the gaps in our digital infrastructure and adopt new technologies to meet the challenges arising from new working arrangements. While digitalisation does come with risks relating to information security and privacy which are increasingly complex to monitor outside of the office environment, Chuan Hup has taken precautionary measures through the enhancement of its digital security protocols and infrastructure to manage this risk.

## POLICIES AND PRACTICES [\[2-23\]](#) [\[2-24\]](#) [\[2-25\]](#)

At Chuan Hup, all employees are required to abide by the Group's digitalisation and information security policy. This is in addition to the standard personal conduct requirement listed in the Company Employee Handbook. The rules for digitalisation and information security policies are summarised below in Figure 5.

<sup>2</sup> As our investment holding and trading operations are our only relevant operations, the total percentage assessed is 100%.

# Our Governance

Figure 5. Summary of Chuan Hup's Digitalisation and Information Security policy



The figure is a white rectangular box containing four policy items, each with an icon and a list of details. 1. 'Work Ethics Under Company Employee Handbook' with a magnifying glass over a document icon, listing confidentiality, rules of conduct, and personal data protection. 2. 'IT Disaster Recovery Plan' with a cloud and arrows icon, listing ways to reduce interruptions like limiting damage and training staff. 3. 'IT Security Policy' with a shield and lock icon, stating the aim to safeguard confidentiality, integrity, and availability. 4. 'IT Backup Policy' with a cloud and refresh icon, stating the aim to provide backup information for Windows servers and ensure it is verified and accessible.

-  **Work Ethics Under Company Employee Handbook**
  - Confidentiality of Company Information
  - Rules of Conduct for System Usage & Security
  - Personal Data Protection
-  **IT Disaster Recovery Plan**

To reduce possible interruptions to normal operations by:

  - Limit extent of disruptions and damage
  - Establish means of operation in advance
  - To train staff with procedures in emergencies
  - To provide smooth and rapid restoration of service
  - Minimise economic impact during interruption
-  **IT Security Policy**

Aim to safeguard the confidentiality, integrity and availability of company information assets
-  **IT Backup Policy**

To provide general and concise information on how Windows servers are backed up, and to ensure the backup set is verified and accessible.

To ensure that our server is protected and functions efficiently, Chuan Hup conducts monthly review of systems audit log to detect suspicious activity and unauthorised access.

## Digitalisation [Non-GRI]

Chuan Hup's digital transformation journey continues to accelerate in FY2023, allowing us to conduct business more efficiently and securely. Several digitalisation initiatives for suppliers, employees and other stakeholders are now core parts of our BCP and BCM.

In FY2023, Chuan Hup implemented the Resource Manager ("RM") system, which covers the end-to-end workflow from purchase requisition ("PR") up to invoice receipting ("IR") for purchase of goods and services. This system will help to strengthen the current internal controls over purchases of goods and services. The implementation of the RM system allows automation and streamlining of the initiation and approval process at various stages of the entire work flow. This result in increased efficiency, a reduction in the number of errors made, improved traceability of documents from PR to IR, and a reduction in manual work involved where possible.

In addition, we revamped our corporate website and optimised it for mobile usage, enabling easier access for users. Our website is now hosted on a cloud provider with enhanced cybersecurity initiatives, resulting in greater security against external attacks. We also installed a new multi-functional copier which can only be accessed by authenticated users.

# Our Governance

Figure 6. Summary of Chuan Hup's digitalisation initiatives in FY2023



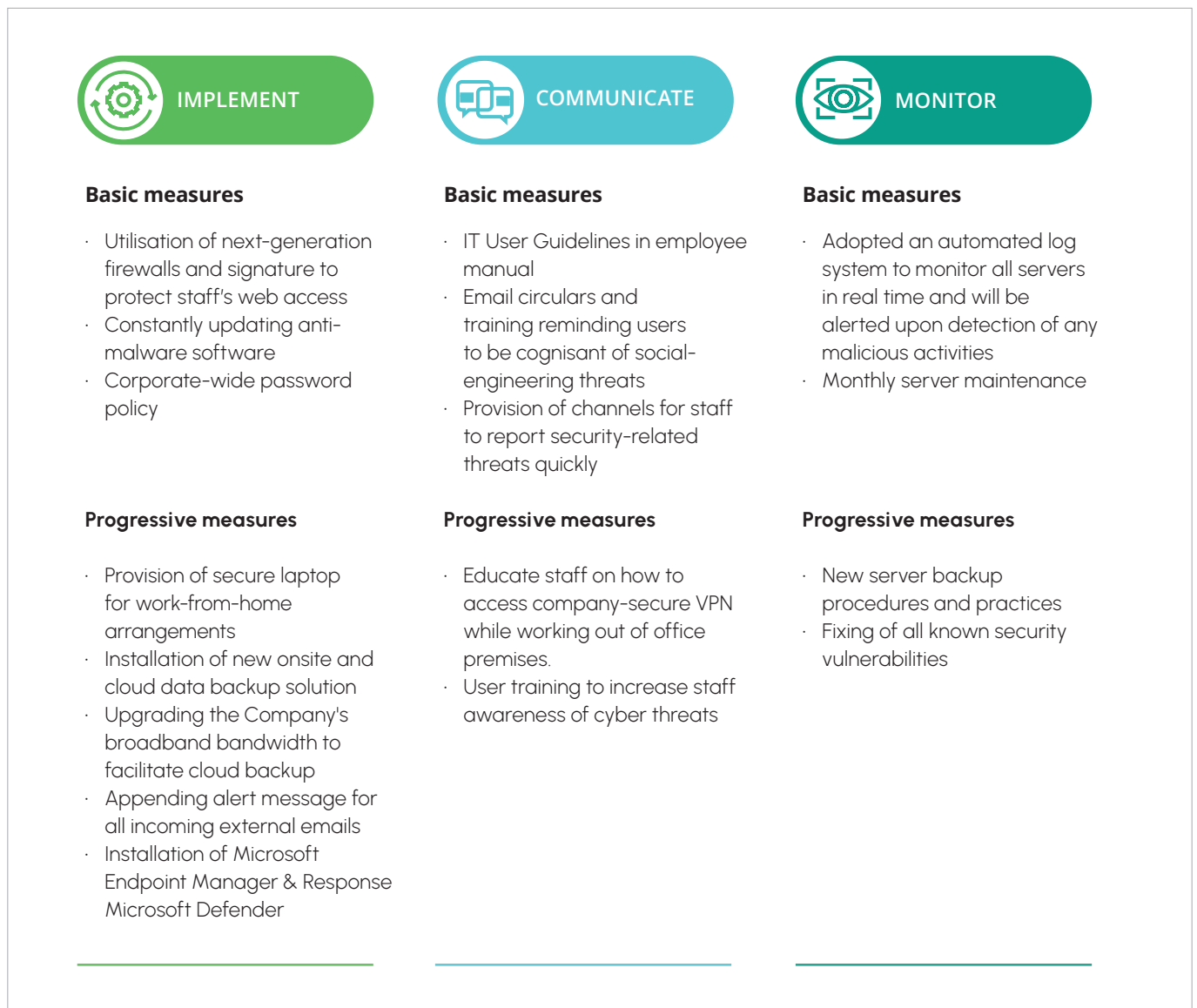
At Chuan Hup, all employees are also routinely provided with trainings to ensure the smooth implementation and adaptation of our digital tools. Our digitalisation efforts not only expedite workflows in keeping up with the evolving changes in business practices but also encourage paper-saving actions to encourage the conservation of our environment.

## Information Security [Non-GRI]

Chuan Hup adopts an "Implement", "Communicate", and "Monitor" approach towards information security policies and practices. Building on good practices from previous years, in FY2023, Chuan Hup continues to take further measures to better meet the challenges arising from changing workplace environments and external information security threats. An overview of our approach and initiatives for FY2023 can be found in Figure 7 below.

# Our Governance

Figure 7. Summary of Chuan Hup's information security practices and initiatives in FY2023



# Our Governance

Cyber threats continue to evolve with sophistication, and it is imperative that Chuan Hup maintains stringent safeguard mechanisms to protect its IT infrastructure. As such, we continued to provide user training in FY2023 to increase our employees' awareness of these cyber threats and exercise due diligence when accessing company data and information.

In FY2023, Chuan Hup successfully enabled the management of all endpoints via the Microsoft Endpoint Manager admin portal on the cloud, which allows for swifter resolution of endpoint-related issues. All application systems and operating systems were updated to the latest versions available, and all known security vulnerabilities were fixed. Chuan Hup also migrated all systems to the cloud, which has enabled all our systems to be protected with the latest security functions, shortened the backup and restoration time, quickened the recovery duration, and reduced operating costs.

It is in our pipeline to continue the improvement of our digitalisation and information security schemes, through the following initiatives:

- Update application systems and operating systems to the latest version supported by our vendor; and
- Conduct a security assessment by an external vendor to understand and improve the current IT infrastructure and security posture.

## TARGET AND PERFORMANCE (Non-GRI)

During the reporting period, there were no substantiated complaints with respect to breaches to our data systems. We will continue to exercise diligence in safeguarding our data and information while continuing to explore new technologies and practices to ensure that the integrity of our data is kept secure.

PERPETUAL TARGET	FY2021	FY2022	FY2023
Zero substantiated complaints concerning breaches of privacy and losses of organisation's data	✓	✓	✓

# Our People

## EMPLOYEE PROFILE <sup>[2-7]</sup>

Our employees are central to Chuan Hup's business model. We recognise that cultivating and retaining a capable and engaged workforce is critical to the long-term growth of the business in delivering our strategy and ensuring our ability to grow. To keep our employees engaged and motivated, we are committed to provide a nurturing, inclusive and safe working environment with continual opportunities for development.

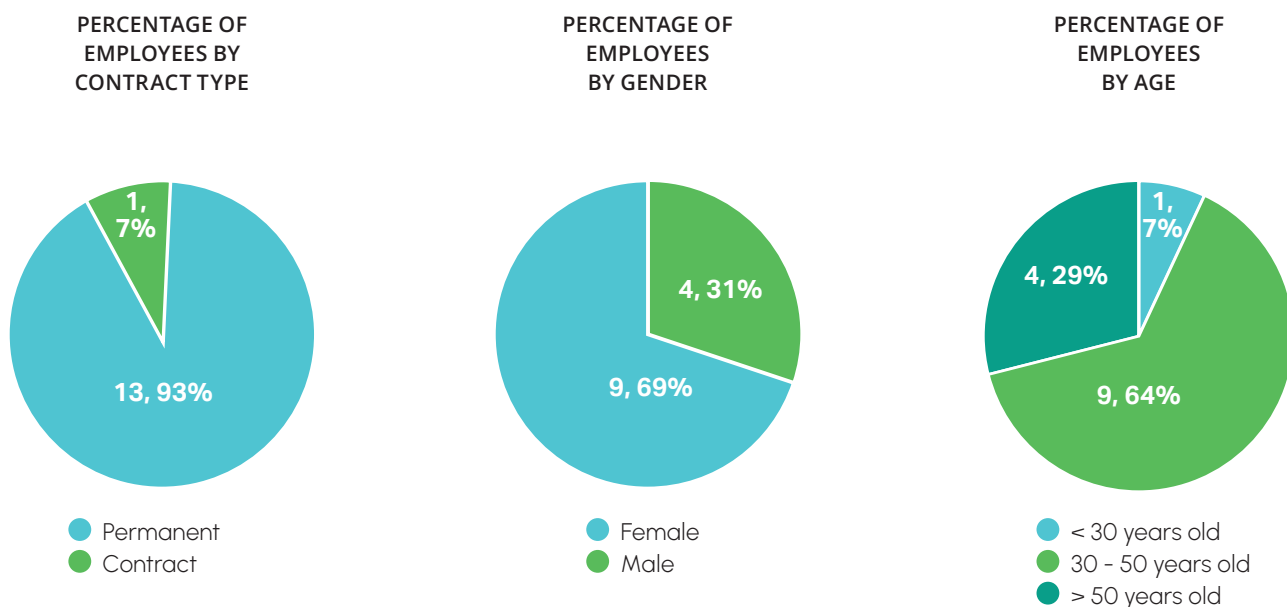
Below is an overview (Figures 8 and 9) of our employee profile for FY2023. Chuan Hup did not have any part-time employees in the reporting period. In addition, all of our employees are based in Singapore.

Figure 8. Overview of Chuan Hup's Employee Profile in FY2023

REPORTING YEAR	TOTAL NUMBER OF EMPLOYEES
FY2021	17
FY2022	15
FY2023	14

In FY2023, our employee count saw a decrease from 15 to 14.<sup>3</sup> This reduction is mainly attributed to the implementation of digitalisation, which has enhanced work productivity and efficiency.

Figure 9. Detailed breakdown of Chuan Hup's Employee Profile in FY2023.

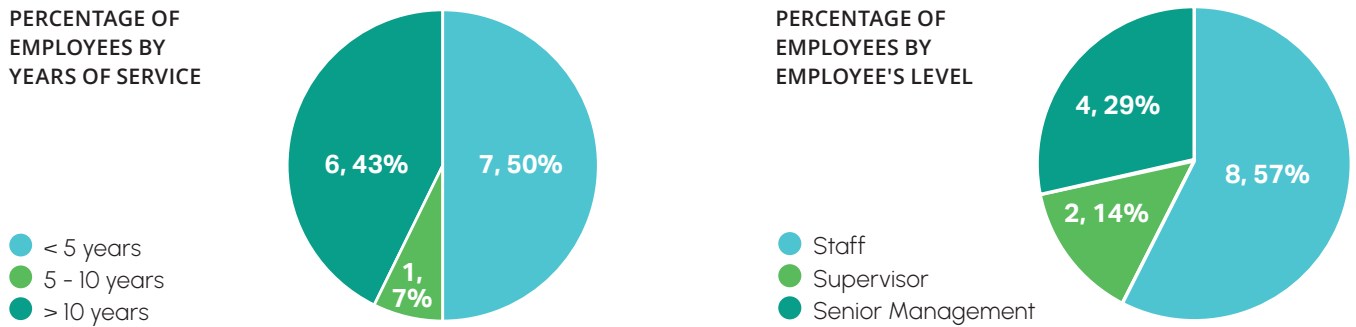


<sup>3</sup> Chuan Hup has one employee, who has reached the retirement age, under re-employment contract.



# Our People

Figure 9: Detailed breakdown of Chuan Hup's Employee Profile in FY2023 (cont'd).



## HEALTH AND SAFETY [3-3]

Chuan Hup places the health, safety, and well-being of our employees as a key priority. We continue to implement rigorous health and well-being policies and practices while instilling safe working practices to keep our employees safe and healthy. We have taken proactive steps to reduce the risk of injury to our staff. We remain committed to our long-term goal of "zero accidents" and are continuously reviewing our safety procedures to ensure the relevance and achievability of our targets.

## POLICIES AND PRACTICES [2-23][2-24][2-25][403-6]

Our health and safety policies are summarised below:

Figure 10. Summary of Chuan Hup's Health and Safety focus

WORKPLACE SAFETY	EMPLOYEE HEALTH	EMPLOYEE WELL-BEING
<p><b>Overview</b> Chuan Hup strives to create a safe working environment for all our employees.</p>	<p><b>Overview</b> Chuan Hup is committed to providing health benefits for all our employees.</p>	<p><b>Overview</b> Chuan Hup is committed to a workplace environment that is free from harassment.</p>
<p><b>Policies &amp; Practices</b></p> <ul style="list-style-type: none"> <li>· 'House Rule' Policy</li> <li>· Hazard Reporting System</li> <li>· Participate in the Company's office building fire drill exercise annually.</li> <li>· Maintain workplace hygiene with carpet cleaning bi-annually.</li> </ul>	<p><b>Policies &amp; Practices</b></p> <ul style="list-style-type: none"> <li>· Annual Health Screening</li> <li>· Employee Health Insurance</li> <li>· Group Term Life and Group Personal Accident Insurance Scheme</li> <li>· Work Injury Compensation Insurance</li> <li>· Medical benefits</li> </ul>	<p><b>Policies &amp; Practices</b></p> <ul style="list-style-type: none"> <li>· Anti-Harassment Policy</li> </ul>

# Our People

Chuan Hup places a strong emphasis on safeguarding the well-being and human rights of our employees. The Board of Directors have approved several governance and benefits policies which ensures a safe working environment that respects individuals' rights to life, security, and dignity. These policies include our Whistleblowing policy, our adherence to the regulations of the Personal Data Protection Act, our Anti-Harassment policy, and our health benefits extended to all staff, and are readily accessible to all employees in the Company's shared drive.<sup>4</sup>

## TARGETS AND PERFORMANCE [403-9] [403-10]

Chuan Hup has achieved zero work-related fatalities, high consequence injuries<sup>5</sup>, or work-related ill health cases<sup>6</sup> from FY2020 to FY2023. In FY2023, we recorded one instance of workplace injury, a cut caused by opening of a glass door. In response, safety measures have been put in place to address potential hazards, such as the use of corner protectors.

Since FY2018, our yearly average manhours have been maintained between 2,020 to 2,080 hours. Table 3 summarises our workplace health and safety performance in FY2023.

Table 3. Summary of Chuan Hup's Workplace Health and Safety Performance over a period of 3 years

PERFORMANCE INDICATORS	FY2021		FY2022		FY2023	
	Number	Rate	Number	Rate	Number	Rate <sup>7</sup>
Work-related Fatalities	0	0	0	0	0	0
Work-related High-consequence Injuries	0	0	0	0	0	0
Work-related Recordable Injuries	0	0	0	0	1	7.03
Work-related Ill Health Cases (including fatalities)	0	0	0	0	0	0
<b>Average Manhours worked</b>	<b>2,074</b>		<b>2,073</b>		<b>2,033</b>	

Our participation rate for our annual health screening remains above our perpetual target of 70%, at 80% in FY2023. Moving forward, we will continue to encourage all our employees to take part in this health screening.

PERPETUAL TARGETS	FY2021	FY2022	FY2023
Zero reported incidents of injuries yearly	✓	✓	—
Achieve a >70% participation rate for Chuan Hup annual health screening	✓	✓	✓

<sup>4</sup> These policy commitments are not publicly available as they are confidential internal documents.

<sup>5</sup> Under GRI, high consequence injuries refer to injuries where the worker cannot, does not, or is not expected to fully recover to pre-injury health status within 6 months.

<sup>6</sup> Under GRI, work-related ill health covers, but is not limited to, occupational diseases as defined by the International Labour Organisation.

<sup>7</sup> Injury Rate is calculated as the total number of workplace injuries per 200,000 hours worked during the reference period.

# Our People

## TALENT MANAGEMENT

At Chuan Hup, we believe that a skillful and proficient workforce greatly contributes to seizing opportunities as our economy and society continues its pathway towards a full recovery. Enhanced employee competency resulting from training programmes can improve the quality of work produced, leading to efficiency and productivity. This, in turn, can contribute to economic growth and competitiveness. In addition, providing training and development opportunities to employees can promote employee commitment and fulfilment, leading to increased job satisfaction and motivation. These impact positively on the overall work environment and contribute to human rights by providing equal opportunities for career development and maximising the potential of a diverse workforce.

## POLICIES AND PRACTICES [2-23][2-24][2-25][404-2]

Chuan Hup places great emphases on talent development and management. We are committed to attracting, managing, developing, and retaining talent and excellent employees in a focused yet sustainable manner. We endeavor to motivate our employees by giving them opportunities to develop their skills and capabilities, ultimately helping to improve the Company's business performance.

Our learning and development policy places emphasis on self-development whereby employees are encouraged to explore specific skillsets that they wish to develop, supported by the Company as appropriate. Such courses and skillsets include courses on IT-related training, and development courses which enable employees to learn new skills. This enables and empowers our employees to take ownership of their personal growth and career development, which often results in improved work productivity and efficiency.

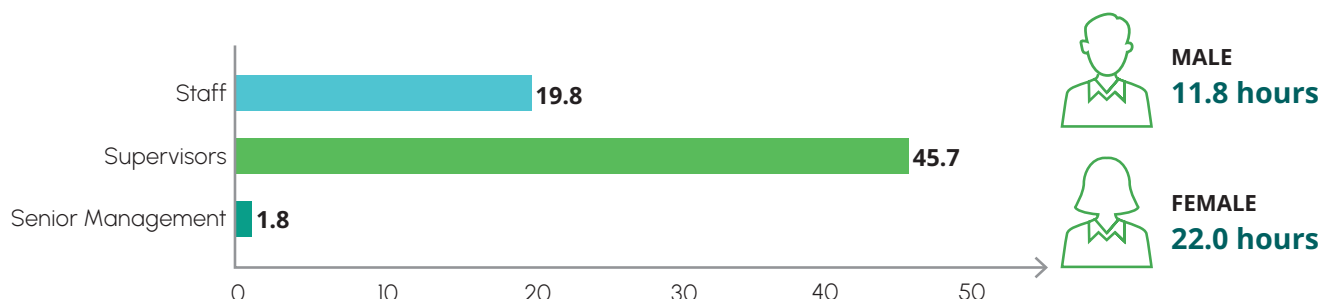
Chuan Hup also provides transition assistance programmes for employees who are seeking alternative career options, and to our senior employees who are approaching retirement. We offer job counselling to employees at least half a year before reaching retirement age, including the option of re-employment and re-training for those who wish to continue working with us. We also provide job placement services and additional assistance for employees who are transitioning to other positions or non-working positions.

## TARGET AND PERFORMANCE [2-4] [404-1] [404-3]

Our employees at all levels participated in both internal and external training from information sessions about regulatory changes, market-specific seminars, to training on the use of new digital software. In FY2023, Chuan Hup employees underwent 257 hours of training.

Chuan Hup remains committed to our digitalisation transformation journey. Our focus on training and upskilling our workforce has allowed our team to become more efficient, delivering results of higher work productivity.

Figure 11. Breakdown of FY2023 average training hours by employee category and gender



# Our People

Table 4. Summary of Chuan Hup's training hours and average training hours over a period of 3 years

TRAINING HOURS	FY2021	FY2022 <sup>8</sup>	FY2023
Total	327.75	441.2	256.8
Average	19	29	18

Building on our performance in previous years, this year, Chuan Hup set a perpetual target to conduct an annual performance review for all employees (except directors). The review is conducted by our HR department in the form of talent performance and career development evaluations, to motivate employees to track their progress and identify potential areas of improvement that they should work on in the coming phase. We successfully met our target this year and will continue to conduct regular performance reviews for all employees.

PERPETUAL TARGET	FY2021	FY2022	FY2023
All employees (except directors) to undergo annual performance review	✓	✓	✓

The performance of our Board and our Directors is assessed on an annual basis in consultation with the Nominating Committee. Please refer to our 2023 Annual Report page 29 for further details.

<sup>8</sup> FY2022 numbers have been restated due to computation error in calculating total and average training hours, resulting in a 0.1% decrease in total training hours and 12% increase in average training hours.

# GRI Content Index

Statement of Use		Chuan Hup has reported in accordance with the GRI Standards for the period from 1 July 2022 to 30 June 2023.		
GRI Used		GRI 1: Foundation 2021		
GENERAL DISCLOSURES				
GRI Standard	GRI Disclosure		Section of Report and/or Explanation for Omission	Page Reference
GRI 2: General Disclosures 2021	Organisational Profile			
	2-1	Organisational details	About Chuan Hup	Page 3
	2-2	Entities included in the organisation's sustainability reporting	Reporting Period and Scope	Page 2
	2-3	Reporting period, frequency and contact point	Reporting Period and Scope Feedback	Page 2
	2-4	Restatements of information	Talent Management – Target and Performance	Page 18
	2-5	External assurance	External assurance was not conducted for this report.	
	Activities and Workers			
	2-6	Activities, value chain and other business relationships	About Chuan Hup	Page 3
	2-7	Employees	Employee Profile	Page 14 to 15
	2-8	Workers who are not employees	Chuan Hup does not have any workers who are not employees.	
	Governance			
	2-9	Governance structure and composition	Sustainability Governance Annual Report, Page 22	Page 4
	2-10	Nomination and selection of the highest governance body	Annual Report, Page 28	N.A.
	2-11	Chair of the highest governance body	Annual Report, Page 28	N.A.
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	Page 4
	2-13	Delegation of responsibility for managing impacts	Sustainability Governance	Page 4
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance	Page 4
	2-15	Conflicts of interest	Corporate Governance, Business Ethics and Compliance to Laws Annual Report, Page 24	Page 8
	2-16	Communication of critical concerns	Annual Report, Page 36	N.A.
	2-17	Collective knowledge of the highest governance body	Annual Report, Page 26 to 27	N.A.
	2-18	Evaluation of performance of the highest governance body	Annual Report, Page 29	N.A.
2-19	Remuneration policies	Annual Report, Page 30 to 32	N.A.	
2-20	Process to determine remuneration	Annual Report, Page 30 to 32	N.A.	
2-21	Annual total compensation ratio	Not disclosed as employee compensation is confidential information.		

# GRI Content Index

GENERAL DISCLOSURES			
GRI Standard	GRI Disclosure	Section of Report and/or Explanation for Omission	Page Reference
<b>Strategy, Policies, and Practices</b>			
	2-22	Statement on sustainable development strategy	Statement from Our Board Page 1
	2-23	Policy commitments	Corporate Governance, Business Ethics and Compliance to Laws Digitalisation & Information Security Health and Safety Talent Management Page 8, 9, 15, 17
	2-24	Embedding policy commitments	Corporate Governance, Business Ethics and Compliance to Laws Digitalisation & Information Security Health and Safety Talent Management Page 8, 9, 15, 17
	2-25	Processes to remediate negative impacts	Corporate Governance, Business Ethics and Compliance to Laws Digitalisation & Information Security Health and Safety Talent Management Page 8, 9, 15, 17
	2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance, Business Ethics and Compliance to Laws Page 8
	2-27	Compliance with laws and regulations	Corporate Governance, Business Ethics and Compliance to Laws - Targets and Performance Page 9
	2-28	Membership Associations	Memberships and Associations Page 7
<b>Stakeholder Engagement</b>			
	2-29	Approach to stakeholder engagement	Stakeholder Engagement Page 6 to 7
	2-30	Collective bargaining agreements	No collective bargaining agreements are in place. The working conditions and terms of employment of employees are not influenced or determined based on other collective bargaining agreements.
<b>Reporting Practice</b>			
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	Materiality Assessment Page 5
	3-2	List of material topics	Materiality Assessment Page 6
MATERIAL TOPICS			
GRI Standard	GRI Disclosure	Section of Report and/or Explanation for Omission	Page Reference
<b>Corporate Governance, Business Ethics and Compliance to Laws</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of Material topics	Corporate Governance, Business Ethics and Compliance to Laws Page 8
<b>GRI 205: Anti-corruption 2016</b>	205-1	Operations assessed for risks related to corruption	Corporate Governance, Business Ethics and Compliance to Laws – Policies and Practices Page 8
	205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance, Business Ethics and Compliance to Laws – Policies and Practices Page 8

# GRI Content Index

MATERIAL TOPICS				
GRI Standard	GRI Disclosure		Section of Report and/or Explanation for Omission	Page Reference
<b>Corporate Governance, Business Ethics and Compliance to Laws</b>				
<b>GRI 205: Anti-corruption 2016</b>	205-3	Confirmed incidents of corruption and actions taken	Corporate Governance, Business Ethics and Compliance to Laws – Targets and Performance	Page 9
<b>Digitalisation &amp; Information Security</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of Material topics	Digitalisation & Information Security	Page 9
<b>Health and Safety</b>				
<b>GRI 3: Material Topics 2021</b>	3-3	Management of Material topics	Health and Safety	Page 15
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	Not Applicable	
	403-2	Hazard identification, risk assessment, and incident investigation	Not Applicable	
	403-3	Occupational health services	Not Applicable	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Not Applicable	
	403-5	Worker training on occupational health and safety	Not Applicable	
	403-6	Promotion of worker health	Health and Safety – Policies and Practices	Page 15
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Not Applicable	
	403-9	Work-related injuries	Health and Safety – Targets and Performance	Page 16
	403-10	Work-related ill health	Health and Safety – Targets and Performance	Page 16
<b>Additional Reporting Matters</b>				
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per employee	Talent Management – Target and Performance	Page 17 to 18
	404-2	Programmes for upgrading employee skills and transition assistance programmes	Talent Management – Policies and Practices	Page 17
	404-3	Percentage of employees receiving regular performance and career development reviews	Talent Management – Target and Performance	Page 17 to 18



**Chuan Hup Holdings Limited**

(Co. Reg. No. 197000572R)

8 Eu Tong Sen Street

#24-90 The Central

Singapore 059818

Tel: (65) 6559 9700 Fax: (65) 6268 1937

Website: [www.chuanhup.com.sg](http://www.chuanhup.com.sg)

Email: [corpsec\\_legal@chuanhup.com.sg](mailto:corpsec_legal@chuanhup.com.sg)