



**ALSET**  
INTERNATIONAL  
LTD

# SUSTAINABILITY REPORT 2020

This sustainability report has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange 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.

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# BOARD STATEMENT

GRI 102-14

**Dear Stakeholders,**

On behalf of the board of directors (“Board” or “Directors”) of Alset International Limited and its subsidiaries (“Alset” or collectively “the Group”), we are pleased to present to you the fourth Sustainability Report (“SR”) of our Group for the financial year ended 31 December 2020 (“FY2020”) which provides information on the economic, environmental and social aspects of our sustainability practices in two (2) major operating business namely property development and biomedical science.

Sustainability continues to be a widely discussed issue both locally and globally. At Alset, we continue to focus on our progress towards sustainable development and how we have aligned our business practices and operations against our Environmental, Social and Governance (“ESG”) goals.

The report provides an avenue for us to keep our stakeholders informed about our sustainability performance. It will also highlight the Group’s strategies, policies, practices, performances, and targets, for the period 1 January 2020 to 31 December 2020 (“FY2020”), in relation to the economic, environmental, social and governance factors as stated in the Global Reporting Initiative Standards (GRI Standards).

For FY2020, we have identified ten (10) indicators that matter most to our business, and to both internal and external stakeholders.

These material issues have been taken into account through our four Pillars of sustainability strategies - Corporate Governance, Economic Performance, Environmental Sustainability and Human Capital.

<p><b>Corporate Governance</b></p>	<p>Corporate governance is at the centre of our business in achieving our sustainability goals. Alset believes that good corporate governance practices are essential in building a sound corporation with an ethical environment, thereby protecting the interests of all stakeholders. We do not tolerate any form of corruption or fraud within the Group.</p>
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<b>Economic Performance</b>	Alset believes in the creation of long-term economic value and a stable economic performance of the Group by adopting responsible business practices and growing business in a sustainable manner. The Group generates revenue primarily from property development and biomedical science business for FY2020.
<b>Environmental Sustainability</b>	Alset believes that environmentally friendly practices complement business efficiency and advocates corporate social responsibility towards the environment by incorporating these processes in our operations. As a socially responsible corporation, Alset strictly complies with related environmental and health and personal care products safety regulations. We remain conscious of our energy footprints and look for ways to reduce them while balancing our needs.
<b>Human Capital</b>	Employees are highly valued as they are a key to the contribution of Alset's growth and success. As such, we emphasize the career development, welfare, health and safety of every employee. The health & safety of our employees is our priority. Policies on health and safety are in place to protect all employees. In addition, with the outbreak of the Coronavirus Disease 2019 ("COVID-19") pandemic, we have stepped up our controls and implemented safe management measures at our workplace.

Alset anticipates significant uncertainty in our businesses in view of the COVID-19 pandemic. During this challenging time, Alset will continue to monitor the dynamic economic, environment, social, and governance landscape.

We recognize the need to adapt our operations to accommodate these changes. Alset's Board will continue to consider sustainability issues as part of our strategic formulation and operations across the Group.

We appreciate having all our stakeholders on this journey together with us, to build a more sustainable future.

**Mr. Chan Heng Fai**

**Executive Chairman, Executive Director and Group Chief Executive Officer**

# ABOUT THIS REPORT

## Reporting Period

GRI 102-49, 102-50, 102-51, 102-52

Our Sustainability Report is published on an annual basis. This is the fourth issue of our Sustainability Report and it covers the Financial Year 2020 (“FY2020”), for the period of 1 January 2020 to 31 December 2020. The third sustainability report published by Alset was the Sustainability Report 2019 which was released on 29 May 2020.

We reported our data in good faith and to the best of our knowledge. We strive to continuously improve our data collection and reporting process.

## Reporting Scope

GRI 102-45, 102-48

We will present our sustainability initiatives in respect of environmental, social and economic issues relevant to our businesses and boundaries. Finally, we will provide the information of our key performance indicators, performance targets and outcomes.

All data, statistics and improvement targets in this report relate to Alset’s Property Development business and Biomedical Science business, which accounts for the revenue generated by the Group.

The Property Development business derives revenue from the Ballenger Run Project (located near Washington D.C. in Frederick, Maryland) and the Biomedical Science business derives revenue from its network marketing distribution of health and personal care products, which commenced operations in South Korea in FY2020.

There are no restatements of information in this report.

## GRI Guidelines

GRI 102-54, 102-56

This report is prepared based on the GRI Sustainability Reporting Standards 2016, in accordance with the Core option. The GRI Sustainability Reporting Standards is adopted as it is internationally recognized and widely adopted, enabling us to provide a broad and comparable disclosure of the environmental, social and governance performance that aids Alset in presenting a balanced view of the Group's contributions towards sustainable development. The GRI content index and relevant references are provided on pages 28 - 30 of the report. No external assurance has been sought for this reporting period.

This report also incorporates the primary components of the report content as set out in the "Comply or Explain" requirements for sustainability reporting under Rule 711B of Section B: Rules of Catalist of the Listing Manual of the SGX-ST (the "Listing Rules")

## Format of Reporting

In line with our environmental conservation efforts, we will not be printing any hard copies of this Report. An electronic edition of this Report is made available on the SGXNET and Alset's website.

## Feedback

GRI 102-53

We value your feedback on the content of this report and encourage you to address all feedback to:

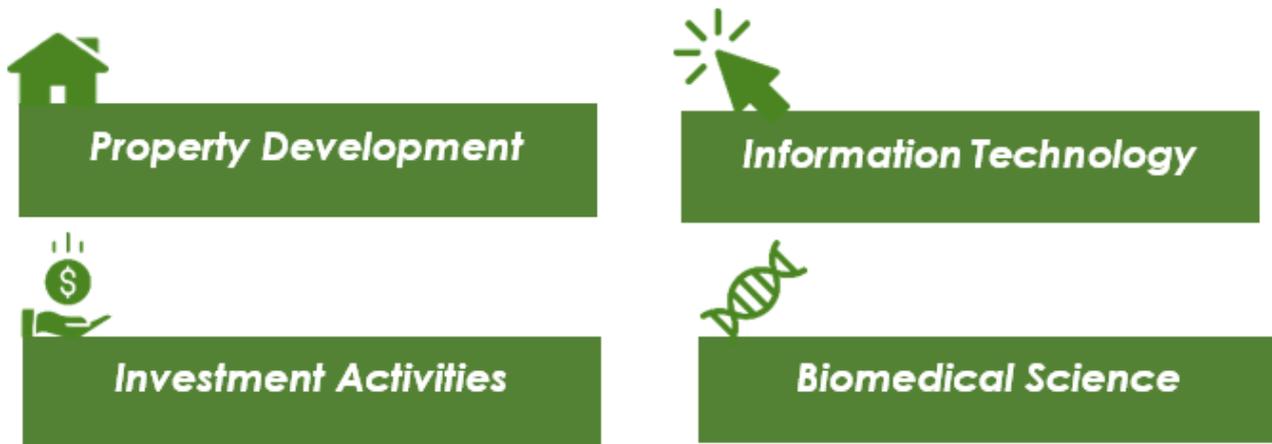
- Aileen Ang - Senior Vice President of Corporate Affairs
- [aileen@alsetinternational.com](mailto:aileen@alsetinternational.com)

# ABOUT ALSET

GRI 102-3, 102-4, 102-6

Incorporated on 9 September 2009 and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) since July 2010, Alset has since diversified into international markets.

The Group’s portfolio comprises:



Besides our head office located in Singapore, we have other global offices in Hong Kong, South Korea and the United States of America (“USA”). We serve in the markets of the following countries: Singapore, Australia, South Korea and the USA.

# SUSTAINABILITY AT ALSET

## Our Sustainability Reporting Structure

GRI 102-18

A robust governance structure helps to ensure that Alset is committed to sustainability. As such, Alset's sustainability drive is spearheaded by the Sustainability Executive Committee which oversees the group's sustainability strategies, initiatives and actions.

The Board approves the material economic, environmental, social and governance factors and the business operations executives are tasked to ensure that the factors identified are managed and monitored.

We ensure that we conduct our business process in a way that is accountable to our environment, our customers, employees and community, while at the same time help maintain sustainable economic growth for Alset.



## Our Supply Chain

GRI 102-9

Alset places an emphasis on sustainability in our value chain as we believe that a sustainable business operation is a strong driver of value and success for the business, as well as for the community and environment.

### Property Development Business

The Group endeavours to incorporate sustainable construction in our property development operations. Contractors and subcontractors will be required to have adequate environmental and occupational health and safety policies to ensure that their works and services have minimal environmental impacts and workplace safety risk.

All our suppliers under Alset's Property Development business, who we have a long-term relationship with, are companies based in the USA. The general services we procure are construction, engineering and architectural services.

The Group will ensure that all applicable safety laws and regulations which have been put in place in relation to the COVID-19 pandemic are strictly adhered to in the process of property development and construction.



### Biomedical Science Business

The Group is committed to making the quality and safety of our health and personal care products our topmost priority. From the procurement to distribution of our products, we exercise extreme caution in evaluating the quality of our suppliers' products to ensure safety of consumer along our supply chain.

Most of our suppliers are companies based in the Canada, United States and South Korea. The general products and services we procured are health and personal care products as well as security authentication services. We strictly comply with safety regulations by the local regulatory bodies and we only engage with suppliers who possess the relevant certifications.



# OUR APPROACH TO SUSTAINABILITY

GRI 103-1, 103-2, 103-3

## Our Sustainability Strategy

Alset takes a four-Pillars approach to sustainability strategy formalized by the Sustainability Committee. These four material pillars are identified as Corporate Governance, Economic Performance, Environmental Sustainability and Human Capital. These pillars, as part of our sustainability strategy and operations, guide us in creating sustainable value for all our stakeholders.

### Property Development Business

The Group aspires to meet the current and upcoming expectations posed by sustainable development in the property industry. The evolution of the industry has brought about a strong emphasis on environmental and social considerations in property valuation, thereby requiring new ways of assessing property worth and value.

Some features of a sustainable property business are as follows:

- Develop, design and construct green and eco-friendly sustainable properties
- Minimise negative environmental impacts and maximise sustainable use of resources in properties developed.
- Provide property related services that are environmentally friendly and which benefit the social community
- Provide long-term sustainable value for property owners as well as tenants.

### Biomedical Science Business

The Group aspires to benefit the environment and society through our commitment towards a sustainable health and personal care supply chain. We are committed to protecting the health and safety of our consumers by distributing safe health and personal care products that are of good quality and nutritional value.

In addition to our focus on health and safety, we endeavour to develop an environmentally responsible supply chain by procuring from suppliers that implement sustainable business practices and comply with environmental regulations.

## Stakeholder Engagement

GRI 102-40, 102-42, 102-43, 102-44

Business decisions made by Alset consider the interests of our stakeholders who are or would be affected by our operations and decision-making processes.

Our stakeholders include employees; suppliers; customers; regulators; investors; and shareholders whom we have identified considering the economic, environmental, and social impacts of our business, across the supply chain which are applicable to both Property Development and Biomedical Science businesses.

Due to COVID-19, the frequencies of physical engagements with stakeholders have been reduced. Instead, Alset transitioned to using Zoom online platform to engage stakeholders.

We continually engage our stakeholders in the performance of our business through various channels. Through open communication channels, we align our sustainability approach with their needs and expectation. This engagement is important as we seek opportunities to manage our businesses in a sustainable manner.

	STAKEHOLDERS'	COVID-19	MODE OF ENGAGEMENT
	EXPECTATIONS/CONCERNS	SPECIFIC CONCERNS	PLATFORM
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>• Safe and conducive workplace</li> <li>• Fair labour practices and compensation</li> <li>• Environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace flexibility</li> <li>• Enhanced safety protocol in COVID-19 responses</li> </ul>	<ul style="list-style-type: none"> <li>• Trainings</li> <li>• Grievance/ feedback channels</li> <li>• Regular reviews and appraisals</li> <li>• Intranet platform for policies, news and benefits</li> <li>• Provide timely updates on COVID-19 specific working arrangements.</li> </ul> <p style="text-align: right;"><i>Frequency: When necessary</i></p>
<b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>• Product compliance with all relevant regulations</li> <li>• Timely follow-up on customer feedback</li> <li>• Ability to offer competitive and cost-efficient solutions which are safe and environmentally responsible</li> <li>• Quality and safety of products and services</li> </ul>	<ul style="list-style-type: none"> <li>• Access to product training and knowledge via Zoom</li> <li>• Reliability of supply</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback channels such as email and telephone communications</li> <li>• Client meetings</li> <li>• Corporate website, email and newsletters</li> </ul> <p style="text-align: right;"><i>Frequency: When necessary</i></p>
<b>SUPPLIERS</b>	<ul style="list-style-type: none"> <li>• Clear two-way communication channels</li> <li>• Product safety and quality</li> <li>• Timely feedback regarding materials/ services provided</li> </ul>	<ul style="list-style-type: none"> <li>• Reliability of supply</li> </ul>	<ul style="list-style-type: none"> <li>• Inspections and quality site visits</li> <li>• Quotations and requests for proposal</li> <li>• Raw material specifications discussion meetings</li> </ul> <p style="text-align: right;"><i>Frequency: When necessary</i></p>
<b>SHAREHOLDERS &amp; REGULATORS</b>	<ul style="list-style-type: none"> <li>• Business resilience and financial performance</li> <li>• Business strategy and direction</li> <li>• Corporate governance and compliance</li> <li>• Transparent and timely communication of information</li> <li>• Timely reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Adherence to workplace safe distancing guidelines from government authorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Results announcements and news releases</li> <li>• Corporate website and email</li> <li>• Annual General Meetings</li> <li>• Period audits &amp; regulatory inspections</li> </ul> <p style="text-align: right;"><i>Frequency: When necessary</i></p>

## Materiality Review Process

GRI 102-47

We applied the GRI reporting principles - stakeholder inclusiveness, the sustainability context, materiality and completeness - in defining the report content by considering the Group's activities, impact and substantive expectations and interests of our stakeholders.

In determining the material topics relevant to FY2020, Alset performed an internal strategy review which included a relook at our business strategy, business model, key stakeholders and processes to identify the Group's significant economic, environmental and social impacts as they are integral to Alset's success of building a sustainable future.

We identified the following ten (10) indicators during the review conducted. The materiality assessment was subsequently endorsed by the Sustainability Executive Reporting Committee. The following table summarises our key stakeholders, engagement platforms and their key concerns:

### MATERIAL INDICATOR

CATEGORY	CLASS	STANDARD	INDICATORS	ASPECT BOUNDARY
<b>ECONOMIC</b>	Economic Performance	201-1	Direct economic value generated and distributed	Within organisation
	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	
	Procurement Practices	204-1	Proportion of spending on local suppliers	
	Anti-Corruption	205-2	Communication and training about anti-corruption policies and procedures	
		205-3	Confirmed incidents of corruption and actions taken	

CATEGORY	CLASS	STANDARD	INDICATORS	
ENVIRONMENT	Energy	302-1	Energy Consumption Within the Organization	Within organisation
		302-4	Reduction of Energy Consumption	
	Compliance	307-1	Assessment of compliance with environmental laws and regulations	Within and outside organisation
CATEGORY	CLASS	STANDARD	INDICATORS	
SOCIAL	Employment	401-1	New employee hires and employee turnover	Within organisation
	Compliance	419-1	Assessment of compliance with laws and regulations in the social and economic area	Within and outside organisation

# CORPORATE GOVERNANCE

GRI 102-16, 103-1, 103-2, 103-3, 205-2, 205-3

**Alset is committed to achieving and maintaining a high standard of corporate governance and business integrity within the Group.**

The Group adheres to the principles and guidelines of the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore (the “MAS”). By having a high standard of corporate governance, it helps to ensure the stability and sustainability of the Group’s performance, protect the interests of shareholders of the Group and enhance long-term shareholders’ value and returns.

To effectively implement our sustainability approach and demonstrate accountability to our stakeholders, employees of Alset follow strictly to the Code of Conduct stated in the Employee’s Handbook, the Conflicts of Interest Policy, Whistleblowing Policy and Data Protection Policy as follows:

## **Code of Conduct**

The Group’s Code of Conduct serves as a central guide and reference to our employees in ensuring that they understand Alset’s expectations and guiding principles for workplace behaviours. Code of Conduct provides our employees with a roadmap and tools for their daily work. With clarity regarding leadership’s expectations that an employee can easily and regularly refer to, he/she can act with consistency.

## **Conflicts of Interest Policy**

We have established policies and procedures to ensure that our employees understand the procedures when his or her personal interest conflicts with those of the Group. All employees of the Group involved in the i) purchase of goods and services, ii) selection of suppliers of goods or services, iii) selection of third party partners/relationships with the Company, are required to declare and disclose any situation where their private businesses or personal interests conflict with those of the Group, or situations when they (or a close family member) have a direct or indirect personal relationship, affiliation or association with an existing or prospective supplier or patient of the Group.

## Data Protection Policy

GRI 418-1

As a company which involves in network marketing business, Alset collects relevant data and uses them for the distribution of our products and services. We assure customers that all personal data collected, used or disclosed will be protected under the PDPA and other relevant legislation. Our Data Protection Policy ensures that we are accountable to our customers and other stakeholders. Our Data Protection Policy is available on our Company's website at: <https://www.alsetinternational.com/privacy-policy>

## Whistleblowing Policy and Procedures

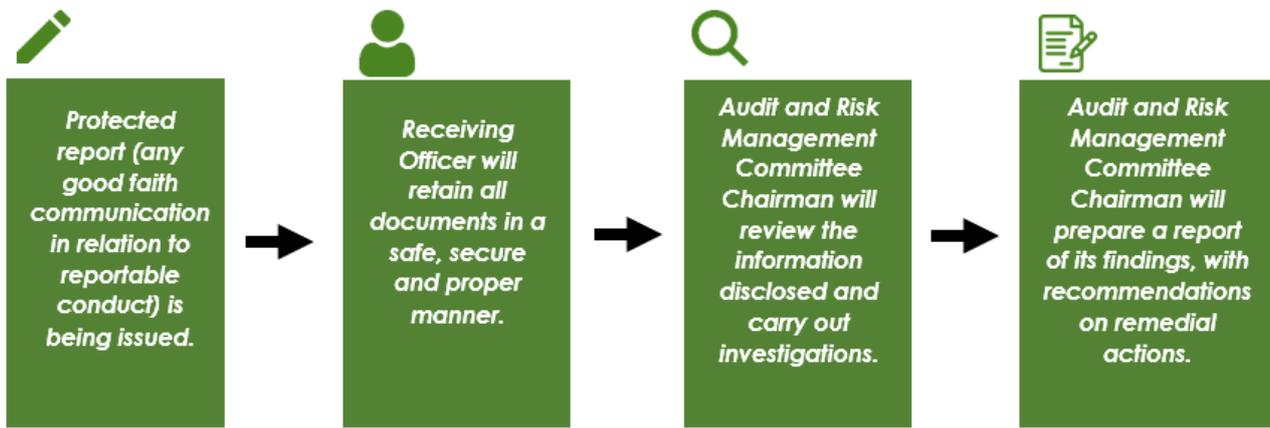
Our whistleblowing policy was set up with the purpose to encourage the reporting in good faith of suspected reportable conduct by establishing clearly defined processes. It allows the staff of the Group and any other persons to raise concerns.

The objectives of the whistle-blower protection policy are to:

- Provide for the mechanisms by which whistle-blowers may report Reportable Conduct;
- Enable the Group to effectively deal with reports from whistle-blowers, in a way that will protect the identity of the whistle-blowers and persons who participate in investigations initiated under this policy, and provide for the secure storage of the information provided;
- Establish the policies for protecting whistle-blowers and persons who participate in investigations initiated under this policy, against reprisal by any person internal or external to the Group; and provide for an appropriate infrastructure for receiving, investigating and taking corrective or remedial action in relation to such reports.

Alset has designated the company's secretary as the Receiving Officer, who reports directly to the Audit and Risk Management Committee Chairman on all matters arising under this policy.

The summary of the policy process is highlighted below.



We continuously communicate the need to uphold integrity and the Group's firm stance against corruption, as well as the importance of maintaining the highest level of conduct and ethical standards, to all our employees. We have communicated these policies and procedures to all our employees.

## Anti-corruption

The Group takes a strong stance against any form of misconduct, corruption and malpractice. All employees should not be involved in offering, paying, requesting or receiving bribes or participate in any fraudulent activities.

As we are committed to conducting business following all applicable regulations and the highest ethical standards, this commitment is embodied in our Code of Conduct and Employee Handbook.

We have communicated the relevant policies and procedures to all our employees. Any employee who contravenes the policies may be subject to disciplinary action up to and including termination of employment. If the breach is significant, it may also lead to the prosecution of the parties involved.

## Our Performance

### FY2020 TARGET

To have no confirmed incidents of corruption

### FY2020 PERFORMANCE

There was no confirmed incident of corruption

### FY2021 TARGET

To have no confirmed incidents of breaches

# ECONOMIC PERFORMANCE

GRI 103-1, 103-2, 103-3

**By adopting responsible business practices and embedding sustainability in our business, Alset believes it can create long term economic value and contribute to a stable economic performance of the Group.**

At Alset, we believe sustainable economic growth benefits not just our shareholders, but all our stakeholders as well. Through sustainable economic values generated by our operations, Alset will be able to distribute the economic benefits directly or indirectly to our stakeholders. As a socially responsible organisation, besides dividends to our shareholders, our economic benefits were distributed to governments through taxes, employees through salary and wages, and the society through the creation of jobs.

## Management Approach

To strengthen our position and our sustainable performance, the Group plans to continue expanding our business operations by acquiring or setting up new businesses to broaden our range of services.

The Group also contributes to economic development by supporting local businesses as we work with local vendors within the countries we operated. This will indirectly help the community as more jobs are created when we work with local vendors.

## Our Performance

GRI 201-1

Revenue	FY2020 \$'mil	FY2019 \$'mil	Increase / (Decrease) (%)
Property Development Business	21.18	30.41	(30.35)
Biomedical Science Business	3.91*	1.90	105.79
<b>Total Revenue</b>	<b>25.09</b>	<b>32.31</b>	<b>(22.35)</b>

\* including discontinued operations

Total property development revenue for FY2020 decreased by 30.35% to \$21.18 million. This was largely due to decrease in revenue recognized for the USA projects, which reflected the challenging market conditions due to the COVID-19 pandemic. The COVID-

19 pandemic could negatively affect demand for real estate, impact the ability of our staff and contractors to continue to work and adversely impact the timeliness of local governments in granting required approvals. Accordingly, the completion of important stages in our projects has been delayed. COVID-19 pandemic may also impact our business's future developments due to uncertainty of market conditions. We continue to carefully monitor the situation and make efforts to mitigate these risks.

As part of our sustainability strategy of incorporating sustainable construction in our development operations, we have earmarked the remaining undeveloped lots of Black Oak for the development of Alset EHomes which comprises eco-friendly gated single-family homes ("SFH") fully fitted with, amongst others, sustainable transport, living and energy systems including solar systems and energy storage as well as electric cars utilising a vehicle-to-grid concept. We have kicked off infrastructure works for this sustainable healthy living community project and intend to develop proof-of-concept Alset EHomes in due course. Apart from the Black Oak development, the Group intends to bring this concept to other parts of the US as well as markets abroad. Alset EHomes' sustainable healthy living systems will also be applied to these newly built SFH as an initial proof-of-concept.

In line with our business strategy to expand, Alset also recorded \$3.91 million revenue from its Biomedical Science business through its new subsidiary, HWH World Inc. ("HWH"). HWH was incorporated in Korea in March 2019 and started to conduct the distribution of health and personal care products through network marketing. Having already established our footprint in the Seoul region of Korea, we have proceeded with our plans to expand to Cheonan, Daegu, Daejeon and Busan regions to capture new growth opportunities. Despite the headwinds faced due to the COVID-19 pandemic, HWH is well positioned as a platform to help the many financially impacted individuals to earn a supplemental income by sharing and referring premier health and personal care products in our HWH Marketplace to friends, family and other prospective customers through social media and other technology channels.

The group will continue to expand its business operations, providing quality products and services to more consumers, generating sustainable economic value for its stakeholders. We will continue to explore strategic partnerships and acquisitions to create long-term value for our shareholders.

## Indirect Economic Impacts

GRI 203-1

Besides the direct economic value being generated, Alset also recognize that we have significant indirect economic impacts and have implemented various practices to ensure that we benefit the local community, economy and businesses during our operations. Our construction project requires the expertise of direct/indirect suppliers and specialists - concrete, reinforcement, tiles/stone and furniture which generates business opportunities within and among the supply chain.

The local community also benefited from the following development efforts:

- Construction of various storm water management ponds. These ponds help to retain pollutants and provide flood control, while beautifying the environment.
- Ballenger Creek Pike Nature Trail and Sidewalk improvements. This helps provide for a pedestrian friendly neighborhood that promotes the interconnection of multiple phases as well as outdoor exercise.
- Completion of the Clubhouse/pool construction. The Clubhouse and Pool provide a best in class amenity center that homeowners will use for social clubs, barbeques, birthdays, meetings, indoor exercise and used for the Home Owners Association to conduct monthly meetings.
- On-site reforestation efforts to offset the usage of impervious areas and create environmentally friendly drainage.
- Avoid and minimize impacts to wetlands using stream and wetland crossings working in close conjunction with the Army Corps of Engineers to make sure all codes/laws are abided by and impact is limited to protect these wetland areas and the wildlife that uses them.
- Conservation of a Historic Farm House that once served the property. Great efforts were made to work with the Maryland Historical Trust in order to preserve a portion of the house that is now being retrofitted by a local home contractor and will be sold to a potential buyer. Archaeological digs were also performed in and around the property to make certain that items of historical significance were not present in the past.
- Designing highways, streets, roads, or common driveways to enhance interconnection, safety, efficiency and convenience to all users.
- Development of parking areas that maximizes connections with surrounding land uses and accommodates public transit facilities.
- Development of a public school and a multi-family continuing care retirement community facility.

## Procurement Practices

GRI 204-1

All the contractors we engage for the Ballenger Run and Black Oak Project are based in the USA. These contractors hire locals for the construction work and generally source their material locally.

For the Biomedical Science business, Alset is committed to procure all its products and services - where possible - locally in South Korea. Most of our suppliers are companies based in the Canada, United States and South Korea. The general products and services we procured are health and personal care products as well as security authentication services. We strictly comply with safety regulations by the local regulatory bodies and we only engage with suppliers who possess the relevant certifications.

# ENVIRONMENT

GRI 103-1, 103-2, 103-3

With the growing awareness and importance of sustainability in Singapore, Alset is committed to minimising our environmental impact by focusing on reducing our energy footprint.

## Energy Consumption

GRI 302-1

The consumption of electricity is being monitored on a monthly basis to measure the success of the initiatives that are implemented. We are happy to share that we have been able to reduce the overall electricity consumption of Alset in FY2020 as compared to FY2019.

Offices	Electricity Consumption (kWh)	
	FY2020	FY2019
Singapore Office	5,128.60	5,338.80
Hong Kong Office	4,861.25	12,462.64
USA Office	6,882.00	6,929.00
South Korea Office*	2,855.00	-
Worldwide	19,726.85	24,730.44

\* before Aug 2020, electricity consumption was not available and was included in the office rental.

In FY2020, our Singapore office at Suntec Tower consumed a total of 5,129 kWh, a decrease of 210 kWh as compared to FY2019. This is attributable largely due to the work from home arrangement during the Circuit Breaker period.

Our Hong Kong office reported a total consumption of 12,463 kWh, a decrease of 7,601 kWh as compared to FY2019. The decrease was due to collective efforts of staff to reduce electricity consumption as well as the work from home initiatives during the Covid-19 period.

Our Houston office reported a total consumption of 6,882 kWh, a slight decrease of 47 kW as compared to FY2019.

## Reduction of Energy Consumption

GRI 302-4

The Group's energy consumption is limited to the electricity used in our offices. We have implemented energy control policy and adopted various energy-saving measures, such as using energy-saving equipment and setting all printers, copiers, and computers to the energy-saving mode where possible.

To raise the awareness of energy conservation, the Group encourages employees to establish energy-saving habits at the office, such as switching off lights and electronic appliances before leaving the office or switching off the lights in each room when they are not in use.

While the Group is not able to promise a specific level of energy reduction, we will monitor our energy consumption and make plans to reduce our energy consumption levels through the implementation of other energy-saving measures.

## Our Performance

FY2020 TARGET	FY2020 PERFORMANCE	FY2021 TARGET
To monitor and reduce our energy consumption levels by 5%	Reduced our overall energy consumption levels by 20%	To monitor and reduce our energy consumption levels by 5%

## Non-compliance with Environmental laws and regulations

GRI 307-1

During FY2020, no incident of non-compliance with relevant environmental laws and regulations was identified.

For FY2021, we target achieving zero incidents of environmental (including health and personal care product safety requirements) non-compliance for our Property Development business and Biomedical Science business.

### FY2021 TARGET

Zero incidents of  
Environmental Non-  
Compliance

# SOCIAL

GRI 103-1, 103-2, 103-3

**Employees are a crucial asset to Alset as they play a significant role in ensuring a high level of efficiency and achieving greater output.**

## Employment

GRI 102-7, 102-8

All our employees play an integral role to building the success of Alset.

Intellectual capital is an asset that should not be overlooked. While new members of the team bring fresh perspectives and suggestions on how the Group can grow, employees who have been with us for many years provide valuable experience and knowledge.

It is essential that our hiring practices are fair, merit-based, and non-discriminatory so that we can recruit people with the right knowledge and expertise to contribute to the growth of our business. More importantly, we need to build a conducive and harmonious working environment so that our employees continue to stay with us.

Our employee demographic data is based on our employee records generated from our Human Resource system.

Employee headcount as at 31 December 2020 increased by 4 personnel from 17 in FY2019 to 21 In F2020. Being a global group, we have employees of different nationalities - Singapore, Hong Kong, South Korea and the USA. There were no temporary or part-time employees in FY2020.

### Employee Headcount as at 31 Dec 2020 (Country Breakdown)



11 personnel



5 personnel



4 personnel



1 personnel

In addition to the Group's employees, Alset also outsources the development and project management activities to third-party contractors, consultants and distributors.

### Percentage by Gender by Country

Country	Percentage of female employees (%)	
	FY2020	FY2019
Singapore	36%	38%
Hong Kong	60%	60%
USA	50%	50%
South Korea	0%	-
Worldwide	43%	47%

The gender distribution of our staff has remained relative constant in FY2020. The proportion of male staff to their female counterparts is 57% to 43% in FY2020 compared to 53% (Male) to 47% (Female) in FY2019.

### Percentage by Age

Age Group	FY2020	FY2019
Age between 20 to 29	10%	6%
Age between 30 to 39	19%	18%
Age between 40 to 49	29%	29%
Age between 50 to 59	24%	23%
Age between 60 to 69	9%	12%
Age between 70 to 79	9%	12%

In terms of age distribution, the majority of our employees remain to be between the ages of 40 – 49 (29% of the total headcount).

### Employee Turnover

GRI 401-1

In FY2020, one (1) South Korea contract staff resigned during the year due to natural attrition. The employee turnover rate for Singapore is 0%\*.

*\* derived by dividing the number of resigned employees by the average number of employees in that location.*

### Turnover rate by Location by Country (Resigned / Average)

Country	Employee Turnover Rate (%)	
	FY2020	FY2019
Singapore	0%	32%
Hong Kong	0%	0%
USA	0%	0%
South Korea	100%	-
Worldwide:	5%	16%

## Employee Hires

GRI 401-1, 406-1

In FY2020, we welcomed four (4) new employees into our organisation. Alset will continue to attract new talents by providing fair pay and employee recognition.

## Our Performance

In FY2020, there were no reported incidents relating to workplace discrimination. In addition to our employee turnover rate reduction for FY2021, we will continue to embed fair employment practices in our operations, and we will target to maintain a zero record of reported incidents relating to discrimination.

### FY2020 TARGET

To maintain an employee turnover rate of not more than 3 persons

### FY2020 PERFORMANCE

Reduced our overall employee turnover rate to 1 employee

### FY2021 TARGET

To maintain an employee turnover rate of not more than 3 persons

## Non-compliance with Employment laws and regulations

GRI 419-1

In FY2020, the COVID-19 outbreak resulted in a global pandemic which posed as a serious threat to our employees. During these unsettling times, we stay committed to prioritizing their safety and providing them with a safe working environment. We have stepped up our controls and implemented safe management measures at our workplace to ensure our workforce is being well taken care of. We are working to avoid disruptions caused by COVID-19, while at the same time acting responsibly to do what we can to prevent further spread of the virus.

Our management team meets regularly to monitor and discuss the latest updates and regulations from relevant government authorities. As at 30 April 2021, there was no reported incident of COVID-19 transmission among staff. In addition, there was no reported incident of non-compliance with laws and regulations for FY2020.

## Collective Bargaining Agreement

GRI 102-41

Our employees are not covered by collective bargaining agreements.

In building a harmonious work environment and implementing fair employment practices, the Group is guided by the principles set out in the Tripartite Guidelines on Fair Employment Practices established by the Tripartite Alliance for Fair and Progressive Employment Practices in Singapore.

## Our Performance

In FY2020, there were no reported incidents relating to non-compliance with law and regulations.

### FY2021 TARGET

**No Non-compliance  
With Laws & Regulations**

# GRI INDEX: CORE OPTION

GRI 102-55

GRI Indicator	Disclosure	Report Sections	Page Reference
<b>GRI 102: GENERAL</b>			
<b>Organizational Profile</b>			
GRI 102-1	Name of the organization	Cover page of this report	1
GRI 102-2	Activities, brands, products, and services	2020 Annual Report - Company Profile (Page 1) - CEO Message (Page 2 to 5) - Financial Review (Page 10 to 11) - Group Structure (Page 17)	-
GRI 102-3	Location of headquarters	About Alset	7
GRI 102-4	Location of operations		
GRI 102-5	Ownership and legal form	2020 Annual Report – Notes to the Financial Statements, Note 1 (Page 71)	-
GRI 102-6	Markets served	About Alset	7
GRI 102-7	Scale of the organization	2020 Annual Report - Consolidated Statement of Comprehensive Income (Page 66) - Statements of Financial Position (Page 65)	-
		Social - Employment	24
GRI 102-8	Information on employees and other workers	Social - Employment	24
GRI 102-9	Supply chain	Sustainability at Alset - Our Supply Chain	9
GRI 102-10	Significant changes to the organization and its supply chain	There are no significant changes during the period under review	NA
GRI 102-11	Precautionary principle or approach	Alset does not specifically utilise the precautionary approach when managing risk; however, our management approach is risk-based, and supported by our risk management and internal control framework.	-
GRI 102-12	External initiatives	Alset has not subscribed to or endorsed any externally developed economic, environmental and social charters, principles, or other initiatives.	NA
GRI 102-13	Membership of associations	Singapore National Employers Federation	-
<b>Strategy</b>			
GRI 102-14	Statement from senior decision-maker	Board Statement	3 to 4
<b>Ethics and integrity</b>			
GRI 102-16	Values, principles, standards, and norms of behavior	Corporate Governance	15 to 17
<b>Governance</b>			
GRI 102-18	Governance structure	2020 Annual Report - Corporate Governance Report (Page 18 – 53)	-
		Sustainability at Alset - Our Sustainability Reporting Structure	8
<b>Stakeholder engagement</b>			

GRI Indicator	Disclosure	Report Sections	Page Reference
GRI 102-40	List of stakeholder groups	Our Approach to Sustainability - Stakeholder Engagement	11 to 12
GRI 102-41	Collective bargaining agreements	Social - Collective Bargaining Agreement	27
GRI 102-42	Identifying and selecting stakeholder	Our Approach to Sustainability - Stakeholder Engagement	11 to 12
GRI 102-43	Approach to stake holder engagement		
GRI 102-44	Key topics and concerns raised		
<b>Reporting Practice</b>			
GRI 102-45	Entities included in the consolidated financial statements	2020 Annual Report - Corporate Governance Report (Page 18 – 53)	-
		About this Report – Reporting Scope	5
GRI 102-46	Defining report content and topic boundaries	2020 Annual Report – Notes to the Financial Statements: Investment in subsidiaries (Page 98 – 106)	-
GRI 102-47	List of material topics	Our Approach to Sustainability - Materiality Review Process	13 to 14
GRI 102-48	Restatements of information	About this Report – Reporting Scope	5
GRI 102-49	Changes in reporting	About this Report - Reporting Period	5 to 6
GRI 102-50	Reporting period		
GRI 102-51	Date of most recent report		
GRI 102-52	Reporting cycle		
GRI 102-53	Contact point for questions regarding the report	About this Report - Feedback	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	About this Report - GRI Guidelines	
GRI 102-55	GRI Content index	GRI Index ( <b>This table</b> )	28 to 30
GRI 102-56	External assurance	About this Report - GRI Guidelines	6
<b>GRI 103: MANAGEMENT APPROACH</b>			
GRI 103-1	Explanation of the material topic and its Boundary	Refer to the respective GRI indicators (Specific Standard Disclosures) under the following sections: - Our Approach to Sustainability - Corporate Governance - Economic Performance - Environment - Social	10 to 27
GRI 103-2	The management approach and its components		
GRI 103-3	Evaluation of the management approach		
<b>GRI 201: ECONOMIC PERFORMANCE</b>			
GRI 201-1	Direct economic value generated and distributed	2020 Annual Report - Consolidated Statement of Comprehensive Income (Page 66) - Statements of Financial Position (Page 65)	-
		Economic Performance - Our Performance	18
<b>GRI 203: INDIRECT ECONOMIC IMPACTS</b>			
GRI 203-1	Infrastructure investments and services supported.	Economic Performance – Indirect Economic Impacts	20
<b>GRI 204: PROCUREMENT PRACTICES</b>			
GRI 204-1	Proportion of spending on local suppliers	Economic Performance – Procurement Practices	21
<b>GRI 205: ANTI-CORRUPTION</b>			

GRI Indicator	Disclosure	Report Sections	Page Reference
GRI 205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance	15 to 17
GRI 205-3	Confirmed incidents of corruption and actions taken		
<b>GRI 302: ENERGY</b>			
GRI 302-1	Energy consumption within the organization	Environment – Energy Consumption	22
GRI 302-4	Reduction of energy consumption	Environment – Reduction of Energy Consumption	23
<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>			
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<b>GRI 401: EMPLOYMENT</b>			
GRI 401-1	New employee hires and employee turnover	Social – Employee Turnover Social – Employee Hires	25 to 26
<b>GRI 406: NON-DISCRIMINATION</b>			
GRI 406-1	Incidents of discrimination and corrective actions taken	Social – Our Performance	26
<b>GRI 418: CUSTOMER PRIVACY</b>			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Corporate Governance – Data Protection Policy	16
<b>GRI 419: SOCIOECONOMIC COMPLIANCE</b>			
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	Social - Non-compliance with Employment laws and regulations	27