Guoco Group, being part of the larger Hong Leong Group, is built on the strong heritage of value creation for our stakeholders and communities within which we operate. Over the years, we have taken a progressive approach in integrating sustainability into our businesses, towards a stronger, more resilient group. We are committed to: growing our businesses responsibly, balancing environmental with economic considerations, as well as creating a positive impact for our stakeholders and contributing to our communities.

We continue to pursue and develop our Environmental, Social and Governance (“ESG”) practices and initiatives based on our core values of honour, human resources, entrepreneurship, innovation, quality, progress, unity, and social responsibility.

It is our belief that these values will serve to nurture and grow our Group’s continued dedication to long-term sustainable corporate practices, taking into account the interests of our stakeholders, and thereby contribute to our core objective of realising long-term shareholders’ value and business sustainability.
ABOUT THIS REPORT

To illustrate our commitment and belief in being a responsible corporate citizen, we have since 2014 published Corporate Social Responsibility Reports as part of our annual reporting and since 2017 presented our ESG Reports with extended disclosure in compliance with Appendix 27 of the Listing Rules and Guidance set out by The Stock Exchange of Hong Kong Limited ("the Stock Exchange"). This Report provides an annual update on the sustainability performance of the Group for the year ended 30 June 2019.

Approach

Being an integrated group with multiple differentiating businesses including Principal Investment, Property Development and Investment as well as Hospitality and Leisure with geographical footprint across Asia, Europe and Australasia, the ESG aspects that are considered relevant and material by each of our core business groups vary. This Report sought to provide a balanced review of the key ESG performance of our core business groups and other businesses, by discussing key topics, representative initiatives and actions to demonstrate our efforts in creating long-term value for our stakeholders.

For detailed sustainability performance of the listed subsidiary companies of the Group, namely GuocoLand Limited ("GuocoLand", listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX");) GL Limited ("GL", listed on the Main Board of SGX), GuocoLand (Malaysia) Berhad ("GLM", listed on the Main Market of Bursa Malaysia Securities Berhad) and The Rank Group Plc. ("Rank", listed on the Main Market (Premium Listing) of the London Stock Exchange), please refer to their standalone Sustainability Reports or Operating Responsibility Statement embedded in the annual report 2019.


group-wise sustainability philosophy, visions and messages for adoption by the core business groups continue to be reviewed and developed under the guidance of the Group ESG steering committee during the year. The boards and senior management of the respective core business groups, which being listed companies themselves, provide oversight on the formulation of policies and monitor the overall ESG performance. Individual sustainability task forces of the core business units are empowered to drive sustainability programmes across their respective organisations.
### Stakeholder Engagement

Understanding and engaging with our stakeholders is fundamental to the sustainability of the Group. Our core subsidiary groups seek to engage their respective stakeholders regularly through various methods, including surveys, meetings, feedback programmes, network sessions and visits, etc. By maintaining an open connection with our stakeholders, we are able to better understand their needs and identify what we can do to grow, improve and excel. In view of the Group’s diversified business operations, the key ESG aspects that are considered important by the stakeholders of the core business groups differ. The ESG task forces will review the material aspects annually and update as appropriate.

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Frequency</th>
<th>Engagement Platforms</th>
<th>Key Topics raised</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employees</strong></td>
<td>Weekly</td>
<td>• Performance review • Staff engagement survey • Internal newsletters and e-communications</td>
<td>• Enhance employees’ understanding of business strategy and commercial plan</td>
</tr>
<tr>
<td></td>
<td>Monthly</td>
<td>• Festive celebrations • Forums / Talks • Scorecard • Staff excursion • Business updates and management / operations meetings</td>
<td>• Welfare and well-being • Performance • Staff engagement • Access to tools and materials • Occupational health and safety</td>
</tr>
<tr>
<td></td>
<td>Quarterly</td>
<td>• Monthly • Annually • Ongoing • Regularly • Ad hoc</td>
<td>• Financial • Investment strategy • Growth strategy performance • Risk management • Corporate governance • Transparent and timely information • Regulations</td>
</tr>
<tr>
<td><strong>Shareholders / Investors</strong></td>
<td>Monthly</td>
<td>• General meetings • Investor meetings / Analyst briefings • Results announcements • Annual / interim reports • Company and site visits • Corporate websites • Email and phone channels • Media releases and interviews</td>
<td>• Customer experience • In room facilities • Housekeeping standard • Operational and sales matters • Leasing management and planning • Product quality and timely delivery • Environmental protection • Housing • Access to public transport • Healthy features</td>
</tr>
<tr>
<td></td>
<td>Quarterly</td>
<td>• Weekly • Monthly • Annually • Ongoing • Regularly • Ad hoc</td>
<td>• Email and phone channels • Letters • Networking sessions • Survey / Research • Meetings • Customer service teams • Social media channels • In-person feedback • User manuals • Festive events</td>
</tr>
<tr>
<td><strong>Guests / Customers</strong></td>
<td>Weekly</td>
<td>• Regulatory filings • On-site inspections • Responding to public consultations • In-person meetings • Email and phone channels</td>
<td>• Environmental compliance • Labour standards • Listing rules / requirements • Risk assessment reviews • Politics • Competition • Trade bodies • Export requirements and manufacturing standards</td>
</tr>
<tr>
<td></td>
<td>Monthly</td>
<td>• Monthly • Quarterly • Annually • Ongoing • Regularly • Ad hoc</td>
<td>• Product / service quality and safety • Timely delivery • Occupational health and safety • Labour standards • Environmental compliance</td>
</tr>
<tr>
<td><strong>Regulators / Government</strong></td>
<td>Monthly</td>
<td>• On-site inspections / visits • In-person meetings • Telephone conversation • Online procurement platform • Supplier assessments</td>
<td>• Needs of local community • Participation of voluntary services • Participation in community and charity • Industry matters</td>
</tr>
<tr>
<td><strong>Suppliers</strong></td>
<td>Monthly</td>
<td>• Monthly • Annually • Ongoing • Regularly • Ad hoc</td>
<td>• Partnering with charity organisations • Participation in community / industry programmes / fund raising exercises • Employee volunteer programmes • Community dialogue</td>
</tr>
<tr>
<td><strong>Community</strong></td>
<td>Monthly</td>
<td>• Partnering with charity organisations • Participation in community / industry programmes / fund raising exercises • Employee volunteer programmes • Community dialogue</td>
<td>• Needs of local community • Participation of voluntary services • Participation in community and charity • Industry matters</td>
</tr>
</tbody>
</table>
ENVIRONMENT

Recognising that long-term results often start from the humblest of steps, the Group believes that no effort is too small and seeks to entrench the philosophy into a Group-wide awareness and culture of caring for the environment as a global corporate citizen. This serves as the building blocks of all initiatives, policies and practices aimed at reducing waste and improving efficiency in energy and use of resources.

During the year, our business groups continued to drive initiatives and processes and engage stakeholders on all fronts, from customers to suppliers to employees, to reduce energy and water consumption, increase recycling levels and incorporate renewable energy into its everyday business practices.

Emissions

The Group adheres to and complies with the relevant laws and regulations with regards to emissions where it operates in.

GLH Hotels Limited ("GLH"), our hotel division under GL, is dependent on multiple sources of energy for many aspects of its operations. It has developed and implemented a dashboard for easier access and better monitoring of resource consumption. The dashboard tracks energy, water and waste metrics as well as their associated costs at a granular level across all hotels of the GLH Group. A series of environmental surveys were commissioned to help the hotel group understand and better track its resource consumption. These surveys also fulfilled the energy assessment obligations under the UK Energy Saving Opportunity Scheme. Based on all the information gathered, GLH has reviewed and improved its hotel-specific action plans. It resulted in significant saving in energy consumption. Its carbon assessment reflects a year-on-year reduction of 21% in greenhouse gas emissions.

At GLH, several initiatives have been implemented to reduce waste including individualised hotel-specific plans to review and implement more recycling. For example, food waste is separated from other waste for composting, which helps to divert organic waste from landfills. GLH has initiated training to educate employees on diverting recyclable waste from general waste streams, and how to correctly sort and dispose of the former. As a result, the portion of recycled waste increased to 33.7% of the total waste in FY2018/19 as compared to that of 22.8% in FY2017/18. In solidarity with the global movement to beat plastic pollution, GLH is removing single use plastics from its supply chain starting with the removal of plastic straws in FY2017/18 and will continually seek opportunities for a further reduction in their waste generating. GLH aims to implement a procurement policy that will help to avoid unnecessary use of hazardous materials and processes by collaborating with contractors with similarly high environmental standards.
ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

Rank also continues to see results of its initiatives in driving down greenhouse gas emissions. Total greenhouse gas emissions of Rank’s operations decreased 14% from 49,584 tonnes of CO\textsubscript{2}e for FY2017/18 to 42,538 tonnes of CO\textsubscript{2}e for FY2018/19.

Manuka Health New Zealand (“Manuka Health”), our newly acquired Manuka honey producer and distributor, exercises utmost caution in protecting the environment. Registered secure disposal company is engaged for handling its hazardous substances and wastes from its laboratory operations.

Use of Resources

In line with the commitment of GuocoLand to develop sustainable developments, energy-efficient design and features are incorporated into its developments from the start. When the properties become operational, it monitors the energy consumption levels and works to improve the resource-efficiency of its managed buildings through ongoing initiatives. Through the energy saving initiatives implemented in FY2018/19, the energy consumptions at Guoco Tower and Guoman Hotel Shanghai reduced by 2% and 10% respectively.

The Guoco Changfeng City development project in Shanghai, China consumed approximately 2,228 GJ of energy. Renewable sources of energy accounted for approximately 6% of total energy consumption while main source of energy came from diesel and natural gas.

GuocoLand’s Building Energy Consumption (kWh)\textsuperscript{4}

<table>
<thead>
<tr>
<th>Building</th>
<th>Country</th>
<th>FY2018/19</th>
<th>FY2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guoco Tower\textsuperscript{5}</td>
<td>Singapore</td>
<td>14,688,394</td>
<td>15,007,360\textsuperscript{6}</td>
</tr>
<tr>
<td>Sofitel Singapore City Centre</td>
<td>Singapore</td>
<td>5,162,187</td>
<td>5,281,952</td>
</tr>
<tr>
<td>20 Collyer Quay</td>
<td>Singapore</td>
<td>4,051,128</td>
<td>3,953,874</td>
</tr>
<tr>
<td>Guoman Hotel Shanghai</td>
<td>China</td>
<td>5,992,000</td>
<td>6,656,040</td>
</tr>
</tbody>
</table>

Note:
\textsuperscript{4} Energy data from tenants is excluded for mixed-use developments and office properties.
\textsuperscript{5} Previously known as Tanjong Pagar Centre.
\textsuperscript{6} Data has been restated to exclude both energy consumptions from tenants and Sofitel Singapore City Centre, which is now reported separately.
At GLM, external energy consultant was engaged to conduct an energy audit and identify solutions for optimizing energy consumption for some of its managed buildings. The process has achieved evident results with reduction in electricity consumption by 3,970,000 kWh (or 15.5%) in Menara HLA and 4,100,000 kWh (or 4.6%) in Plaza Zurch respectively in FY2018/19.

During the year, GLH reduced its energy consumption by 33,409 GJ compared to the preceding year, including a 17% reduction in gas consumption and a 5% reduction in electricity consumption. This was attributed in part to the improved tracking of its energy consumption, and in part to the initiatives it has undertaken.

GLH’s operations rely on water. GLH reminds their guests to embody these sustainability values through informational materials in all the in-stay rooms and bathrooms, for example, encouraging them to reuse their linens and be mindful when using water in bathrooms. These small measures can add up to significant resource and cost savings. A reduction of 170,088 cubic metres of water consumption was reported in FY2018/19 as compared to FY2017/18 with water intensity decreased from 0.44m$^3$/per/no. of rooms sold to 0.32m$^3$/per/no. of rooms sold. GLH aims to have a 5% reduction in water consumption at each hotel by FY2021/22.

At production sites of Manuka Health, rainwater is collected, stored and treated for use in production and to minimize the need to purchase additional water from the municipals.
Environment and Natural Resources

The Group strictly adheres to environmental laws and regulations.

As a property developer and manager, GuocoLand is aware that its developments have an impact on the environment. Hence, it is committed to developing sustainable developments with a green building rating, reduction of energy consumption of its operational properties and compliance with all relevant environmental laws and regulations stipulated by the authorities.

Performance Summary: GuocoLand’s Investment Properties

<table>
<thead>
<tr>
<th>Material Topic</th>
<th>Boundary</th>
<th>FY2018/19 Performance</th>
<th>Status</th>
<th>FY2019/20 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Consumption</td>
<td>Guoco Tower</td>
<td>To formulate an energy reduction plan.</td>
<td>Target met. Achieved 2% reduction of electricity energy consumption.</td>
<td>To achieve 1% reduction of electricity energy consumption.</td>
</tr>
<tr>
<td></td>
<td>Guoman Hotel Shanghai</td>
<td>To formulate an energy reduction plan.</td>
<td>Target met. Achieved 10% reduction of electricity energy consumption.</td>
<td>To achieve 1% reduction of electricity energy consumption.</td>
</tr>
<tr>
<td></td>
<td>20 Collyer Quay</td>
<td></td>
<td></td>
<td>To achieve Green Mark Certification.</td>
</tr>
<tr>
<td>Environmental Compliance</td>
<td>All assets in Singapore and China</td>
<td>Zero cases for environmental non-compliance.</td>
<td>Target met.</td>
<td>To maintain zero incidents of environmental non-compliance.</td>
</tr>
</tbody>
</table>

GuocoLand works with its consultants from the outset of the development projects to ensure that the building will achieve a green building rating. Green building ratings typically assess the overall environmental performance of buildings in all stages, from design and construction to operation. Green building ratings help to enhance the attractiveness of our developments amongst homebuyers and tenants.
GuocoLand’s properties in Singapore are all Building and Construction Authority (“BCA”) Green Mark certified currently, except for 20 Collyer Quay. GuocoLand is currently working on achieving the Green Mark certification for 20 Collyer Quay in FY2019/20.

In Shanghai, Guoco Changfeng City – GuocoLand’s upcoming mixed-use project, will be a Two-Star green building, a national standard by China’s Green Building Evaluation Label. On top of that, it will also be LEED Platinum and Gold certified.

GLM strives to reduce its environmental footprint and cater to the needs of the community through the way its developments in Malaysia are designed and built. Examples below are manifestation of such efforts.

**Guoco Tower**

For our iconic integrated mixed-use development Guoco Tower, in addition to a BCA Green Mark Platinum certification, it is also awarded Platinum Certification by the internationally-recognised Leadership in Energy and Environmental Design (“LEED”).

**Emerald 9**

Emerald 9 in Cheras of Malaysia is a transit oriented integrated development. A key feature of this project is accessibility to public transport. As an addition to this development, we shall built a 400m covered link walk way to the public train station, encouraging the users to take public transport and reduce reliance on cars and personal vehicles.

**Emerald Hills**

Emerald Hills focuses on providing ample green space for its residents, with more than half of the land area used for landscaping and facilities. A jungle trail connecting to a reserve allows for close living with nature. A central lake is also designed to add to the green features and landscaping of the project.
Being a premium Manuka honey producer, Manuka Health is committed to long-term sustainability of the natural environment. For FY2018/19, Manuka Health has planted 80,000 Manuka seedlings over 75 hectares of land in conjunction with landowners as part of a wider initiative to increase the amount of Manuka resource available for bees to collect nectar for Manuka honey production. These plantings also represent permanent reafforestation which will capture on average 95 tonnes of carbon dioxide per hectare planted over the coming 30 years.

The Group also encourages staff to adopt environmentally responsible behaviour and to raise awareness of environmental protection. True to our “every act counts” philosophy, across office incentives such as document digitalization, electronic communications, paperless meeting solutions have been adopted to reduce paper consumption. Meetings via electronic means continue to be encouraged to reduce the indirect carbon footprint arising from travel and lodging. Overtime, switching off lights and electronic appliances (rather than in stand-by mode) after office hours are also becoming a habit.
### Environment KPIs

#### A1. Emission

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>Unit</th>
<th>Principal Investment</th>
<th>Property Development</th>
<th>Hospitality and Leisure</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG Scope 1 emissions</td>
<td>metric tonnes CO₂e</td>
<td>NA</td>
<td>NA</td>
<td>21,528</td>
<td>NA</td>
<td>21,528</td>
</tr>
<tr>
<td>GHG Scope 2 emissions</td>
<td>metric tonnes CO₂e</td>
<td>185</td>
<td>27,798</td>
<td>32,062</td>
<td>NA</td>
<td>60,045</td>
</tr>
<tr>
<td>GHG Scope 2 emissions and intensities</td>
<td>metric tonnes CO₂e</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Total GHG emissions</td>
<td>metric tonnes CO₂e</td>
<td>185</td>
<td>27,798</td>
<td>53,590</td>
<td>NA</td>
<td>81,573</td>
</tr>
</tbody>
</table>

#### Waste

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>Unit</th>
<th>Principal Investment</th>
<th>Property Development</th>
<th>Hospitality and Leisure</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-hazardous waste produced</td>
<td>tonnes</td>
<td>0.43</td>
<td>NA</td>
<td>8,610</td>
<td>NM</td>
<td>8,610.43</td>
</tr>
</tbody>
</table>

#### A2. Use of Resources

##### Direct energy consumption

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>Unit</th>
<th>Principal Investment</th>
<th>Property Development</th>
<th>Hospitality and Leisure</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline / Petrol</td>
<td>kWh</td>
<td>NA</td>
<td>NA</td>
<td>1,390,153</td>
<td>NA</td>
<td>1,390,153</td>
</tr>
<tr>
<td>Diesel</td>
<td>kWh</td>
<td>NA</td>
<td>414,261</td>
<td>3,226,162</td>
<td>NA</td>
<td>3,640,423</td>
</tr>
<tr>
<td>Other fuels</td>
<td>kWh</td>
<td>NA</td>
<td>38,760</td>
<td>925,000</td>
<td>NA</td>
<td>963,760</td>
</tr>
<tr>
<td>Total direct energy consumption</td>
<td>kWh</td>
<td>NA</td>
<td>453,021</td>
<td>113,858,999</td>
<td>NA</td>
<td>114,312,020</td>
</tr>
</tbody>
</table>

##### Indirect energy consumption

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>Unit</th>
<th>Principal Investment</th>
<th>Property Development</th>
<th>Hospitality and Leisure</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity consumption</td>
<td>kWh</td>
<td>231,823</td>
<td>49,613,743</td>
<td>111,144,004</td>
<td>1,033,522</td>
<td>162,023,092</td>
</tr>
<tr>
<td>Towngas / gas work gas consumption</td>
<td>kWh</td>
<td>NA</td>
<td>6,611,611</td>
<td>NA</td>
<td>119,152</td>
<td>6,730,763</td>
</tr>
</tbody>
</table>

##### Water

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>Unit</th>
<th>Principal Investment</th>
<th>Property Development</th>
<th>Hospitality and Leisure</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water consumption</td>
<td>m³</td>
<td>NM</td>
<td>1,132,467</td>
<td>758,264</td>
<td>1,431</td>
<td>1,892,162</td>
</tr>
</tbody>
</table>

##### Total packaging materials

<table>
<thead>
<tr>
<th>KPI Description</th>
<th>Unit</th>
<th>Principal Investment</th>
<th>Property Development</th>
<th>Hospitality and Leisure</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Packaging material used for finished products</td>
<td>tonne</td>
<td>NA</td>
<td>NA</td>
<td>456</td>
<td>292</td>
<td>748</td>
</tr>
</tbody>
</table>

KPIs which are not included above are either not material or not applicable to our businesses.
ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

SOCIAL

Employment and Labour Practices

Our people are the backbone to the Group’s success. The Group has in place clear and definitive codes of practices and policies regarding employment practices and staff well-being. The Group is in compliance with all applicable laws regarding labour rights and employment.

Employment

Recognising the important part that our employees play, the Group offers competitive remuneration and benefits to attract and retain talents and reward contribution. Salary is reviewed regularly and systematically and benchmarked using external market intelligence. Annual increment and year-end performance bonus mechanism are incorporated in the Group’s remuneration policy. To further promote recognition of key achievements, the Group has a performance, bonus and increment cycle in place which rewards employees for their accomplishments. Under this system, business goals and targets are set at the beginning of a performance period, and bonuses or share based benefits are awarded to high-performing employees based on period-end reviews. Fair terms on working hours, overtime payment, holidays, termination of contract, fringe benefits and leave entitlement are stipulated on the employment contracts signed between employees and the Group. Employee codes of conduct are also set out in writing to ensure proper communication of Group values, policies, expectations and requirements.

Our group companies in Hong Kong, namely Guoco Management Company Limited, Hong Leong Insurance (Asia) Limited and Hong Leong Bank Berhad, Hong Kong Branch were granted the Good MPF Employer Award in recognition of our efforts in protecting and enhancing the employees’ retirement needs.

Our People

As at 30 June 2019, the Group’s workforce comprises a total of 11,911 staff. While most of them are permanent full time employees, temporary and casual workers are engaged to meet instances of increased business demand and short term manpower requirement.
Equal Opportunities

We are committed to equal opportunity practices with a strong emphasis on merit-based promotion. The Group has policies to promote diversity and a fair working environment to ensure that all employees are free from discrimination regardless of age, disability, religious belief, gender, sexual orientation, ethnicity, marital status, political views or nationality. We abide by all applicable law in all aspects of employment including recruitment, promotion and opportunities for training, pay and benefits.

A fair working environment should be one that is free of discrimination, harassment, bullying and victimisation. GL uses applicable employment laws including the European Human Rights Legislation as reference points for its policies. In particular, a UK Grievance Policy is in place outlining procedures for managing grievances privately and confidentially, and in the event of any redundancy GL will provide outplacement support for affected employees.

During the year, Rank continues to enhance its staff diversity and inclusion strategy via various initiatives, including, amongst others:

- Partnering with Global Diversity Partnership to deliver unconscious bias workshops across the business;
- Appointed diversity champions across its business to help roll-out diversity and inclusion and unconscious bias awareness training;
- Implemented a diversity dashboard;
- Improved recruitment processes with a focus on gender; and
- Integrated diversity into its key development programme.

Appraisal System

The Group adopts a systematic and standardized appraisal system. Assessment and evaluation of employees’ capabilities, performance and potential are conducted at regular intervals to act as a basis for promotion and salary increase and ensure that these are aligned with the vision and direction of the businesses. A regular review platform also allows for two-way communication between employees and management to set key performance indicators and results area and discuss career development opportunities.
Health and Safety

Ensuring the health and safety of our team is a priority for the Group. Our core business units have in place occupational health and safety procedures to provide practical advice and controls for all workplaces in accordance with relevant standards. We consider compliance with statutory requirements a starting point and endeavour to practise improved health and safety standards throughout our businesses.

Ongoing risk assessments of work environment are conducted with the aim of identifying any potential safety concerns in light of the market benchmarks. Occupational and health manuals relevant to the industries/businesses are in place to ensure that acceptable standards are adopted by our business groups. Regular training and refreshers are provided to employees to reinforce knowledge and awareness, which is essential to maintaining a healthy and safe workplace.

Being a property developer, GuocoLand works closely with its main contractors and consultants involved in project development to ensure a safe and healthy working environment. The main contractors have established workplace safety and health management systems that are in alignment with the Workplace Safety and Health Act in Singapore and the relevant laws and regulations in China. GuocoLand’s project teams are guided by internal standard operating procedures to implement a workplace safety and health management system from the start of the tender stage through to the project’s completion. The project team works closely with the business partners during the design and construction phases to identify risks and assess the potential impacts on health and safety. Regular spot checks are carried out by the project teams and internal auditors to assess the contractors’ compliance with workplace safety and health measures.

During the year, both GL and Rank continue to improve the health and safety awareness across their groups. Apart from making the health and safety polices accessible to all their staff via their online intranet base or computerized system for assessing display screen equipment, e-learning platforms are adopted for training purpose. All new starters are inducted in their health and safety requirements while all existing staff are provided an annual refresh on key health and safety issues.

<table>
<thead>
<tr>
<th>Company</th>
<th>FY2018/19 Performance</th>
<th>FY2019/20 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>GuocoLand</td>
<td>• No work-related fatalities in Singapore</td>
<td>To maintain zero work-related incidents involving employees resulting in fatality.</td>
</tr>
<tr>
<td></td>
<td>• 1 workplace injury in China</td>
<td></td>
</tr>
<tr>
<td>GL</td>
<td>• 1 report of Injuries, Diseases and Dangerous Occurrences Regulations reportable accident</td>
<td>To maintain no serious injuries or fatalities as a result of work-related activities.</td>
</tr>
<tr>
<td></td>
<td>• 159 non-serious employee injuries with slips, trips and falls</td>
<td></td>
</tr>
<tr>
<td>Rank</td>
<td>• Injuries with burns reduced by 26%</td>
<td>To reduce both burns and slips, trips and falls by 5%.</td>
</tr>
<tr>
<td></td>
<td>• Injuries with slips, trips and falls reduced by 29%</td>
<td></td>
</tr>
</tbody>
</table>
Staff Training and Development

Our ability to remain competitive within the industry relies on the continuous development of our employees’ skills, experience and knowledge. Resources are committed to continued development of our employees for not only improving effectiveness, efficiency and alignment with business direction, but also for the purpose of providing a platform for self-development and fulfillment. The Group runs organized workshops, seminars and training programmes for employees covering various aspects to improve their level of skills and knowledge and maximise their potentials. They are also encouraged to enrol in external study opportunities and job-related courses to enrich themselves through acquiring higher professional skills and qualifications. Our career development programme is designed to enable our employees to progress within the Group, offering mobility between group companies and teams, and the opportunities to work within different areas of operation and to participate in cross-group projects.

For FY2018/19, GL has rolled out the refreshed e-learning website which comprises various training modules from hard and soft skills to awareness training on well-being and diversity with improved system user-friendliness. It gives employees a wider array of training at their fingertips and allows better tracking of mandatory participation and compliance. The e-learning platform helped to achieve a significant increase in average hours of training per employee of GL from 4.3 to 15.7 hours for the year.

<table>
<thead>
<tr>
<th>FY2018/19 Performance</th>
<th>Status</th>
<th>FY2019/20 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct training needs analysis for key talents and high-potential employees.</td>
<td>Target met</td>
<td>To continually develop key talents and high-potential employees in accordance with their training needs identified during performance review.</td>
</tr>
<tr>
<td>Create Individual Development Plan for selected key personnel.</td>
<td>Target met</td>
<td>To deliver the Individual Development Plan for selected key personnel, in collaboration with the relevant Heads of Department/Supervisor.</td>
</tr>
<tr>
<td>Refresh the new hire orientation programme.</td>
<td>Target met</td>
<td>To update the new hire orientation programme in coordination with and alignment to Hong Leong Group Human Resource.</td>
</tr>
</tbody>
</table>
Employee Engagement

During the year under review, GuocoLand conducted employee engagement surveys in Singapore and China targeted at understanding employee morale and satisfaction, as well as to measure its progress on strategic goals that include creating opportunities for recognition, training and development, as well as career advancement. Several initiatives were rolled out in response to the feedback received such as improving the on-boarding process to help new employees integrate faster into the organization, providing more learning and development opportunities as well as improving cohesiveness and camaraderie among employees through various teambuilding and social activities.

GLH continues to use employee engagement tools to encourage frequent conversations with and feedback from employees. This connectivity enables GLH to stay in touch with the needs of its employees, for example, through dedicated forums sometimes as often as every week. Each hotel has individual engagement targets that are tracked through monthly dashboards, and all managers are trained in engagement principles to continuously improve upon communication with staff.

An annual employee engagement cycle including a variety of surveys and forums was undertaken by Rank to ensure that colleagues have a chance to share their views. Employee voice meetings, the Talking STARS and Leading STARS forums are held and attended by elected representatives from different areas of the business and/or the chief executive, and other members of the Rank executive committee. Subjects discussed include working environments, group policies and key strategic issues impacting the group.
We value the importance of maintaining a healthy lifestyle and worklife balance of our employees. The Group actively engages its employees through social, recreational, employee bonding, outings, volunteer works and charity activities. Teambuilding sessions were also organised off-site with the aim of encouraging better working relationships and better communication between colleagues of various departments in different locations.

In response to the feedback of an employee survey, GLM has set up a sports and social committee to foster employees’ communication and relationships, support employees’ health and well-being as well as encourage employees to engage in charitable purposes and other meaningful activities.

Respecting the festivities and traditions of respective jurisdictions in which our businesses operate, festive celebrations and activities are organized to bring the work family together on such occasions.

**Labour Standards**

The Group objects to child and forced labour. This fundamental proposition is non-negotiable and its observance is compulsory across all our business groups wherever in the world. In addition, we also seek to extend this requirement to our partners.

For example, GL has introduced a Child Protection Policy since 2015 whereby a Safeguarding Lead was established to refer allegations of child abuse to the police protection unit. This policy extends to its suppliers and is covered in the code of conduct which all suppliers are required to sign. GL is also proud to be part of the Stop Slavery Hotel Industry Network, which seeks to work collectively to realise a vision of a slavery-free industry.
Operating Practices

The Group is committed to good business ethics and integrity. We believe in fair and open competition based upon sound commercial practices and aim to develop long term relationships with suppliers and contractors based upon mutual trust and benefit. Sourcing decisions should be based solely upon price, quality, service dependability and competitiveness.

Supply Chain Management

The Group adheres to policies and guidelines for supplier selection and contractor selections (Procurement Policy). Work safety track record, material quality and labour reliability (i.e. prohibition of illegal workers) are some of the criteria that are considered when selecting these suppliers or contractors.

We recognise that our operations are highly dependent on a reliable supply chain that ensures us to receive the goods and services we require. The core business units engage with employees, various contractors and consultants across our supply chain.

GLH has an extensive supplier base of more than 1,000 suppliers for food and beverages, supplies, fixtures and amenities. As a responsible business, GLH is keen to safeguard our corporate values including in relation to our supply chain. To protect our principles of ethics and lawfulness, critical suppliers undergo a high-level supplier assessment during which they are rated on several criteria. All suppliers are required to sign up to our code of conduct during tenders as well as when suppliers log onto our online procurement platform. The code stipulates GLH’s position on areas such as human rights, labour conditions, environmental protection and business ethics.

In Singapore, GuocoLand requires main contractors engaged to be bizSAFE Level 3 certified and it is a statutory requirement in Singapore for the main contractors’ workplace safety and health management systems to be audited by external independent consultants. The contractors were also certified Green and Gracious Builders by the BCA for implementing best practices in environmental protection, which includes the commitment to use natural resources, especially energy and water, efficiently; and gracious social practices to mitigate possible inconveniences to the public caused by construction works. At GuocoLand’s development projects in Singapore and China, the contractors undertaking our projects in FY2018/19 were certified to ISO14001, which is an environmental management system that enables contractors to control the impact of their activities on the environment.
Product Responsibility

“To consistently provide goods and services of the highest quality at competitive prices” is one of our core corporate values.

Guest satisfaction is at the very core of GLH’s purpose of being a hospitality service provider. GLH places great emphasis on the comfort and safety of guests in its hotels so that guests have a memorable stay. GLH employees are expected to adhere to the highest standards of ethics and professionalism in line with our ethical and equal opportunity policies and principles. Through its extensive guest satisfaction survey which follows the guest journey beginning with reservation and check in to check out, GLH conscientiously tracks results over time and make a concerted effort to incorporate any feedback.

Guests and visitors’ safety and security are of utmost importance to GLH. To protect customers and employees safety, GL continues to undertake quarterly audits through an independent company, NSF, to maintain health and safety, hygiene, and fire safety compliance and to share and regularly review the results of such audits with the hotel general managers. Its hotel kitchens adhere strictly to regulatory food safety standards to deliver the highest levels of food safety to its guests and diners.
ENVIRONMENTAL, SOCIAL & GOVERNANCE REPORT

GuocoLand is committed to providing and maintaining a safe environment for all stakeholders, including our homebuyers, tenants, and visitors. Prior to the handover of its properties to homebuyers and tenants, volatile organic compounds are purged to mitigate the potential short- and long-term adverse health effects. The cleaning and maintenance vendors are also required to submit a list of chemicals used before carrying out any procedures to safeguard against potential health risks to our employees, tenants and customers.

In Singapore, the Construction Quality Assessment System (CONQUAS) by the BCA assesses the quality of workmanship in structural works, architectural works, and mechanical and electrical works, by sampling a representative number of units in a housing development. As a testament to its stringent process of quality management at its show flats and the actual development, GuocoLand has been ranked among the top 10 developers in Singapore for quality workmanship as at June 2019.

Guoco Changfeng City, GuocoLand’s mixed-use integrated project in Shanghai, is designed to meet the WELL (Gold and Silver) certification standards issued by the International WELL Building Institute. It is the first commercial project in Shanghai to receive the WELL (Gold) certification, which is developed with human health and well-being in mind. WELL is a leading tool for advancing health and wellbeing in buildings globally.
While Rank is always looking for new ways to support and entertain customers as its business mandate, it is also committed to providing a safe gambling environment for its customers. Its emphasis during the year has shifted towards ‘safer’ gambling, rather than simply promoting responsible gambling. Rank has its refreshed policy and new strategy endorsed by the safer gambling committee and put in place a specific workstream with initiatives to offer safer gambling products and the environment to customers as well as to promote safer customer participation.

Rank is also making progress towards a more holistic review of customer risk. During the year, it is progressing with the trial of a complex algorithms, ALeRT, developed in partnership with a Canadian company, Focal Research, to help detecting potentially at-risk behaviour among slot machine players. Rank aims to extend the use of the ALeRT system across all casinos in the coming year. The first phase of time and money controls was implemented for the casinos’ slot and electronic roulette machines. For the year ahead, Rank will start using socio-economic and demographic data to support the risk assessments and interaction with customers who may be playing beyond their means or may be at risk of gambling related harm. It will also continue to improve the quality and accessibility of its player data, including cross-channel transaction data, to support a better overview of risk for customers that play both online and offline.

In collaboration with other operators, Rank continues to examine how to support better youth education, industry marketing codes of practice, and improvements to the controls and tools it offers to customers to manage their gambling.

Intellectual Property Right

The Group strives to protect its own intellectual property rights and respects third party intellectual property rights according to all related applicable laws and regulations. Our businesses monitor to protect, strengthen and reinforce its worldwide portfolio of intellectual property (including trademarks, designs and patents) to ensure new and existing rights are adequately preserved. The Group also requires its service providers, suppliers or business partners to undertake and warrant as appropriate that there is no infringement of third party intellectual property rights. Infringement, whether of our own rights and that of others, is not tolerated.

Data Protection

The Group takes its data protection and privacy obligations very seriously. We have established internal policies and processes to comply with the applicable data protection laws. We have a data protection framework and mission statement that underpins the deployment and monitoring of relevant policies. Security measures are also put in place to safeguard any personal data which we have access to. Policies and practices are regularly reviewed and updated to ensure timely compliance with changing regulatory requirements.

Anticorruption

We are dedicated to upholding integrity and honesty in our operations, and have adopted zero tolerance towards fraud, corruption and unethical actions. The Group has implemented policies on anti-corruption and procedures concerning offering or accepting gifts and gratuities. All employees are required to become acquainted with and to abide by these policies and procedures.

We have a Whistleblower Policy that ensures any internal or external stakeholder can raise any concerns on possible improprieties through any of our independent and accessible whistleblower channels. Such reports, if any, shall be treated in strict confidence to protect the identity of the whistleblower.

The Group was in compliance with the applicable laws on prohibiting corruption, bribery, extortion, fraud and money laundering of the relevant jurisdictions.
COMMUNITY

The Group has long been committed to the corporate value of creating wealth for the betterment of society and strongly believes that a business organisation cannot detach itself from its social responsibility. Collective advancement and harmonious community relationships create win-win possibilities. To this end, the Group and its staff are dedicated to charity works and active engagement with communities.

Our Hong Kong staff again supported the Walk for Millions of The Community Chest of Hong Kong (“The Community Chest”) for the thirteenth year rolling, and was ranked third in the overall fund raising for The Community Chest 50th Anniversary Walks for Millions with our directors, Mr. Kwek Leng Hai and Mr. Tang Hong Cheong being awarded the 2nd runner-up and 3rd runner-up of Top Individual Fund-raiser Award respectively. Our staff also participated in the Dress Casual Day, Flag Day and Skip Lunch Day organised by The Community Chest. To recognise our enthusiastic participation and contribution, Guoco has been awarded the Platinum Award and the prestigious President’s Award for the thirteenth year by The Community Chest.

Guoco, together with three group companies in Hong Kong namely Guoco Management Company Limited, Hong Leong Insurance (Asia) Limited and Hong Leong Bank Berhad, Hong Kong branch have been awarded “Caring Company” designation by The Hong Kong Council of Social Service for a fifth year in recognition of the continuous dedication and enduring efforts in performing corporate social responsibilities.

Hong Kong staff participated in The Community Chest 50th Anniversary Walk for Millions Central - Wan Chai Bypass
At Guoco Tower in Singapore, GuocoLand has extended venue support for events and activities that are aligned with its focus on building a meaningful connection with the community. Examples include venue support for the Health Promotion Board’s Workplace Health Promotion series and sponsored space for the display and sale of craftwork pieces made by artists from the Thye Hua Kwan Home for Disabled Adults. Other charities and institutions of a public character that have held their community outreach events and activities at Guoco Tower include the Action for Singapore Dogs, Children Cancer Foundation, and SOSD Singapore.

In recognition of Guoco Tower’s continual efforts in achieving best land use practice through placemaking, Guoco Tower clinched several prestigious awards:

- **Global and Asia Pacific Awards for Excellence 2019 by Urban Land Institute (ULI)**
- **Award of Excellence Winner for Urban Habitat: Single-Site Scale by The Council on Tall Buildings and Urban Habitat (CTBUH)**
- **Best Design Land Transport Integration by Land Transport Authority of Singapore**

In FY2018/19, GuocoLand’s employees in Singapore also participated in volunteer services and fundraising marathon such as the SGX Bull Charge to support the needs of underprivileged children and families, persons with disabilities and the elderly.

At GLM, festive events for public were held at its sales galleries. It is a platform to engage with the communities, as well as making dialogues with customers and introducing new products to them.
GuocoLand’s employees in China are encouraged to volunteer their time through staff volunteering opportunities. As part of an ongoing year-long programme with an elderly day care centre in Changfeng, Shanghai, monthly arts and craft activities are organised by the employee volunteers to bring cheer and provide community contact for these seniors. They also participated in other charity activities such as Shanghai International Elite 10K Race, the GuocoLand China annual charity run to show their caring hearts to those in need.

£0.3m Raised by Rank Cares

277 Volunteer hours by Rank employees

11,000 Carers received support

Rank has been supporting Carers Trust since 2014. Carers Trust works to improve support, services and recognition for anyone living with the challenges of caring, unpaid, for a family member or friend who is ill, frail, disabled or has mental health or addiction problems. Rank’s employees are incredible ambassadors for Rank Cares and have raised a further £300,000 in the year bringing the total since the start of the partnership to £2.3 million. Rank has baked, cycled, run and walked all in the name of fundraising, as well as donating a total of 277 volunteer hours in FY2018/19. The money raised is made available to the charity’s grant-giving programme and has so far provided support to 11,000 carers.
國浩集團有限公司
Guoco Group Limited

Incorporated in Bermuda with limited liability
(HKEX Stock Code : 53)

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