



SUSTAINABILITY REPORT 2021



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 Sustainability Report (“Report”) of our Group for the financial year ended 31 December 2021 (“FY2021”). This Report provides an overview of the Group’s commitment to creating and delivering long-term and sustainable value to our stakeholders through responsible practices in the countries and industries where we operate.

In FY2021, due to the challenges posed by the COVID-19 pandemic, our property development business was affected by delays to construction activities and projects were affected to varying degrees by movement restrictions, man-power and resource shortages. Our new F&B business is also negatively impacted by the movement restrictions. Nonetheless, the Group remains committed to integrating sustainability practices into our business operations.

Businesses must be quick to adapt to key stakeholders’ concerns, closing any potential gaps and capitalizing on opportunities amidst today’s rapidly-changing business environment. As sustainability is of strategic interest to our business, the Board will continue to oversee the direction, management and monitoring of the Group’s sustainable development by identifying Environmental, Social and Governance (“ESG”) factors that are relevant and material to the Group’s wider strategy of creating long-term value for all our stakeholders.

On behalf of the Board, I would like to express my gratitude to our clients, business partners and shareholders for their unwavering support over the years. We look forward to your continuing support as we strive to develop a more sustainable environment for all.

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 fifth issue of our Sustainability Report and it covers the Financial Year 2021 (“FY2021”), for the period of 1 January 2021 to 31 December 2021. The fourth sustainability report published by Alset was the Sustainability Report 2020 which was released on 18 May 2021.

The ESG data and information provided have been derived from internal data monitoring and verification to ensure accuracy. 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 and seek to progressively expand our scope as we mature in our journey of sustainability reporting.

Reporting Scope

GRI 102-45, 102-48

This Report covers sustainability performance across the Group, which includes our businesses in Property Development business, Biomedical Science business and Food and Beverage (F&B) business, which accounts for the revenue generated by the Group.

In-scope properties for 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 FY2021. The F&B business derives revenue from our new Killiney outlet located at 9 Penang Rd, #01-13, Singapore 238459 (“9 Penang Road”).

All entities included in the Group’s consolidated financial statement are included in our 2021 Annual Report - please refer to pages for details of these entities.

Reporting Framework

GRI 102-54, 102-56

This Report has been prepared in accordance with Rules 711A and 711B of Listing Manual Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”) with references to the guidance set out in the SGX-ST’s sustainability reporting guide under Practice Note 7F of the Catalist Rules. This Report is in line with SGX-ST’s ‘comply or explain’ requirements for sustainability reporting and is prepared based on the GRI Sustainability Reporting Standards 2016 (“**GRI**”), in accordance with the Core option. The GRI is adopted as it is internationally recognized and widely adopted. It enables us to provide a broad and comparable disclosure of the ESG 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 [32 to 34] of the report.

External Assurance

GRI 102-54, 102-56

No external assurance has been sought for this reporting period. However, the Group prides ourselves on transparent reporting and endeavors to continuously improve the content and quality of our non-financial disclosures in alignment with the reporting principles of SGX-ST and GRI. There are no restatements of information in this Report.

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 welcome and value your feedback on the content of this Report to enable us to improve our policies, processes and performance, as well as to enhance the accuracy, completeness and coverage of our reporting. Please direct your feedback to us at:

- Aileen Ang - Senior Vice President of Corporate Affairs
- 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 is a diversified conglomerate headquartered in Singapore. The Group has extensive experience and track record in property development projects and has since diversified into a number of different business portfolios. The diversified nature of the Group’s portfolio allows for effective management of exposure to the fluctuations in demand and/or changes in regulations or demand of its core property development business.

Our head office is 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.

In FY2021, the Group’s portfolio comprises:

- Property Development
- Investment Business
- Information Technology Business
- Biomedical Business
- Food & Beverage (“F&B”) Business

Property Development Business remains the core business of the Group. There have been no significant changes to the Group’s size, structure, ownership or supply chain.

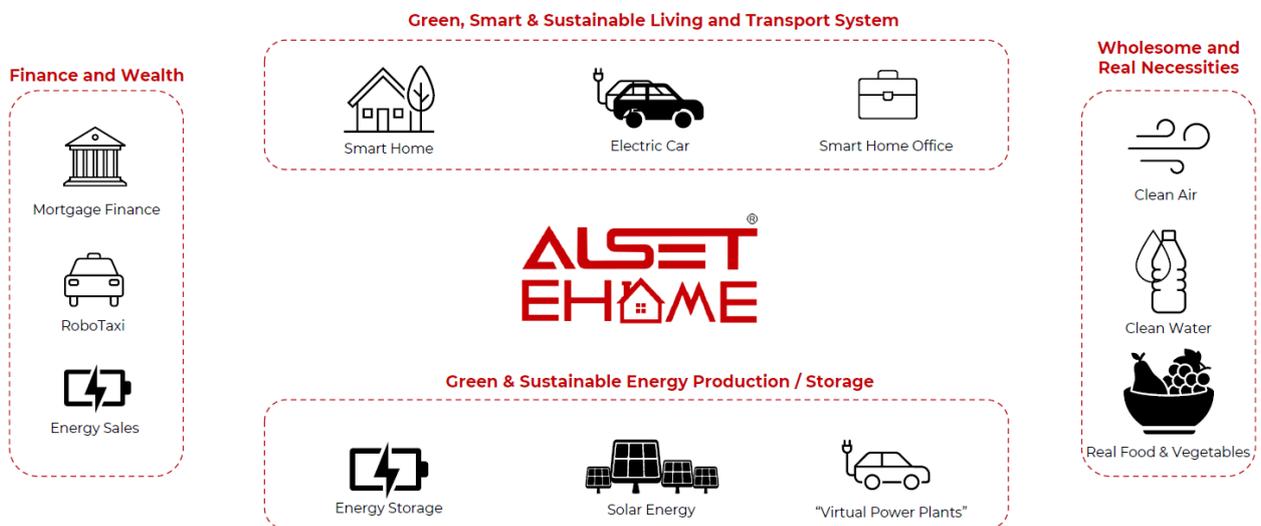
Property Development Business

Believing in building a green future by delivering innovative and environmentally sustainable designs, we value sustainability as the core of the Group’s success, and we are committed to being an environmentally sustainable real estate developer. Alset EHome Inc (“EHome”) is the real estate development arm of the Group in USA. EHome is principally engaged in developing, selling, managing, and leasing residential properties, providing quality designer homes with integrated smart technologies at affordable prices. The focus of the company is on building a sustainable healthy living system, including a real estate investment trust (REIT). The following describes the full range of activities carried out by the group to create value for stakeholders.



The following diagram describes the full range of sustainable initiatives by EHome.

SUSTAINABLE HEALTHY LIVING SYSTEM



LIVING THE GREEN AND SUSTAINABLE WAY...

Biomedical Science Business

In line with our business strategy to expand, Alset also ventured into its Biomedical Science business through its new subsidiary, HWH World Inc. (“HWH”). HWH was incorporated in South 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, Daojeon 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.

Food and Beverage (F&B) Business

During FY2021, we acquired a Killiney outlet at 9 Penang Road with the aim of diversifying our revenue while waiting for the right market condition to expand into the F&B business. This is in line with our long-term goal of creating new and recurring income streams for sustained growth. As the Company only entered the F&B business in the last quarter of FY2021, we will continue to monitor this area of business and take it into consideration when formulating sustainable strategies in the year ahead.

The group will continue to expand its business operations by 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.

SUSTAINABILITY AT ALSET

Our Sustainability Reporting Structure

GRI 102-18

A robust governance structure helps to ensure that Alset is committed to sustainability. The Board formulates the corporate sustainability strategies and guidelines and monitor overall performance.

Alset's sustainability drive is spearheaded by the Sustainability Executive Committee (“Committee”) which oversees, organizes and co-ordinates the group's sustainability strategies, initiatives and actions. The Committee members are Mr. Chan Tung Moe, Mr. Alan Lui and Ms. Aileen Ang.

Alset's business operations executives are tasked to support the Group's sustainability programs and policies, and assist the implementation and execution of the sustainability initiatives and the collection of data for monitoring performance.



Our Approach to Sustainability

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

As a business that strives towards growth and development, we remain vigilant for emerging trends and developments that may present business opportunities. The changing business environment may offer opportunities for us to improve our sustainability and business performances. Our sustainability approach recognises the need to enhance our sustainability performance in order to increase our competitiveness. We are aware of the increasing importance of ESG factors among our stakeholders and the business landscape, and we aim to align our sustainability initiatives with our business strategy.

Stakeholder Engagement

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

An important starting point in our sustainability journey is to identify our stakeholders and material aspects relevant to our business. The Group identifies its key stakeholders based on the Group's impacts on them both directly and indirectly, and their direct and significant impacts on the Group's business. Our stakeholders include employees; suppliers; customers; regulators; investors; and shareholders.

In formulating operational strategies and sustainability measures, the Group takes into account the stakeholders' expectations and needs and incorporate these into our corporate strategies to achieve mutually beneficial relationships. We continually adopt both formal and informal channels of communication to understand the needs of key stakeholders.

The impact of COVID-19 on businesses in general has been unprecedented. In these highly unusual times, we have continued to consider and take into account the impact of COVID-19 on key stakeholders. This engagement is important as we seek opportunities to manage our businesses in a sustainable manner. 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.

	STAKEHOLDERS' EXPECTATIONS/CONCERNS	COVID-19 SPECIFIC CONCERNS	MODE OF ENGAGEMENT PLATFORM
EMPLOYEES	<ul style="list-style-type: none"> • Safe and conducive workplace • Fair labour practices and compensation • Environmental responsibility 	<ul style="list-style-type: none"> • Workplace flexibility • Enhanced safety protocol in COVID-19 responses 	<ul style="list-style-type: none"> • Trainings • Grievance/ feedback channels • Regular reviews and appraisals • Intranet platform for policies, news and benefits • Provide timely updates on COVID-19 specific working arrangements. <p style="text-align: right;"><i>Frequency: When necessary</i></p>
CUSTOMERS	<ul style="list-style-type: none"> • Product compliance with all relevant regulations • Timely follow-up on customer feedback • Ability to offer competitive & cost-efficient solutions which are safe & environmentally responsible • Innovative, quality and safety of products & services • Data Privacy 	<ul style="list-style-type: none"> • Access to product training and knowledge via Zoom • Reliability of supply 	<ul style="list-style-type: none"> • Feedback channels such as email and telephone communications • Client meetings and events. • Corporate website, annual reports, emails, newsletters and brochures. <p style="text-align: right;"><i>Frequency: When necessary</i></p>
SUPPLIERS	<ul style="list-style-type: none"> • Clear two-way communication channels • Product safety and quality • Timely feedback regarding materials/ services provided • Regular and punctual payments. 	<ul style="list-style-type: none"> • Reliability of supply 	<ul style="list-style-type: none"> • Inspections and quality site visits • Quotations and requests for proposal • Material specifications discussion meetings • Updates from contractors on project progress through project meetings. • Products updates by suppliers via seminars, products launch events & presentations. <p style="text-align: right;"><i>Frequency: When necessary</i></p>
SHAREHOLDERS & REGULATORS	<ul style="list-style-type: none"> • Sustainable profitability and shareholder returns. • Business strategy and direction • Sound corporate governance and compliance • Transparent & timely communication of information • Long-term growth of business 	<ul style="list-style-type: none"> • Adherence to workplace safe distancing guidelines from government authorities. 	<ul style="list-style-type: none"> • Results announcements and news releases • Corporate website and email • Annual General Meetings • Period audits & regulatory inspections <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 FY2021, Alset performed an internal strategy review which included a relook at our business strategy, business model, key stakeholders, processes and new factors were considered based on a peer and industry review. Through discussion with senior management, the factors were deliberated in relation to the significance of their impact and importance to identify the Group's significant economic, environmental and social impacts as they are integral to Alset's success of building a sustainable future. The list of material factors was agreed to remain the same as the previous year. The validated sustainability matters will undergo yearly review to ensure that these remain relevant and important to our business and our stakeholders.

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
ECONOMIC	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	ASPECT BOUNDARY
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	ASPECT BOUNDARY
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

Our Sustainability Strategy

Alset takes a four-Pillars approach to sustainability strategy formalized by the Sustainability Committee. These four material pillars are identified as (1) Corporate Governance, (2) Economic Performance, (3) Environmental Sustainability and (4) Social. These pillars, as part of our sustainability strategy and operations, guide us in creating sustainable value for all our stakeholders.

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.

Alset perceives good corporate governance as a strong foundation for the sustainability of our business. As a public-listed company on SGX-ST, we strive to uphold high standards in corporate governance and business ethics.

As we are committed to conducting business following all applicable regulations and the highest ethical standards, this commitment is embodied in our various policies and procedures including but not limited to Code of Conduct stated in the Employee's Handbook, the Conflicts of Interest Policy, Whistleblowing Policy and Data Protection Policy. We have also put stringent monitoring and enforcement mechanisms in place to manage our economic, social, and environmental performance. 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.

Code of Conduct

The Group's Code of Conduct ("Code") serves as a central guide and reference to our employees in ensuring that they understand Alset's expectations and guiding principles for workplace behaviours. Our Code acts as the first line of defense against unethical and corruption acts. Alset does not condone any fraud, corruption and other forms of unethical behaviour or conduct.

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

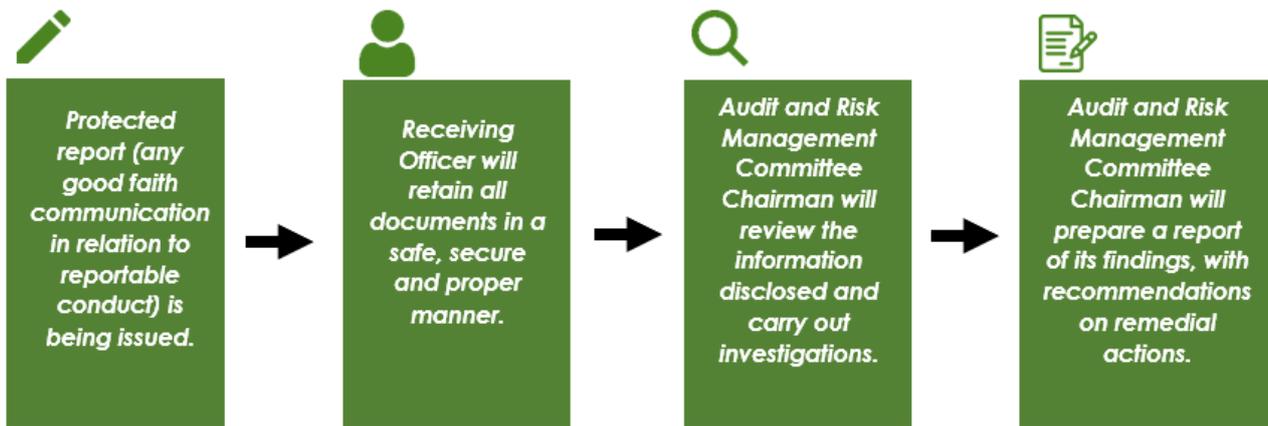
GRI 418-1

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. We are pleased to report zero complaints concerning breaches of customer privacy and have no identified leaks, thefts or losses of customer data. 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 external parties such as the Group's business associates, in confidence, raise any concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle blowing report. The public, customers and other stakeholders can also report any improprieties, or provide other feedback through the Company's website at www.alsetinternational.com. 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 objective of the Whistleblowing Policy is to ensure independent investigations of such matters are carried out and appropriate follow-up actions are taken.

The summary of the policy process is highlighted below.



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. 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.

In FY2021, there were neither any confirmed incidents of corruption or public legal cases regarding corruption brought against the Group, nor any termination of contracts with business partners due to violations related to corruption. Moreover, the Group did not identify any significant risks related to corruption and any material non-compliance with relevant anti-corruption laws and regulations. We will regularly review policies on whistleblowing and anti-corruption. We aim to maintain this trend for the coming years.

More details of the Group's corporate governance practices can be found in the "Corporate Governance Report" section on pages 20 to 56 of the Group's FY2021 Annual Report. We had no cases and no incidents of corruption in FY2021. There have also been no reports received in FY2021. Our goal is to maintain zero incidents of corruption.

Our Performance

FY2021 TARGET

To have no confirmed incidents of corruption

FY2021 PERFORMANCE

There was no confirmed incident of corruption

FY2022 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. Please refer to the section “Social” to understand the indirect economic (social) Impacts.

Alset’s business activities involve property development, investment, information technology, biomedical and F&B business. To better understand the Group’s business model, please refer to the section ‘Company Profile’.

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.

During FY2021, we acquired a Killiney outlet at 9 Penang Road, with the aim to diversify our revenue while waiting for the right market condition to expand into the F&B business. This is in line with our long-term goal of creating new and recurring income streams for sustained growth.

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 \$'thousands	FY2021 \$'thousands	Increase / (Decrease) (%)
Property Development Business	21,177	18,715	(11.6)
Food & Beverage Business	-	57	N.A
Biomedical Business	3,914*	7,410	91.5
Total Revenue	25,091	26,182	4.5

* Including discontinued operations

Total property development revenue for FY2021 decreased by 11.6% to \$18.7 million. The decrease in revenue generated from the property development segment arised mainly from the sale of the remaining 88 lots from our Ballenger Run project vis-à-vis 121 lots in FY2020. The COVID-19 pandemic may 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. 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.

In line with our business strategy to expand, Alset also recorded \$7.4 million in revenue from its Biomedical Science business through its 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, Daojeon and Busan regions to capture new growth opportunities.

Despite the headwinds faced due to the COVID-19 pandemic, 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.

For detailed financial results, please refer to the following sections in our FY2021 Annual Report:

- Executive Chairman's and CEO's Message & Operations Review, pages 2 to 11
- Financial Highlights, pages 12 and 13
- Financial Statements, pages 69 to 156

ENVIRONMENT

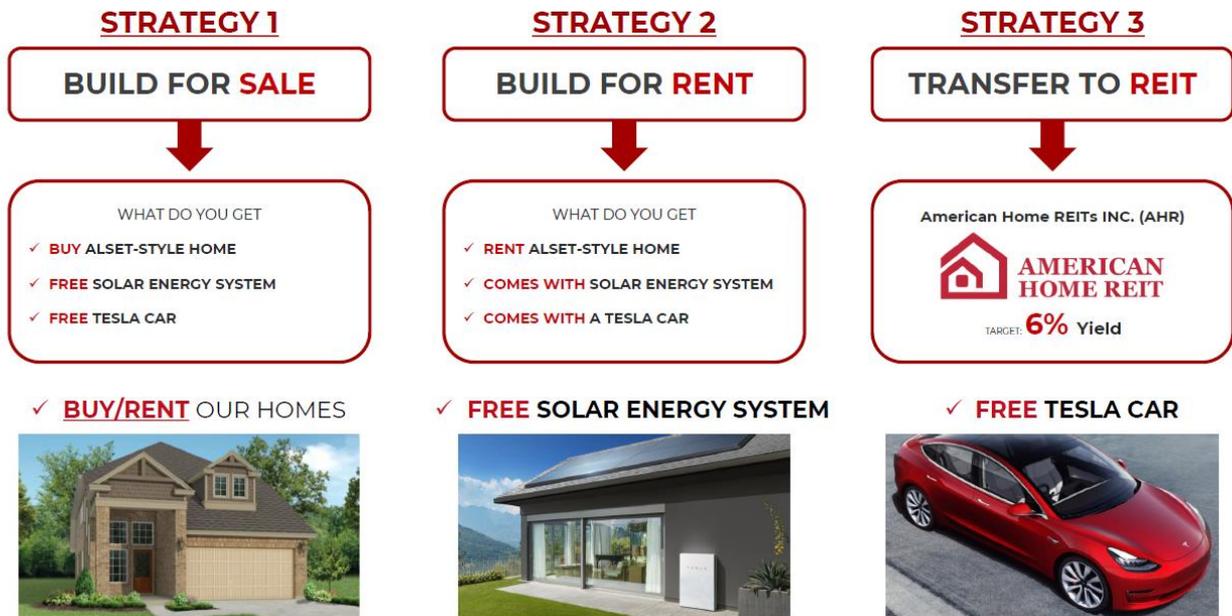
GRI 103-1, 103-2, 103-3

With the growing awareness and importance of sustainability, Alset is committed to accelerate the advent of sustainability healthy living systems around the work and minimising our environmental impact by focusing on reducing our energy footprint.

Sustainability Healthy Living

Alset EHome Inc is principally engaged in developing, selling, managing, and leasing residential properties, providing quality designer homes with integrated smart technologies at affordable prices. The focus of the company is on building a sustainable healthy living system. We envision to build sustainable healthy living communities integrated with a clean energy ecosystem encompassing housing, transport, and electricity including an amenity center featuring organic modular/vertical vegetable farming, a café, visitor residences, infant/childcare clubs, and social events venue. Specializing in the development of smart and sustainable home built with energy efficient platforms supporting solar energy, power walls, clean, sterilized airflow and advanced communication systems for state-of-the-art smart home and office platforms, we continue to imagine and create homes of quality, creativity and sustainability integrated with the latest cutting-edge technology.

BUSINESS MODEL 3 STRATEGIES



As part of our sustainability strategy of incorporating sustainable construction such as preservation efforts in our development operations, we have also earmarked the remaining undeveloped lots of Black Oak for the development of Alset EHome 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 acquired 109 homes in the Northpark, Woodland Lakes, Sorrento Bay and Santa Fe communities in 2021 in and around Houston. Currently 30 of the 109 homes, all in the Northpark community are outfitted with solar and energy storage. Contractual negotiations are pending for the balance of these homes.

We have kicked off infrastructure works for this sustainable healthy living community project and intend to develop proof-of-concept Alset E Homes 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 E Homes' sustainable healthy living systems will also be applied to these newly built SFH as an initial proof-of-concept. The following are some of the environmental benefits from our Ballenger Project Development:

- Construction of various storm water management ponds. These ponds help to retain pollutants and provide flood control, while beautifying the environment.
- 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 Farmhouse 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.

Energy Consumption

GRI 302-1

Alset's operational energy consumption has been in its various offices. Primary environmental aspects are related to energy use. The majority of utilities such as energy and water used in property construction are outsourced to third party contractors and cannot be directly changed or influenced by Alset.

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 for Singapore Office and USA Office in FY2021 as compared to FY2020. In FY2021, our Singapore office at Suntec Tower and Our Houston office consumed a total of 9,622.80 kWh, a decrease of 2,387.80 kWh as compared to FY2020. This is a reduction of about 20%.

Offices	Electricity Consumption (kWh)	
	FY2020	FY2021
Singapore Office (SG)	5,128.60	4,816.80
USA Office (USA)	6,882.00	4,806.00
Sub-total (SG & USA)	12,010.60	9,622.80
Hong Kong Office	4,861.25	13,873.32
South Korea Office*	2,855.00	-
Worldwide	19,726.85	23,496.12

* subsequent to Aug 2020 and for FY2021, electricity consumption was not available and was included in the office rental.

Our Hong Kong office reported a total consumption of 13,873 kWh. The electricity consumption of our Hong Kong office is about 3 times higher in FY2021 as compared to FY2020. The low electricity consumption in FY2020 is attributable largely due to the work from home arrangement during the COVID-19 epidemic in Hong Kong.

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

FY2021 TARGET	FY2021 PERFORMANCE	FY2022 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%

** exclude Hong Kong and South Korea as the electricity consumption is not comparable as the numbers in Hong Kong were altered by the pandemic and for South Korea, electricity consumption for FY2021 was not available as it was included in the office rental

Non-compliance with Environmental laws and regulations

GRI 307-1

During FY2021, no incident of non-compliance with relevant environmental laws and regulations was identified.

For FY2022, 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.

Our Performance

FY2021 TARGET	FY2021 PERFORMANCE	FY2022 TARGET
Zero incidents of Environmental Non-Compliance	Zero incidents of Environmental Non-Compliance	Zero incidents of Environmental Non-Compliance

SOCIAL

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

Alset believes that success is not measured solely by its business achievements, but also the active role it plays in upholding good corporate practices and its ability to make positive impact on the society, economy and environment that it operates in.

Coexisting with the community and devising ways of expanding our contribution beyond business activities are important parts of being a good corporate citizen. Over the years, we have developed programs that deliver our aspirations of supporting fair employment, creating opportunities for people.

Indirect Economic (Social) Impacts

GRI 203-1

Besides the direct economic value being generated, Alset also recognize that we have significant indirect economic (social) impacts and have implemented various practices to ensure that we benefit the local community, economy and businesses.

Property Development Business

As a real estate developer, our mission is to build sustainable healthy living communities integrated with a clean energy ecosystem encompassing housing, transport, and electricity including specialising in the development of smart and sustainable home built technologies and state of the art systems for homes.

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.

Our past, current, and future development projects all expressively portray our commitment to not only build structures but to serve people's need for space, security, serenity, and comfort. Following are some of the benefits from our Ballenger development efforts:

- 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.
- Conservation of a Historic Farmhouse 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.

We continue to imagine and create homes of quality, creativity and sustainability integrated with the latest cutting-edge technology that exceed expectations.

Biomedical Science Business

Our biomedical business is driven by a passion for helping people from all walks of life to achieve a balanced and fulfilling life of health, wealth and happiness. HWH is also 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 HWH Marketplace community supports people on their health and wellness journey and offers them access to the highest-quality products available today. We teach people the fundamental skills of building wealth – the practice of living on less than you earn and creating a plan for the difference. And for those who are interested in engaging in a gig business to increase their income as an influencer, we teach selling skills and provide a unique business platform that includes access to world-class logistics and high-quality, science-backed products. We champion happiness as a mindset

and personal philosophy, and we guide people as they strive to build a life that brings them joy.

Health and Safety

Health and safety are important to us. We are committed to safeguarding our customers' and employees' health and safety. By implementing safety guidelines, we are committed to ensure the wellbeing of our customers, employees and the environment.

Property Development Business

The selection of the contractors and suppliers ("Suppliers") is reviewed by the General Manager and approved by our CEO to ensure accountability and quality assurance. These Suppliers are 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. These Suppliers are also required to provide ongoing evidence of commercial general liability insurance and workman's compensation via valid, current certificates of insurance. The amounts shall be consistent with our contractual agreements as well as all state and federal compliance. All Alset Ehome subsidiaries shall also be named as additional insured. We also maintain commercial general liability insurance for all development properties and BTR homes under strict guidelines and compliance by the insurance carriers.

After the selection of the Suppliers, we hold regular site meetings and track their environmental and workplace health and safety records to ensure that contractors are performing within the standards expected by the Group.

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.

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.

Our Supply Chain

GRI 102-9, GRI 204-1

The Group highly values our relationship with contractors, consultants and business associates and regard them as important business partners. We also see the importance of recognising the environmental and social risks embedded in the supply chain as we believe that a sustainable business operation is a strong driver of value and success for the business. We seek to continually improve and better manage each category to ensure the sustainability of our business. The Group has formulated comprehensive procedures in accessing and selecting contractors and consultants. We evaluate them based on a number of factors, including their competence, environmentally-friendly practices, technical capability, financial soundness, past performances, and possession of relevant environmental certification. For example, for the SFH development, all the following "smart" products to be installed are sourced from contractors after we have undergone extensive due diligence and partnerships:

- Air purification systems with the likes of Puradigm and water purification
- Smart Solar, Thermostat, lighting and Energy Usage Controls
- Smart Cameras, Locks and Security
- Smart High Capacity Home Network
- Smart Music and Entertainment
- Incentive Based Utility Pricing (to encourage usage thriftiness)

We also take into consideration their workplace health and safety records and compliance with laws and regulations. During FY2021, all new contractors were screened and assessed, none of them were identified for having a significant actual and potential negative environmental impacts.

Property Development Business

All our contractors and consultants under Alset's Property Development business, who we have a long-term relationship with, are companies based in the USA. Our property development 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. 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.

The general services we procure are construction, engineering and architectural services. Our commitment to workplace health and safety is reflected in the selection of contractors and suppliers who are competent and committed to managing environmental, health and safety risks and our strong advocacy among contractors and suppliers on the importance of maintaining safe work practices.



Biomedical Science Business

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.

Product safety and quality will continue to form the basis of our sustainability efforts for our biomedical science business. 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.



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

Alset takes pride in our employees as they are key contributors to the continuing success of our Group. We continue to take great efforts in ensuring that our workforce is resilient in numbers to adequately support our business, and especially so during this time of COVID-19 pandemic.

At Alset, we believe that a diverse workforce brings different skillsets and experience to the Group. As such, we hire employees of different ages (including post-retirement), genders and nationalities to diversify our workforce. We value the contributions of all our staff and remunerate them fairly.

We embrace diversity and inclusion whilst focusing on fair and equitable employment practices throughout our recruitment process. We aim to nurture a motivated workforce by attracting, developing and retaining the best to work with us.

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

Employee Headcount as at 31 Dec 2021 (Country Breakdown)



Singapore
16 personnel



Hong Kong
5 personnel



United States of America
5 personnel



Republic of Korea
1 personnel

Employee headcount as at 31 December 2021 increased by 6 personnel from 21 in FY2020 to 27 In F2021. Being a global group, we have employees of different nationalities - Singapore, Hong Kong, South Korea and the USA. There were 3 temporary or part-time employees in FY2021.

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		FY2021	
Singapore	4	36%	7	44%
Hong Kong	3	60%	3	60%
USA	2	50%	3	60%
South Korea	-	0%	-	0%
Worldwide	9	43%	13	48%

The gender distribution of our staff has remained relative constant in FY2021. The proportion of male staff to their female counterparts is 57% to 43% in FY2020 compared to 52% (Male) to 48% (Female) in FY2021.

Percentage by Age

Age Group	FY2020		FY2021	
Age between 20 to 29	2	10%	3	11%
Age between 30 to 39	4	19%	6	22%
Age between 40 to 49	6	29%	7	26%
Age between 50 to 59	5	24%	5	19%
Age between 60 to 69	2	9%	4	15%
Age between 70 to 79	2	9%	2	7%
Total Staff	21	100%	27	100%

In terms of age distribution, the majority of our employees remain to be between the ages of 40 - 49 (26% of the total headcount).

Employee Hires

GRI 401-1, 406-1

In FY2021, we welcomed six (6) new full-time employees into our organisation. Alset will continue to attract new talents by providing fair pay and employee recognition.

Employee Turnover

GRI 401-1

In FY2021, three (3) full time staff resigned during the year due to natural attrition.

Turnover rate by Location by Country (Resigned / Average)

Country	Employee Turnover Rate (%)*			
	FY2020		FY2021	
Singapore	0	0%	1	0%
Hong Kong	0	0%	1	0%
USA	0	0%	0	0%
South Korea	1	100%	1	100%
Worldwide:	1	5%	3	11%

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

Our Performance

In FY2021, 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.

FY2021 TARGET

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

FY2021 PERFORMANCE

Our overall employee turnover rate is 3 persons

FY2022 TARGET

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

Non-compliance with Employment laws and regulations

GRI 419-1

Over the past year, the world was enveloped by an unforeseen circumstance, the COVID-19 pandemic. Whilst this has resulted in numerous challenges and disruptions across our operations, Alset's focus remains on ensuring the wellbeing and safety of its employees through these difficult times. We were quick to implement our 'Safe Management Measures' (SMM) plan to ensure employee safety, business continuity and work-from-home arrangements, as per the government guidelines. The SMM explicates all the safe social practices and emergency preparedness responses mandated by staff with regard to COVID-19.

Our management team meets regularly to monitor and discuss the latest updates and regulations from relevant government authorities. As at 31 December 2021, there was no reported incident of COVID-19 transmission among staff.

Collective Bargaining Agreement

GRI 102-13, 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. We are also a member of the Singapore National Employers Federation.

Our Performance

In FY2021, there were no reported incidents relating to non-compliance with employment law and regulations.

FY2021 TARGET

No Non-compliance
With Employment Laws &
Regulations

FY2021 PERFORMANCE

No Non-compliance
With Employment Laws &
Regulations

FY2022 TARGET

No Non-compliance
With Employment Laws &
Regulations

GRI INDEX: CORE OPTION

GRI 102-55

GRI Indicator	Disclosure	Report Sections	Page Reference
GRI 102: GENERAL			
Organizational Profile			
GRI 102-1	Name of the organization	Cover page of this report	1
GRI 102-2	Activities, brands, products, and services	2021 Annual Report - Company Profile - CEO Message - Financial Review - Group Structure	-
GRI 102-3	Location of headquarters	About Alset	6
GRI 102-4	Location of operations		
GRI 102-5	Ownership and legal form	2021 Annual Report – Notes to the Financial Statements, Note 1	-
GRI 102-6	Markets served	About Alset	6
GRI 102-7	Scale of the organization	2021 Annual Report - Consolidated Statement of Comprehensive Income - Statements of Financial Position	-
		Social - Employment	28-30
GRI 102-8	Information on employees and other workers	Social - Employment	28-30
GRI 102-9	Supply chain	Sustainability at Alset - Our Supply Chain	26-27
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.	NA
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	31
Strategy			
GRI 102-14	Statement from senior decision-maker	Board Statement	3
Ethics and integrity			
GRI 102-16	Values, principles, standards, and norms of behavior	Corporate Governance	14 to 16
Governance			
GRI 102-18	Governance structure	2021 Annual Report - Corporate Governance Report	-
		Sustainability at Alset - Our Sustainability Reporting Structure	9

GRI Indicator	Disclosure	Report Sections	Page Reference
Stakeholder engagement			
GRI 102-40	List of stakeholder groups	Our Approach to Sustainability - Stakeholder Engagement	10
GRI 102-41	Collective bargaining agreements	Social - Collective Bargaining Agreement	31
GRI 102-42	Identifying and selecting stakeholder	Our Approach to Sustainability - Stakeholder Engagement	10 to 11
GRI 102-43	Approach to stake holder engagement		
GRI 102-44	Key topics and concerns raised		
Reporting Practice			
GRI 102-45	Entities included in the consolidated financial statements	2021 Annual Report - Corporate Governance Report	-
		About this Report – Reporting Scope	4
GRI 102-46	Defining report content and topic boundaries	2021 Annual Report – Notes to the Financial Statements: Investment in subsidiaries	-
GRI 102-47	List of material topics	Our Approach to Sustainability - Materiality Review Process	12 to 13
GRI 102-48	Restatements of information	About this Report – Reporting Scope	4
GRI 102-49	Changes in reporting	About this Report - Reporting Period	4 to 5
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 (This table)	32 to 34
GRI 102-56	External assurance	About this Report - GRI Guidelines	5
GRI 103: MANAGEMENT APPROACH			
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 31
GRI 103-2	The management approach and its components		
GRI 103-3	Evaluation of the management approach		
GRI 201: ECONOMIC PERFORMANCE			
GRI 201-1	Direct economic value generated and distributed	2021 Annual Report - Consolidated Statement of Comprehensive Income Statements of Financial Position)	-
		Economic Performance - Our Performance	18
GRI 203: INDIRECT ECONOMIC IMPACTS			

GRI Indicator	Disclosure	Report Sections	Page Reference
GRI 203-1	Infrastructure investments and services supported.	Economic Performance – Indirect Economic Impacts	23-26
GRI 204: PROCUREMENT PRACTICES			
GRI 204-1	Proportion of spending on local suppliers	Economic Performance – Procurement Practices	26-27
GRI 205: ANTI-CORRUPTION			
GRI 205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance	14-16
GRI 205-3	Confirmed incidents of corruption and actions taken		
GRI 302: ENERGY			
GRI 302-1	Energy consumption within the organization	Environment – Energy Consumption	20-21
GRI 302-4	Reduction of energy consumption	Environment – Reduction of Energy Consumption	21
GRI 307: ENVIRONMENTAL COMPLIANCE			
GRI 307-1	Non-compliance with environmental laws and regulations	Environment - Non-compliance with Environmental laws and regulations	22
GRI 401: EMPLOYMENT			
GRI 401-1	New employee hires and employee turnover	Social – Employee Turnover Social – Employee Hires	29 to 30
GRI 406: NON-DISCRIMINATION			
GRI 406-1	Incidents of discrimination and corrective actions taken	Social – Our Performance	30
GRI 418: CUSTOMER PRIVACY			
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Corporate Governance – Data Protection Policy	15
GRI 419: SOCIOECONOMIC COMPLIANCE			
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	Social - Non-compliance with Employment laws and regulations	31