



LY CORPORATION
LIMITED

**REMAINING
RESILIENT**



2019
Sustainability Report

Table of Contents

SPONSOR’S STATEMENT	2
BOARD STATEMENT	3
ABOUT THIS REPORT	4
KEY HIGHLIGHTS.....	5
MANAGING SUSTAINABILITY AT LY.....	6
STAKEHOLDER ENGAGEMENT	7
MATERIALITY ASSESSMENT	10
Material Topics – At a Glance	11
ECONOMIC.....	14
Our Approach.....	14
Moving Forward.....	17
ENVIRONMENTAL	18
Our Approach.....	18
Moving Forward.....	19
SOCIAL.....	20
Our Approach.....	20
Contributing to our Community	26
Moving Forward.....	26
GOVERNANCE	27
Our Approach.....	27
Moving Forward.....	29
GRI CONTENT INDEX	30

SPONSOR'S STATEMENT

This sustainability report has been prepared by LY Corporation Limited ("LY" or the "Company") and its contents have been reviewed by UOB Kay Hian Private Limited (the "Sponsor") for compliance with the relevant rules of Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist.

This sustainability report has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this sustainability report, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this sustainability report.

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

BOARD STATEMENT

Dear Stakeholders,

It has always been our commitment to think long-term, finding innovative ways to meet the needs of people today, without compromising the resources for our future generations. Using this commitment, we strive to always conduct our business in a sustainable manner and execute our daily operations in an eco-friendly manner.

Our Board of Directors (“Board”) has considered the sustainability topics as part of our strategy formulation and determined the material ESG factors and overseen the management and monitoring of the material ESG factors. Our Board sets the tone for all sustainability efforts, supported by our Sustainability Steering Committee to ensure successful implementation of our sustainability initiatives. In this report, we disclosed our sustainable initiatives, progress and targets towards achieving a sustainable business model.

In FY2019, we are pleased to announce that we have successfully entered into two new markets – Chile and Ireland. This marks a remarkable progress for our business as we continually strive to expand our market presence globally. We also expanded our product offerings to include 39 new models. Our dedicated Sales & Marketing team is always on a lookout for our customers’ everchanging needs and ensure a high-quality customer experience. We strive to maintain our customer satisfaction level at the highest.

We also maintain a strong commitment to the environment. Our ongoing environment initiatives include using sustainable sources of raw materials, environmentally friendly products, and recycling wood waste. By doing so, we can significantly reduce our climate footprint and other environmental impacts. We will continue to invite our customers, suppliers, partners, and other stakeholders to be part of our journey, to create positive changes for society and the environment.

Finally, we recognised that the success of our sustainability journey requires collaboration and continued efforts from all our valued stakeholders. We would like to express our gratitude towards the Board, Management and Staff for their boundless support and commitment to our sustainability goals. We aim to create greater value for all our stakeholders in the year ahead.

ABOUT THIS REPORT

LY Corporation Limited and its subsidiaries (collectively, “Group” or “LY Group”), is one of Malaysia’s leading manufacturer and exporter of wooden bedroom furniture, and is listed on the Catalist Board of Singapore Stock Exchange (Stock Code: SGX:1H8).

The scope of this report covers the financial year ended 31 December 2019, in line with our annual report. Our sustainability report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Core standards. Unless otherwise stated, the report covers the environmental, social and governance (“ESG”) performance of the Group. This report forms part of our Annual Report FY2019 and can be viewed or downloaded from <https://investor.lyfurniture.com/>. As part of our continued efforts to improve our reporting, we welcome our stakeholders to submit their feedback to the following personnel:

- Mr. Tan Yong Chuan, Chief Executive Officer (“CEO”) at tanyc@lyfurniture.com
- Ms. Teo Gin Lian, Chief Financial Officer (“CFO”) at teogl@lyfurniture.com

KEY HIGHLIGHTS



New market expansion into Chile & Ireland

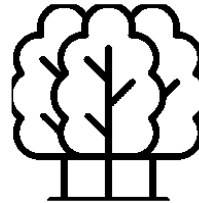
Diversified into the original brand manufacturing (“OBM”) business

Established 39 new furniture models



Average score of 3.7 across all 3 aspects of our customer satisfaction survey

90% of wood (i.e. timber) sourced from sustainable sources



Zero workplace fatality

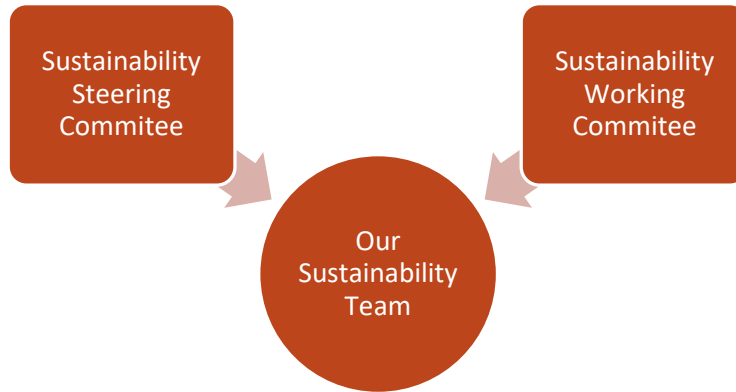
Zero significant fines and reportable cases of non-compliance with all applicable laws and regulations



Zero confirmed cases which are unethical, fraudulent or corrupt in nature

MANAGING SUSTAINABILITY AT LY

Our corporate sustainability agenda is spearheaded by our Sustainability Steering Committee (“SSC”) and managed by our Sustainability Working Committee (“SWC”). The SSC comprises of the Heads of Departments (“HODs”) from Finance, Sales & Marketing, Administration, Purchasing & Procurement and Operations departments.



SUSTAINABILITY STEERING COMMITTEE



Role

The SSC oversees and provides input to the Board and management on the Group's policies, strategies and programs related to matters of sustainability and corporate social responsibility.



Performance Goals

The SSC sets and reviews the goals established for its performance with respect to matters of sustainability and corporate social responsibility and monitors the Group's progress against those goals.



Periodic Feedback

The SSC receives periodic feedbacks from the Group's management regarding relationships with key stakeholders that may have a significant impact on the Group's business activities and performance.

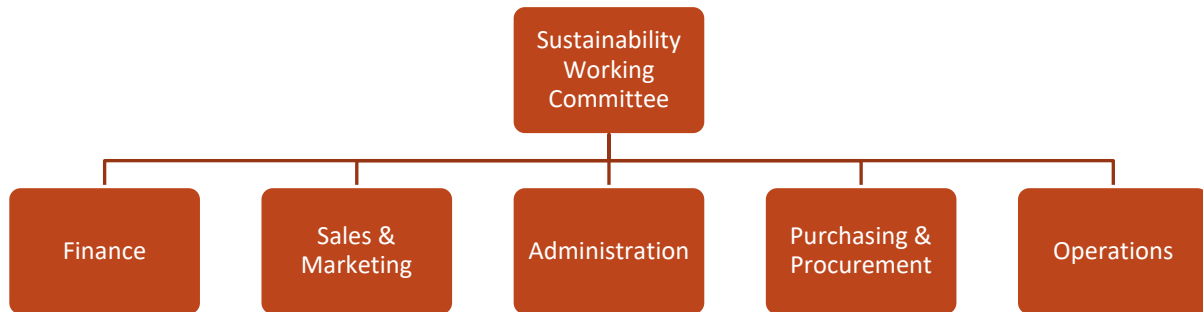


Reporting and Disclosure

The SSC issues sustainability and corporate responsibility reports and is also responsible for reporting to the Board on sustainability matters on an annual basis.

SUSTAINABILITY WORKING COMMITTEE

The SWC consists of representatives from Finance, Sales & Marketing, Administration, Purchasing & Procurement and Operations departments. The representatives are responsible for implementing sustainability strategies on behalf of the SSC.



Roles and Responsibilities of SWC

Finance	<ul style="list-style-type: none">• Provide required figures for monthly and yearly closing of accounts
Sales & Marketing	<ul style="list-style-type: none">• Ensure continuous orders from customers• Address customers' requirements and concerns over our products
Administration	<ul style="list-style-type: none">• Work along with Health & Safety Department to handle disposal of waste
Purchasing & Procurement	<ul style="list-style-type: none">• Ensure that materials purchased for production meets LY's quality standards and customers' requirements
Operations	<ul style="list-style-type: none">• Ensure that products are produced and delivered timely to our customers• Ensure minimal wastage during production

STAKEHOLDER ENGAGEMENT

We recognise the importance of stakeholder engagement and always believe that communication is of our topmost priority to the success of our organisation. We strive to build strong, lasting relationships with our stakeholders by understanding their expectations and concerns with regards to our operations.

Stakeholder	Platforms	Frequency	Key Feedback/ Concern	Commitments to Sustainability
Investors	Annual general meetings	Annual	<ul style="list-style-type: none"> ▪ Sustainable returns ▪ Long- term business growth ▪ Accurate and timely disclosure of information ▪ High standards of corporate governance 	<ul style="list-style-type: none"> ▪ Strive to generate sustainable long-term returns on investment ▪ Ensure that all pertinent information will be disseminated in a timely manner ▪ Ensure good corporate governance are in place in accordance to principles and provisions of the Code of Corporate Governance 2018 (Refer to our Corporate Governance report in our Annual Report 2019)
	Annual report	Annual		
	Financial result announcements	Quarterly		
	SGX announcements	Ad-hoc		
	Company website	Perpetual		
Employees and Workers	Performance review with Heads of Department	Quarterly	<ul style="list-style-type: none"> ▪ Job security ▪ Safe working environment ▪ Employee welfare ▪ Staff training and development opportunities ▪ Work-life balance ▪ Competitive remuneration and benefits 	<ul style="list-style-type: none"> ▪ Provide fair and equal opportunities to all employees ▪ Create a safe and cohesive working environment ▪ Provide talks and trainings on safety (Refer to Workplace Health and Safety section of this report) ▪ Ensure prompt payment of salaries ▪ Seek to ensure the job security of employees when making business decisions ▪ Share profits made by the organisation with employees through increments and bonuses
	Employee training and development	Ad-hoc		
	Platform for employee feedback	Perpetual		

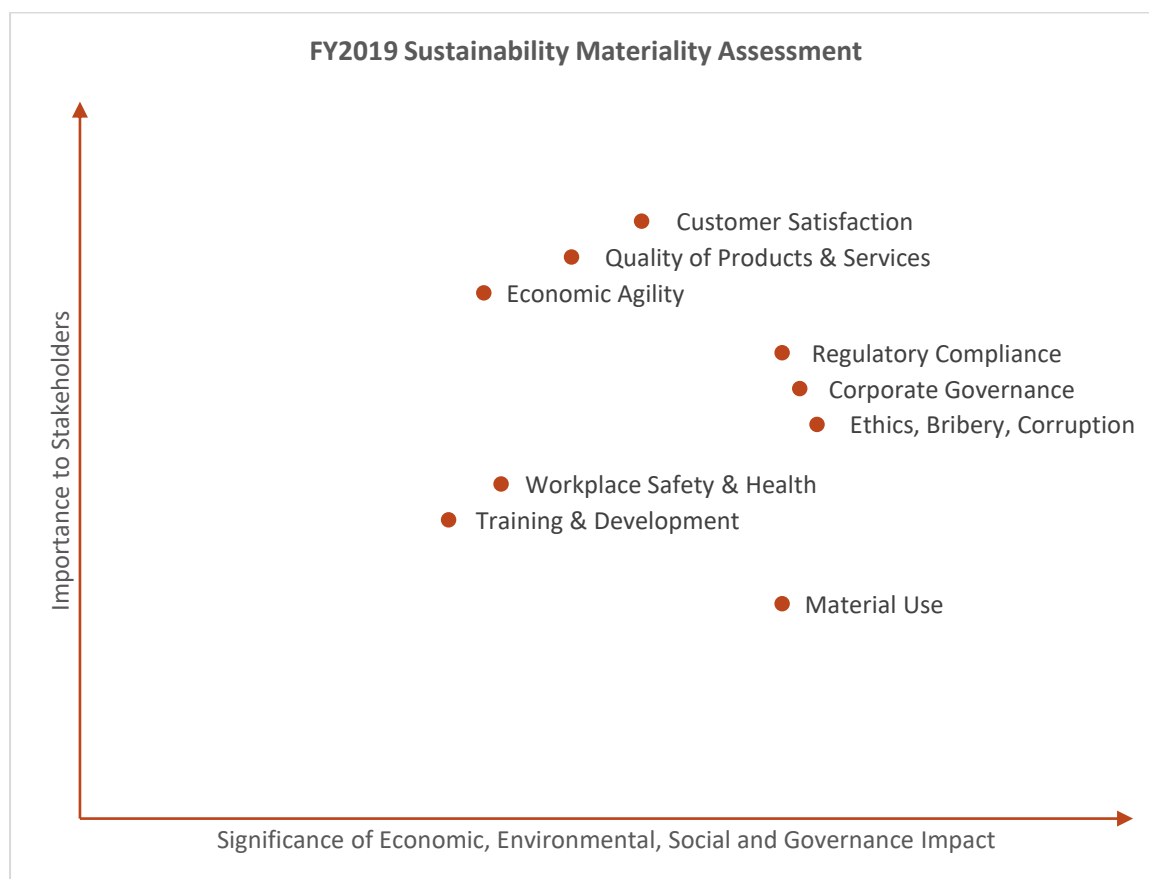
Stakeholder	Platforms	Frequency	Key Feedback/ Concern	Commitments to Sustainability
Customers	Email	Ongoing	<ul style="list-style-type: none"> ▪ Quality of finished goods ▪ Timely delivery of finished goods ▪ Competitive pricing ▪ Timely response to customer feedbacks and complaints 	<ul style="list-style-type: none"> ▪ Build products with high standards of quality and safety ▪ Establishing a team of people focused on quality of raw materials and finished goods ▪ Ensure that shipment is on time ▪ Price negotiation with clients to ensure comparable pricing with our peers ▪ Prompt to provide after-sales service when the needs arise
	Tele-conversations	Ongoing		
	Meetups with customers	Ongoing		
Suppliers/ Contractors	Email	Ongoing	<ul style="list-style-type: none"> ▪ Provide suppliers consistent / greater business opportunity ▪ Meeting the Group's quality requirements 	<ul style="list-style-type: none"> ▪ Ensure that samples from suppliers/ contractors are approved before manufacturing ▪ Providing timely feedback on quality of products to suppliers/ contractors
	Tele-conversations	Ongoing		
	Meetups with suppliers/ contractors	Ad-hoc		
Government/ Regulators	Correspondences through email and letters	Ongoing	<ul style="list-style-type: none"> ▪ Compliance with laws and regulations ▪ Corporate governance ▪ Safe working environment 	<ul style="list-style-type: none"> ▪ Strict compliance with relevant laws and regulations ▪ Fair and reasonable business practices ▪ Place employees' health and safety as priority ▪ Send employees for relevant trainings and seminars to keep themselves updated with regulations
	Meetings, briefings and regular reporting	Ad-hoc		
The Community	Community outreach initiatives	Ad-hoc	<ul style="list-style-type: none"> ▪ Eco-sustainable business practices ▪ Safe environment ▪ Contribution to local community 	<ul style="list-style-type: none"> ▪ Management of impacts on the community ▪ Understand and support initiatives by local community/ government ▪ Proper waste management and disposal system in place

MATERIALITY ASSESSMENT

Through various engagement sessions involving the Management and Executives, we have considered and assessed the topics that the Group as a whole and its stakeholders are concerned about, as well as those that can potentially impact the long-term sustainability of our business. Our approach to materiality assessment aims to follow the reporting principles of:

- Stakeholder Inclusiveness
- Sustainability Context
- Materiality (Impact)

The Group's material topics are derived from the materiality matrix. In accordance to the reporting principles, we take into account the materiality topic's influence on stakeholders' decisions as well as the significance of the topic's impact to Economic, Environmental, Social and Governance factors. The material topics are ranked in the materiality matrix and are further discussed in the subsequent pages of the report.



Material Topics – At a Glance

We have performed materiality analysis to identify sustainability issues that are of importance to our stakeholders and can potentially impact the long-term sustainability of our business. This assessment helps us bring focus to key areas that we seek to improve on as we make progress in achieving the long-term sustainability of our business.

The materiality review took into account the Global Reporting Initiative (“GRI”) guidelines and we have prioritised our topics using a materiality matrix. The matrix considers the potential Economic, Environmental, Social and Governance impact of each topic and its importance to stakeholders. In the conduct of the assessment, inputs from stakeholders and independent sustainability consultant were considered.

Our review focuses on four key aspects with nine identified material topics. For each material topic, we report on its relevance to our business and stakeholders, and the measures in place to address it.

Material Topic	Relevance	How We Are Addressing the Issue
Economic Dimension		
Economic Agility	<p>We recognise that the ever-changing business environment and consumer patterns are the cause of business volatility in the furniture industry.</p> <p>In order to prosper in our industry, our business strategy aims to incorporate the idea of adaptability and expansion to new markets in order to diversify our risk and increase our market presence.</p>	<p>To increase our market presence, we have successfully expanded to new markets, Ireland and Chile, in FY2019. We also expanded our product offerings and established 39 new models.</p> <p>We have diversified into the original brand manufacturing (OBM) business following our acquisition of Cubo Sdn. Bhd.’s business and assets in January 2019.</p> <p>To meet the ever-changing and fast-moving industry needs, we strive to expand our presences in more new markets and strengthen our product offerings in FY2020.</p>
Quality of Products and Services	<p>We believe that it is in our interest to provide our customers with products and services of the highest quality. Delivering top quality products and services ensures that our customers continue to have faith and trust in our brand over our competitors.</p>	<p>Product quality is our top priority and we are committed to uphold high product quality on all our products through detailed quality control inspections. Employees are often reminded the Group’s quality assurance policies and ensure goods are of satisfiable conditions before delivering to our customers.</p> <p>We have invested RM44,000 for quality check purposes in FY2019 and will continue to make investments in quality checks to further our Group’s commitment towards our quality assurance.</p>

Material Topic	Relevance	How We Are Addressing the Issue
Customer Satisfaction	<p>We recognise the importance of quality in our products and services, as it forms a large part of our branding.</p> <p>We are committed to providing our customers with high quality furniture and services, while seeking to maintain this business relationship in the long run.</p>	<p>Feedback channels are available for our customers to communicate and provide prompt feedback to property management representatives. We have formalised processes in place to receive, escalate, follow-up and report customers' feedbacks.</p>
Environmental Dimension		
Material Use	<p>We believe in providing the best quality products to our customers but not at the expense of the environment.</p>	<p>The Board and management place high emphasis on materials that adhere to our quality policy. Our procurement team handpicks our materials and ensure that they are cost efficient.</p> <p>We are still in the midst of attaining the Programme for the Endorsement of Forest Certification ("PEFC") to be recognised as a green business.</p> <p>We are also moving towards using materials that are sustainable (i.e. Pine Wood), reusing reclaimed products and recycling them.</p>
Social Dimension		
Training & Development	<p>We believe that investing in training and development programmes is crucial to enhance the human capital capacity of our Group. Skilled and competent employees create long-term value for our Group.</p>	<p>We conduct orientation, on-job supervision, and in-house and external training programmes for our employees.</p>
Workplace Health and Safety	<p>We strongly emphasize on the health and safety of our employees. We are committed to provide a safe and healthy working environment for all employees.</p>	<p>We recognise the need for continuous training to maintain zero cases of injuries in our workplace. In FY2019, we have sent our employees and workers to various training such as chemical handling, first aid & CPR, forklift training, ISO45001 awareness, security awareness and visitor trespassing trainings.</p> <p>Our aim is to equip and keep our employees' up-to-date with the latest safety training so as to strengthen their workplace health and safety awareness.</p>

Material Topic	Relevance	How We Are Addressing the Issue
Governance Dimension		
Corporate Governance	As a listed entity accountable to our shareholders and the wider community, we understand that it is crucial to establish a culture of strong corporate governance with zero tolerance towards unethical practices.	<p>We seek to uphold the highest standard of corporate governance and transparency, ensuring compliance to the principles of the Code of Corporate Governance.</p> <p>We have implemented a code of conduct that employees of all levels are expected to abide by.</p> <p>We also hold zero tolerance for corruption and have a whistle blower policy in place to report any instances of non-compliance.</p>
Ethics, Bribery and Corruption	We believe that upholding our reputation and fostering stakeholders' trust in our business is fundamental to our growth as a Group. Therefore, we are committed to building a positive corporate image through exemplary corporate governance and business ethics.	<p>We have zero tolerance towards corruption and fraud. Our employees are constantly reminded to make disclosures in event of conflicted duties or interest.</p> <p>We target to achieve zero confirmed cases of unethical, fraudulent or corrupted behaviours.</p>
Regulatory Compliance	The Board sets high expectation for the Group to ensure that we uphold the standards of our Group. We understand that any breach of laws and regulations could permanently damage our business and reputation in the industry. This could substantially affect business operations and economic performances.	<p>We have zero tolerance towards any non-compliances with the Group's policies, applicable laws and regulations in the industry. During induction training, we make sure that all employees understand the importance of regulatory compliance in our Group. The Board plays an important role by setting the tone at the top.</p> <p>There are no significant fines and reportable cases of non-compliances with all applicable laws and regulations in FY2019 and we seek to maintain our performance in regulatory compliance.</p>

ECONOMIC

We strive to create long-term value for our stakeholders through sustainable way of doing business, transforming how we purchase, manufacture and deliver.

Our Approach

ECONOMIC AGILITY

We recognise that our Group is heavily reliant on export sales of products to few key customers, which are mostly based in the United States of America (“USA”). Sales to the USA customers accounted for more than 65% of the Group’s sales in the past three financial years. 7 of our top 10 customers are all based in the USA.

We are committed to expanding our market presence and have successfully diversified into other new markets, Chile and Ireland, in FY2019. We also have an established in-house design and product development team which frequently attends trade shows and trainings to keep up-to-date with the industry developments. Our team had attended 2 shows – International Builders Show (IBS) and Kitchen & Bath Industry Show (KBIS) on 21 and 22 January 2020.

Both shows have given our team an opportunity to network with other industry pros, and also, to conduct research of the change in tastes and preferences of the USA market, particularly in the areas of our Group’s new product lines of millwork and kitchen cabinets. We strive to expand our product offerings and improve our products to cater to our main target market.



KBIS Show 2020 in Las Vegas

We are also pleased to announce that production facilities have been expanded in the area of millwork and kitchen cabinets in FY2019.

As part of our economic sustainability strategy, we have diversified into the original brand manufacturing (OBM) business following our acquisition of Cubo Sdn. Bhd.’s business and assets in January 2019 through our subsidiary, Leyo Holdings Sdn. Bhd. (“Leyo Holdings”). During the year, we invested more than RM4.0 million in purchasing and upgrading machinery and equipment for the OBM business. Moving forward, these enhancements will allow us to further increase our production capacity, optimise our operations, and grow our OBM business.

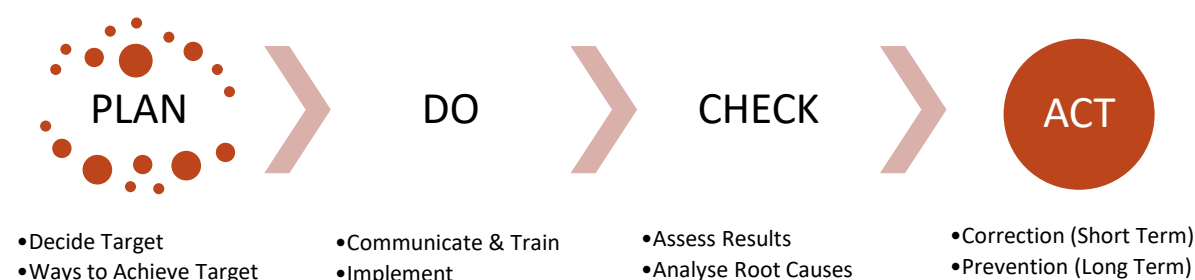
Economic Value Generated and Distributed

Financial Year		FY2018 RM'000	FY2019 RM'000
Economic Value Generated		268,322	248,528
Economic Value Distributed to Others	Operating Costs	198,632	194,650
	Employee Wages and Benefits	33,842	43,791
	Capital Providers	11,549	6,545
	Government	9,205	1,852
	Communities	173	32
Economic Value Retained		14,921	1,658

Perpetual Target	Performance in FY2019
To expand our presence into new markets and strengthen our product offerings	Successfully entered into Chile and Ireland, expanded our product offerings by 39 models, and diversified into the OBM business

QUALITY OF PRODUCTS & SERVICES

We place high importance on the quality of all our products and services as we believe they form a large part of our branding. We remain highly committed to providing our customers with highest quality furniture and services since the Group was set up in 1976. Our Group’s Quality Policy helps to ensure our continual improvement and increase customer satisfaction through our work step of Plan-Do-Check-Act (“PDCA”) in all our business processes.



We strive to remain fully committed to be the best wooden furniture supplier by meeting and exceeding customers' expectations through Total Quality Management System with continual improvements by all levels of our employees. In FY2019, we have invested approximately of RM44,000 for performing quality checks on all our products to ensure that our products are of the highest quality before delivering them to our customers. We also believe in investing in our employees so that they are capable of conducting quality checks and internal audits on our quality procedures. There was an increase in 63% of our quality check costs as we are determined to show our commitment to our customers.

Target for FY2019	Performance in FY2019
To invest more than RM30,000 for quality check purposes	Invested approximately RM44,000 (FY2018: approximately RM27,000) for performing quality checks on all our products

As of FY2019, 38 employees were trained to conduct internal audit for ISO9001:2015. This allows our employees to develop the necessary skills to assess and report on the conformance and implementation of processes based on ISO9001:2015. External auditors, together with 26 of our trained employees were involved in the ISO9001:2015 audit in FY2019 to identify any gaps in our quality management system and improve our quality process.

Despite our efforts to maintain high standards of product quality, there were 6 significant customer chargeback cases (i.e. RM50,000 and above) in FY2019, due to staff oversight which resulted in defective products being shipped to our customers. We have since reminded all staff to ensure that quality control measures are strictly adhered to, in order to minimise the need for customer chargebacks to rectify the product quality issues.

Performance in FY2019	Target for FY2020
6 significant customer chargeback cases in FY2019	To achieve no more than 5 significant customer chargeback cases in FY2020

CUSTOMER SATISFACTION

We are committed to going the extra mile to meet or exceed our customers' expectations on all our products and services. We take into account and place high value on each and every customer's feedback and seek to address their concerns in a timely manner. We have in place a customer feedback process which is overseen by our dedicated Sales & Marketing team.

They will receive the feedback and assure the customers that his or her feedback will be looked into. Thereafter, a thorough investigation will be carried out and issues are raised to the relevant departments for their necessary actions. Detailed explanation will be provided to our customers promptly to demonstrate our commitment to our customers in handling their needs.

Adhering to ISO9001:2015 requirements, annual customer survey is also conducted by our Sales & Marketing department and overseen by our Executive Director of Sales & Marketing. Annual survey has allowed us to identify areas that require improvement and implement corrective actions to enhance our customer satisfaction. Our customer survey is categorised into 3 main criteria:



Customers will grade these criteria on 5 different levels of satisfaction, from 1 (Not Satisfied) to 5 (Fully Satisfied). In FY2019, we obtained an average score of 3.7 across all 3 aspects, which is attributed largely to a decline in timeliness and reliability of delivery. We will strive to continue to monitor our customers’ needs and to increase their satisfaction towards our products and services. We seek to obtain value feedback and input on our product quality from our customers.

Target for FY2019	Performance in FY2019	Target for FY2020
To achieve an average of above 4.0 across all three aspects for the customer satisfaction survey for FY2019	Obtained an average score of 3.7 across all three aspects (FY2018: obtained above 4.0 average across two of three aspects)	To achieve an average of above 4.0 across all three aspects for the customer satisfaction survey for FY2020

Moving Forward

Moving forward, we are planning to expand our presence into new markets and strengthen our product offerings. We also aim to continually enhance our quality check processes to maintain the highest quality standards for our products and to maximise value for all our stakeholders.

ENVIRONMENTAL

As we operate in the furniture industry, we are fully aware of the importance of environmental protection and responsible use of resources. Our Group is committed in reducing the ecological footprint created by other operational activities. It is our responsibility to educate our stakeholders and take on measures to reduce undesirable impacts on the environment and pollution. We also strive to effectively manage our resource consumption.

Our Approach

MATERIAL USE

We strive to reduce environmental impacts of our manufacturing operations by using more materials from sustainable sources. This includes rubberwood from rubber trees on designated plantation land that are due for replacement, pine wood and recycled woods from waste wood chips. We also require our suppliers to produce relevant documentation to ensure that they have obtained required approval for logging.

In FY2019, 90% of our wood (i.e. timber) were sourced from sustainable sources. We have also worked with 58 new suppliers in FY2019 and all new suppliers are subjected to our strict assessment to ensure the materials purchased are sustainable and not harmful to our environment.

We are also in the midst of obtaining the Programme for the Endorsement of Forest Certification (“PEFC”) to show our dedication in promoting sustainable forest management in our business operations. A PEFC certified label will further enhance the branding of our products as we ensure that they are produced using only wood that is managed in line with the strictest environmental, social and economic requirements.

Apart from using sustainable wood, we also included the use of environmental-friendly materials such as water-based paint, Environmental Protection Agency’s Toxic Substance Control Act Title VI (EPA TSCA Title VI)-compliant raw materials and lead-content-free coating materials.

Target for FY2019	Performance in FY2019	Target for FY2020/FY2021
To attain Programme for the Endorsement of Forest Certification (“PEFC”) in FY2019	In Progress (FY2018: In Progress)	To attain Programme for the Endorsement of Forest Certification (“PEFC”) in FY2021
New target for producing products with wood from sustainable sources	90% of wood (i.e. timber) were sourced from sustainable sources	At least 90% of wood sourced from sustainable sources in FY2020

WASTE MANAGEMENT

Due to the inherent nature of our business, it is inevitable that waste is generated from our production. To reduce the disposal of our waste, we recycle our wood waste as feedstock for our factory boiler to produce heat required for our production process. Such an initiative has resulted in steam generated from the boiler to meet more than 50% of the heating requirements for our spray-painting process. Besides using our woods for our factory boiler, we also use it to produce wood pallets.

Asides from wood waste, we also recycle our factory solid, hostel solid and board waste. In FY2019, we recycled approximately 2 million kilograms of wood waste, 59,000 kilograms of plastic waste, 44,000 kilograms of carton waste and 25,000 kilograms of scrap iron. For waste that cannot be recycled, we will engage third-parties to dispose them.

Moving Forward

Moving forward, we will continue to strive to attain PEFC. We also target to maintain our record of zero incidents of penalties for non-compliance to all relevant environmental regulations of the jurisdictions that we operate in. We will stay committed in playing an active role, together with our stakeholders, in environmental conservation. Furthermore, we will be looking for ways to enhance our waste management process, monitor our waste output, and increase the amount of waste being recycled.

SOCIAL

LY stands for “Lian You” (联友), which means “uniting friends”. Hence, we strongly believe that one cannot succeed without friends, especially in an ever-changing and fast-growing globalised market.

Our corporate philosophy extends to all our stakeholders such as employees, customers, shareholders, business partners, suppliers, etc. We are committed to bring about a positive contribution to the communities we operate in through our business activities and initiatives.

Our Approach

TALENT ATTRACTION & RETENTION

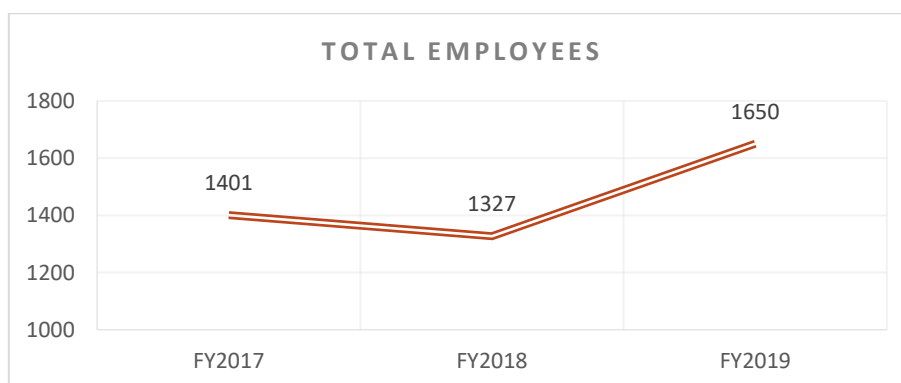
The long-term sustainability of our business is dependent on our ability to attract and retain talent. Our employee compensation packages are set in line with job requirements as well as qualifications and experience. Each employment package is unique and catered to their respective job requirements. We believe in catering to the needs of our employees so that they will feel motivated. We also review our compensation packages on a yearly basis to ensure that they remain competitive within industry standards.

Our compensation package includes benefits such as outstation meal, transport and family medical allowance. In addition, marriage leave, prenatal leave and paternity leave are also extended to our employees as long as they meet the requirements.

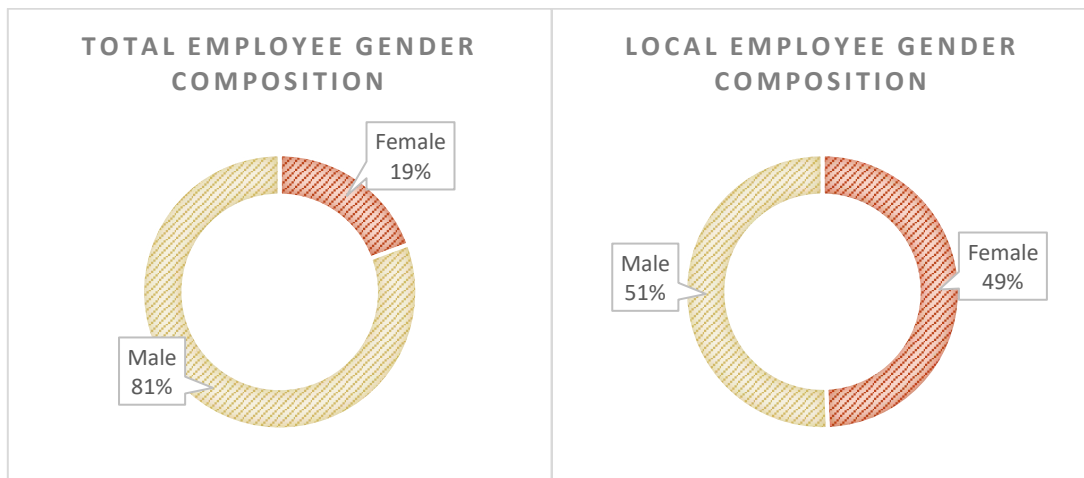
To retain our employees, we also award our long-working employees who have served 5, 10, 15, 20 and 25 years of continuous service. This is to show our appreciation to these employees who have committed their valuable years of service to the Group.

Employees Profile

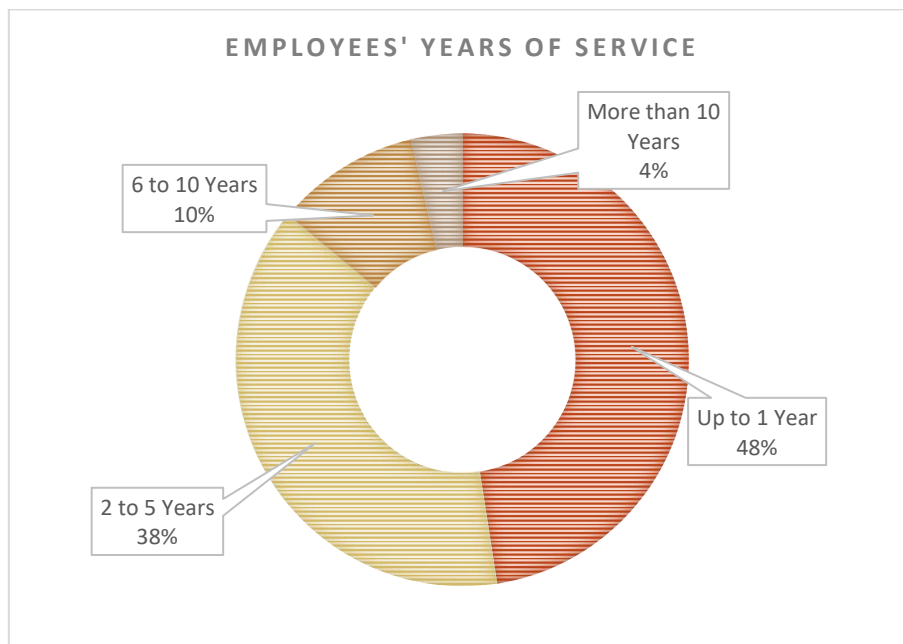
As at 31 December 2019, we have a total of 1,650 employees, comprising of 1,634 permanent employees and 16 temporary employees. In FY2019, we saw an increase of approximately 24% in our manpower, 386 employees left and 663 new employees joined our Group.



Due to the nature of our operations, a significant proportion of our employees are male, most of whom are foreigners. The proportion of female to male local employees is approximately 1:1.



We also value our employees and treat them like family. Hence, more than 50% of our employees have been with us for at least 2 years, with approximately 14% over six years of employment. Employees who have left us have served an average of two and a half years before leaving the Group.



TRAINING & DEVELOPMENT

We strongly believe in investing in the growth of our employees as our success depends on being able to bring in the right expertise and working attitude to our Group. To do so, we provide the necessary training to meet the needs of our employees and workers' professional learning and development.

We conduct internal training and development programs to educate our employees about Group processes and industry standards. In FY2019, we have conducted various trainings such as chemical handling, first-aid, CPR, forklift, fire safety, ISO45001 awareness, security awareness, etc. Aside from these trainings, we also conduct on-job trainings to build up our employees and workers' skills, knowledge and expertise required of their job role. On average, our employees have clocked an average of 7.3 man-hours of training in FY2019.

Besides providing training to our employees, we also perform quarterly performance evaluation to provide feedback on their professional development in the Group. The evaluation criteria include quality of work, quantity of work done, work responsibility, timeliness in work, ability to take instructions from supervisors, relationship with co-workers and critical thinking. A score of highest 5, and lowest 1 will be graded for each employee by their supervisors and final review by the Heads of Department. The purpose of our evaluation is to assess an employee's need for training and professional development, as well as reward them accordingly for their performance.

Target for FY2019	Performance in FY2019	Target for FY2020
New target for training hours provided to employees	Average of 7.3 man-hours of training was provided	Increase the average number of training hours provided to our employees by 5%

WORKPLACE HEALTH & SAFETY

Safe and healthy workplaces are the topmost priority for us. It is our goal to create a workplace that supports the daily life and wellbeing of our employees and workers. We are constantly exploring and evolving towards a new, better and safe working environment. We believe that to improve our employees' productivity, we need to provide them with a safe and healthy working environment. We are constantly on a lookout for ways to improve our workplace safety and welcome any feedbacks or reports from our employees regarding any signs of danger sighted within our work premises.

We have in place our Group's Safety, Health and Environment ("SHE") policy to provide guidance on safety and health for all our employees to uphold. We take adherence to the policy seriously as we believe safety and health is a joint responsibility between management and workers within our Group. While management takes the overall responsibility in ensuring that we comply with the applicable safety, health and environment laws and regulations, our workers must be properly trained in their respective work activities.

Our Safety and Health Committee ("SHE Committee") remains committed to ensuring safety policies are understood and adhered by all employees and workers. Our SHE Committee is overseen by a Chairman, and assisted by an Assistant Chairman, two Secretaries and 55 Safety Officers from various factories and warehouses. A WhatsApp platform has also been created to allow employees to reach the SHE Committee easily, should they have any concerns with the safety of their work environment.

The SHE Committee also identifies any training needs for our employees and workers to ensure that they are always keep up-to-date with the latest safety and health practices.

In FY2019, we have a total of 28 reported injuries and zero cases of fatalities. Our overall injury rate (per 1,000,000 manhours worked) has decreased from 6.65 in FY2018 to 6.3 in FY2019.

Awareness Training on ISO45001 Regarding Safety & Health

In FY2019, we have conducted an “Awareness Training on ISO45001 Regarding Safety & Health” to educate our employees on workplace safety and health. The objectives of the training are to provide information of the Group’s safety and health policy. Employees are also informed about the safety aspects provided by the Group such as emergency first aid location, emergency numbers, accident alerts, usage of personal protection equipment, etc. They are also equipped with knowledge of identifying hazardous situations at workplace and escalating them to their respective supervisors in a timely manner.



Awareness Training on ISO45001

A total of 904 employees and workers attended the training. At the end of the training, employees were tested to ensure that they understood the contents taught during the training. As we have a diverse group of workers from countries like Nepal, Myanmar and Bangladesh, training was conducted by the respective supervisors & factory managers of each country in their native languages to facilitate learning.

Security Awareness Training

We are committed to provide knowledge to all our employees about issues related to the security within the Group. Security awareness training and education was conducted to reduce the number of security violations and to ensure that all employees understand the Group's procedures to manage entry of unauthorised personnel into our premises. It is of our greatest concern that all employees are educated on their responsibility to help protect the confidentiality, availability and integrity of our organisation's information and assets.



Security Awareness Training

First-Aid & Cardiopulmonary Resuscitation (CPR) Training

As part of our workplace safety and health initiatives, first-aid & CPR trainings were conducted to educate our employees and workers the right way to treat and give CPR. Our trainings ensure that our certified first-aiders understand their roles and responsibilities in the event of emergency. In FY2019, we have 34 certified first-aiders.



First-aid & CPR Training

Chemical Handling Training

As our business involves the usage of various chemicals, we have engaged external trainers to conduct chemical handling trainings to workers to ensure they understood all necessary safety precautions in the event of a chemical spill. Workers are also educated on the safety disposal requirements and procedures of hazardous chemicals in order to not harm the environment. We are committed to ensure that our workers understood and comply with the jurisdictions' safety and health regulations in which we operate in.

The chemical handling training was conducted in December 2019 by external trainers and a total of 33 employees attended the training. Local employees, who attended the training, include our level operator, leader supervisor and representatives of the factory handling chemical. The representatives consist of level operator, leader, supervisor and Head of Department. For foreign workers, attendees of the training include those who are exposed to and handle chemical substances as part of their job.



Chemical Handling Training

Perpetual Target	Performance in FY2019
To achieve zero case of workplace injuries and fatalities	There was a total of 28 injuries and zero fatality in FY2019 (FY2018: 22 injuries and one fatality)

Contributing to our Community

We believe in contributing back to the society and creating a better environment for all our stakeholders. Our belief in giving has influenced our employees to contribute to the community even outside of work. In 19 June 2019, approximately 100 of our employees participated in a blood donation drive organised by a local government hospital. We believe that blood is the most precious gift that anyone can give to another person.



Blood Donation Drive 2019

Moving Forward

We will continue to devote time and efforts to involve ourselves with the communities and forge stronger ties with our stakeholders. By doing so, we strive to achieve an average score of above 4.0 across all 3 aspects for our customer satisfaction survey and ensure that our customers' needs will be timely addressed by our team. We also aim to achieve zero case of workplace injuries and fatalities in FY2020 by ensuring that we strictly adhere to our workplace safety and health measures. Training hours will also be increased to show our commitment in employees' professional development.

GOVERNANCE

We strive to uphold our reputation and foster stakeholders' trust in our business as these factors are fundamental in the development of our Group. We strongly believe in building a sound corporation with an ethical environment, thereby protecting our stakeholders' interests. Our Board and Management are devoted to enhance and add value to our stakeholders through maintenance of a high standard of corporate governance and strong internal controls in our Group, and ensuring that all employees and workers remain committed at all levels. We are also constantly kept up-to-date with the latest changes in legal and regulatory requirements to ensure that our Group is always in compliance.

ENTERPRISE RISK MANAGEMENT

To thrive in today's dynamic business climate, it is vital to identify, measure, prioritise and respond to the risks that threaten the achievement of Group's strategic objectives. Hence, we carry out an enterprise risk assessment on an annual basis to identify and respond to emerging new risks, and to ensure that existing risks that the Group is exposed to are well managed and adequately mitigated.

The enterprise risk assessment is generally carried out based on environmental scanning activities and focused on group discussion with top management and the respective risk owners in business units, so as to facilitate our Group in the identification and documentation of risks faced by the Group that may impact our ability to achieve organisational goals and objectives.

The exercise also further provides us with an assessment of our current standing in the market and outlook of the overall furniture industry. We strive to work closely with our stakeholders and with consistently monitoring, and also actively assess our risks and review our risk management system. This will ensure that new threats are managed and responded timely.

Our Approach

CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of corporate governance and places importance on its corporate governance processes and system so as to ensure greater transparency, accountability and maximisation of long-term shareholder value. The Board is dedicated to conducting business with integrity, setting the tone at the top for all our employees.

Our Group also endeavour to ensure alignment of our corporate governance framework with the principles and provisions of the Code of Corporate Governance ("Code") issued by the Monetary Authority of Singapore ("MAS"). We are constantly monitoring and ensuring that we are in compliance with the principles of the Code.

We are committed to maintain a strong independent element in our Board, with the ability to exercise objective judgement in corporate decisions. We also recognise the importance of progressive renewal of the Board composition. Our Board and its committees (i.e. Audit and Risk Committee, Remuneration Committee, Nominating Committee) as a collective whole, possess an appropriate balance and diversity of skills, experiences and knowledge in guiding the Group to achieve its long-term strategic goals.

Perpetual Target	Performance in FY2019
To achieve zero non-compliance with the principles of the Code	Achieved zero non-compliance with the principles of the Code (FY2018: zero non-compliance)

ETHICS, BRIBERY & CORRUPTION

We follow strict internal practices and policies that reflect our strong commitment to our stakeholders, such as our community, employees, customers, suppliers, etc. We strive to exercise the highest level of ethical standards in all aspects of our business.

To demonstrate our commitment on maintaining trust with our stakeholders, we have in place Conflict of Interest Policy, Whistle-blowing Policy and Employment Code of Conduct. These policies are formally communication to every new employee during their induction training.

Conflict of Interest Policy

- Employees must not accept gifts, gratuity, entertainment or favours that may influence their position to act in the best interest of our Group
- Includes scenarios where interests may be conflicted
- Reporting procedures, should conflicts of interests arise
- Policy was also emailed to all our suppliers

Whistle-blowing Policy

- Guidance for employees to raise concerns of malpractice or wrongdoing within the Group to the Investigation Committee ("IC")
- Escalation process to IC or where appropriate or required, to relevant government authorities for further investigation or action.
- Procedures in place to protect anonymity of whistle-blowers and notifying them of the outcome

Employee Code of Conduct

- Contains a comprehensive list of examples of employee misconduct
- Misconduct includes violation of company safety rules, forgery, theft, sexual harassment and sleeping on the job
- Code of Conduct is easily accessible by all employees through the Group's shared drive

An Investigation Committee ("IC") was also established to ensure that appropriate follow-up actions to address the concerns raised will be taken. The IC consists of an Executive Director, CFO and an external Human Resource consultant, as well as Audit and Risk Committee Chairman. This is to provide assurance to all employees and workers that whistle-blowing reports, relating to ethics, bribery, corruption, non-compliances and malpractice, can be made without fear of reprisal.

Perpetual Target	Performance in FY2019
To achieve zero confirmed cases which are unethical, fraudulent or corrupt in nature	Achieved zero confirmed cases which are unethical, fraudulent or corrupt in nature (FY2018: zero confirmed cases)

REGULATORY COMPLIANCE

We have zero tolerance towards any violations of stated rules, regulations and policies. Our Group will not hesitate to take any disciplinary actions against violators, regardless of individual capability or history. We are committed to educating our employees with the relevant laws and regulations in their area of discipline by ensuring that sufficient trainings are given during their induction programme. Furthermore, employees may be sent for training during their employment period to ensure that they always keep up-to-date with the latest laws and regulations in the industry. The following shows some of the key regulations that the Group adheres to:

Ministry of International Trade and Industry •Industrial Co-ordination Act (1975)
Department of Occupational Safety and Health •Factories and Machinery Act (1967)
Ministry of Human Resource •Employment Act (1955)
Department of Environment •Environmental Quality Act (1974)
Personal Data Protection Department •Personal Data Protection Act (2010)
Singapore Exchange Limited •SGX-ST Catalist Rules
Monetary Authority of Singapore •Code of Corporate Governance 2018
Singapore Companies Act
Malaysia Timber Industry Board •Malaysian Timber Industry Board (Incorporation) Act (1973) •Timber Industrialisation Methods (Registration) (1991)

Perpetual Target	Performance in FY2019
To achieve zero significant fines and reportable cases of non-compliance with all applicable laws and regulations	Achieved zero significant fines and reportable cases of non-compliance with all applicable laws and regulations (FY2018: zero cases)

Moving Forward

In FY2019, we have achieved zero confirmed cases which are unethical, fraudulent and corrupt in nature. There were also no instances of non-compliances with our corporate governance policies.

Moving forward, we will continue to strive towards creating a culture of good corporate governance and to achieve a record of zero instances of non-compliances. We will strive to achieve zero significant fines (i.e. RM50,000 and above). We will also remain vigilant in monitoring our compliance with all relevant laws and regulations in the jurisdictions we operate in (i.e. Malaysia and Singapore).

GRI CONTENT INDEX

GRI Standard	Disclosure Title	Reference
GENERAL DISCLOSURE		
ORGANIZATIONAL PROFILE		
Disclosure 102-1	Name of the Organization	Annual Report- Corporate Profile
Disclosure 102-2	Activities, brands, products, and services	Annual Report- Corporate Profile
Disclosure 102-3	Location of headquarters	Annual Report- Corporate Profile
Disclosure 102-4	Location of operations	Annual Report- Corporate Profile
Disclosure 102-5	Ownership and legal form	Annual Report- Corporate Profile
Disclosure 102-6	Markets served	Annual Report- Corporate Profile
Disclosure 102-7	Scale of the Organization	Annual Report- Financial Review
Disclosure 102-8	Information on employees and other workers	Sustainability Report- Social
Disclosure 102-9	Supply Chain	Annual Report- Corporate Profile
Disclosure 102-10	Significant changes to the organization and its supply chain	Annual Report- Corporate Profile, Financial Review
Disclosure 102-11	Precautionary Principle or approach	Sustainability Report- Governance
Disclosure 102-12	External initiatives	None
Disclosure 102-13	Membership of associations	None
STRATEGY		
Disclosure 102-14	Statement from senior decision maker	Sustainability Report- Board's Statement
Disclosure 102-15	Key impacts, risks, and opportunities	Sustainability Report- Board's Statement
ETHICS AND INTEGRITY		
Disclosure 102-16	Values, principles, standards, and norms of behaviour	Sustainability Report- Corporate Governance
Disclosure 102-17	Mechanisms for advice and concerns about ethics	Annual Report- Corporate Governance Report
GOVERNANCE		
Disclosure 102-18	Governance structure	Annual Report- Corporate Governance Report, Sustainability Report- Sustainability Team
Disclosure 102-19	Delegating authority	Annual Report- Corporate Governance Report, Sustainability Report- Sustainability Team
Disclosure 102-20	Executive-level responsibility for economic, environmental, and social topics	Annual Report- Corporate Governance Report, Sustainability Report- Sustainability Team
Disclosure 102-21	Consulting stakeholders on economic, environmental and social topics	Sustainability Report- Stakeholder Engagement
Disclosure 102-22	Composition of the highest governance body and its committee	Annual Report- Corporate Governance Report
Disclosure 102-23	Chair of the highest governance body	Annual Report- Corporate Governance Report
Disclosure 102-24	Nominating and selecting the highest governance body	Annual Report- Corporate Governance Report

GRI Standard	Disclosure Title	Reference
Disclosure 102-25	Conflicts of interest	Annual Report- Corporate Governance Report
Disclosure 102-26	Role of highest governance body in setting purposes, values, and strategy	Sustainability Report- Corporate Governance
Disclosure 102-27	Collective knowledge of highest governance body	Sustainability Report- Corporate Governance
Disclosure 102-28	Evaluating the highest governance body's performance	Sustainability Report- Corporate Governance
Disclosure 102-29	Identifying and managing economic, environmental, and social impacts	Sustainability Report- Materiality Assessment
Disclosure 102-30	Effectiveness of risk management process	Sustainability Report- Corporate Governance
Disclosure 102-31	Review of economic, environmental, and social topics	Sustainability Report- Materiality Assessment
Disclosure 102-32	Highest governance body's role in sustainability reporting	Sustainability Report- Corporate Governance
Disclosure 102-33	Communicating critical concerns	Annual Report
Disclosure 102-34	Nature and total number of critical concerns	Annual Report- Corporate Governance Report
Disclosure 102-35	Remuneration policies	Annual Report- Corporate Governance Report
Disclosure 102-36	Process for determining remuneration	Annual Report- Corporate Governance Report
Disclosure 102-37	Stakeholders' involvement in remuneration	Annual Report- Corporate Governance Report
Disclosure 102-38	Annual total compensation ratio	We choose not to disclose as we reward based on meritocracy
Disclosure 102-39	Percentage increase in annual total compensation ratio	We choose not to disclose as we reward based on meritocracy
STAKEHOLDER ENGAGEMENT		
Disclosure 102-40	List of stakeholder groups	Sustainability Report- Stakeholder Engagement
Disclosure 102-41	Collective bargaining agreements	None of our employees have joined trade union
Disclosure 102-42	Identifying and selecting stakeholders	Sustainability Report- Stakeholder Engagement
Disclosure 102-43	Approach to stakeholder engagement	Sustainability Report- Stakeholder Engagement
Disclosure 102-44	Key topics and concerns raised	Sustainability Report- Stakeholder Engagement
REPORTING PRACTICE		
Disclosure 102-45	Entities included in the consolidated financial statements	Annual Report- Financial Contents
Disclosure 102-46	Defining report content and topic boundaries	Sustainability Report- About This Report
Disclosure 102-47	List of material topics	Sustainability Report- Material Topics – At A Glance
Disclosure 102-48	Restatements of information	None

GRI Standard	Disclosure Title	Reference
Disclosure 102-49	Changes in reporting	None
Disclosure 102-50	Reporting period	Sustainability Report- About This Report
Disclosure 102-51	Date of most recent report	Annual Report FY2019
Disclosure 102-52	Reporting cycle	Annual (Financial year ended 31 December 2019)
Disclosure 102-53	Contact point for questions regarding the report	Sustainability Report- About This Report
Disclosure 102-54	Claims of reporting in accordance with the GRI Standards	Sustainability Report- About This Report
Disclosure 102-55	GRI content index	Sustainability Report- GRI Content Index
Disclosure 102-56	External assurance	Not sought
MANAGEMENT APPROACH		
Disclosure 103-1	Explanation of the material topic and its Boundary	<ul style="list-style-type: none"> • Corporate Governance • Ethics, Bribery & Corruption • Regulatory Compliance • Economic Agility • Quality of Products & Services • Material Use • Customer Satisfaction • Training & Development • Workplace Health & Safety
Disclosure 103-2	The management approach and its components	
Disclosure 103-3	Evaluation of the management approach	
ECONOMIC		
ECONOMIC PERFORMANCE		
Disclosure 201-1	Direct economic value generated and distributed	Sustainability Report- Economic
Disclosure 201-2	Financial implications and other risks and opportunities due to climate change	We have assessed that climate change has no significant impact on our business
Disclosure 201-3	Defined benefit plan obligations and other retirement plans	There is no pension scheme and employees under retirement plan
Disclosure 201-4	Financial assistance received from government	None
MARKET PRESENCE		
Disclosure 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	We choose not to disclose as we reward based on meritocracy
Disclosure 202-2	Proportion of senior management hired from the local community	We choose not to disclose as we reward based on meritocracy
INDIRECT ECONOMIC IMPACTS		
Disclosure 203-1	Infrastructure investments and services supported	None
Disclosure 203-2	Significant indirect economic impacts	None
PROCUREMENT PRACTICES		
Disclosure 204-1	Proportion of spending on local suppliers	This is not applicable to the Group due to the nature of our business
ANTI-CORRUPTION		
Disclosure 205-1	Operations assessed for risks related to corruption	Sustainability Report- Governance

GRI Standard	Disclosure Title	Reference
Disclosure 205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report- Governance
Disclosure 205-3	Confirmed incidents of corruption and actions taken	Sustainability Report- Governance
ANTI-COMPETITIVE BEHAVIOR		
Disclosure 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Sustainability Report- Governance
ENVIRONMENTAL		
MATERIAL		
Disclosure 301-1	Materials used by weight or volume	We do not track materials used for packaging
Disclosure 301-2	Recycled input materials used	Sustainability Report- Environment
Disclosure 301-3	Reclaimed products and their packaging materials	None
ENERGY		
Disclosure 302-1	Energy consumption within the organization	We do not track energy consumption
Disclosure 302-2	Energy consumption outside of the organization	
Disclosure 302-3	Energy intensity	
Disclosure 302-4	Reduction of energy consumption	
Disclosure 302-5	Reductions in energy requirements of products and services	
WATER AND EFFLUENTS		
Disclosure 303-1	Interactions with water as a shared resource	This is not applicable to the Group due to the nature of our business
Disclosure 303-2	Management of water discharge-related impacts	This is not applicable to the Group due to the nature of our business
Disclosure 303-3	Water withdrawal	Water withdrawal via Local Authority
Disclosure 303-4	Water discharge	We do not track water discharge
Disclosure 303-5	Water consumption	We do not track water consumption
BIODIVERSITY		
Disclosure 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	This is not applicable to the Group as the Group does not own any protected areas or area of high biodiversity value
Disclosure 304-2	Significant impacts of activities, products, and services on biodiversity	None
Disclosure 304-3	Habitats protected or restored	None
Disclosure 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	None
EMISSIONS		
Disclosure 305-1	Direct (Scope 1) GHG emissions	This is not applicable to the Group due to the nature of our business
Disclosure 305-2	Energy indirect (Scope 2) GHG emissions	

GRI Standard	Disclosure Title	Reference
Disclosure 305-3	Other indirect (Scope 3) GHG emissions	This is not applicable to the Group due to the nature of our business
Disclosure 305-4	GHG emissions intensity	
Disclosure 305-5	Reduction of GHG emissions	
Disclosure 305-6	Emissions of ozone-depleting substances (ODS)	
Disclosure 305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	
EFFLUENTS AND WASTE		
Disclosure 306-1	Water discharge by quality and destination	This is not applicable to the Group due to the nature of our business
Disclosure 306-2	Water by type and disposal method	
Disclosure 306-3	Significant spills	
Disclosure 306-4	Transport of hazardous waste	
Disclosure 306-5	Water bodies affected by water discharges and/or runoff	
ENVIRONMENTAL COMPLIANCE		
Disclosure 307-1	Non-Compliance with environmental laws and regulations	No occurrence during FY2019
SUPPLIER ENVIRONMENTAL ASSESSMENT		
Disclosure 308-1	New suppliers that were screened using environmental criteria	Sustainability Report- Environment
Disclosure 308-2	Negative environmental impacts in the supply chain and actions taken	None
SOCIAL		
EMPLOYMENT		
Disclosure 401-1	New employee hires and employee turnover	Sustainability Report- Social
Disclosure 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability Report- Social
Disclosure 401-3	Parental leave	Sustainability Report- Social
LABOR /MANAGEMENT RELATIONS		
Disclosure 402-1	Minimum notice periods regarding operational changes	No occurrence during FY2019
OCCUPATIONAL HEALTH AND SAFETY		
Disclosure 403-1	Occupational health and safety management system	Sustainability Report- Social
Disclosure 403-2	Hazard identification, risk assessment and incident investigation	Sustainability Report- Social
Disclosure 403-3	Occupational health services	Sustainability Report- Social
Disclosure 403-4	Worker participation, consultation, and communication on occupational health and safety	Sustainability Report- Social
Disclosure 403-5	Worker training on occupational health and safety	Sustainability Report- Social

GRI Standard	Disclosure Title	Reference
Disclosure 403-6	Promotion of worker health	Sustainability Report- Social
Disclosure 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	None
Disclosure 403-8	Workers covered by an occupational health and safety management system	Sustainability Report- Social
Disclosure 403-9	Work-related injuries	Sustainability Report- Social
Disclosure 403-10	Work-related ill health	No occurrence during FY2019
TRAINING AND EDUCATION		
Disclosure 404-1	Average hours of training per year per employee	Sustainability Report- Social
Disclosure 404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report- Social
Disclosure 404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report- Social
DIVERSITY AND EQUAL OPPORTUNITY		
Disclosure 405-1	Diversity of governance bodies and employees	Sustainability Report- Social
Disclosure 405-2	Ratio of basic salary and remuneration of women to men	We choose not to disclose as we reward based on meritocracy
NON-DISCRIMINATION		
Disclosure 406-1	Incidents of discrimination and corrective actions taken	No occurrence during FY2019
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
Disclosure 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	We have not identified this risk in our course of normal operations
CHILD LABOR		
Disclosure 408-1	Operations and suppliers at significant risk for incidents of child labour	We have not identified this risk in our course of normal operations
FORCED OR COMPULSORY LABOR		
Disclosure 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	We have not identified this risk in our course of normal operations
SECURITY PRACTICES		
Disclosure 410-1	Security personnel trained in human rights policies or procedures	We have not identified this risk in our course of normal operations
RIGHTS OF INDIGENOUS PEOPLES		
Disclosure 411-1	Incidents of violations involving rights of indigenous peoples	No occurrence during FY2019
HUMAN RIGHTS ASSESSMENT		
Disclosure 412-1	Operations that have been subject to human rights reviews or impact assessments	No occurrence during FY2019

GRI Standard	Disclosure Title	Reference
Disclosure 412-2	Employee training on human rights policies or procedures	We have not identified this risk in our course of normal operations
Disclosure 412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	We have not identified this risk in our course of normal operations
LOCAL COMMUNITIES		
Disclosure 413-1	Operations with local community engagement, impact assessments and development programs	None
Disclosure 413-2	Operations with significant actual and potential negative impacts on local communities	None
SUPPLIER SOCIAL ASSESSMENT		
Disclosure 414-1	New suppliers that were screened using social criteria	None
Disclosure 414-2	Negative social impacts in the supply chain and actions taken	None
PUBLIC POLICY		
Disclosure 415-1	Political contributions	No occurrence during FY2019
CUSTOMER HEALTH AND SAFETY		
Disclosure 416-1	Assessment of the health and safety impacts of product and service categories	None
Disclosure 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No occurrence during FY2019
MARKETING AND LABELING		
Disclosure 417-1	Requirements for product and service information and labelling	This is not applicable to the Group due to the nature of our business
Disclosure 417-2	Incidents of non-compliance concerning product and service information and labelling	No occurrence during FY2019
Disclosure 417-3	Incidents of non-compliance concerning marketing communications	No occurrence during FY2019
CUSTOMER PRIVACY		
Disclosure 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None
SOCIOECONOMIC COMPLIANCE		
Disclosure 419-1	Non-compliance with laws and regulations in the social and economic area	No occurrence during FY2019