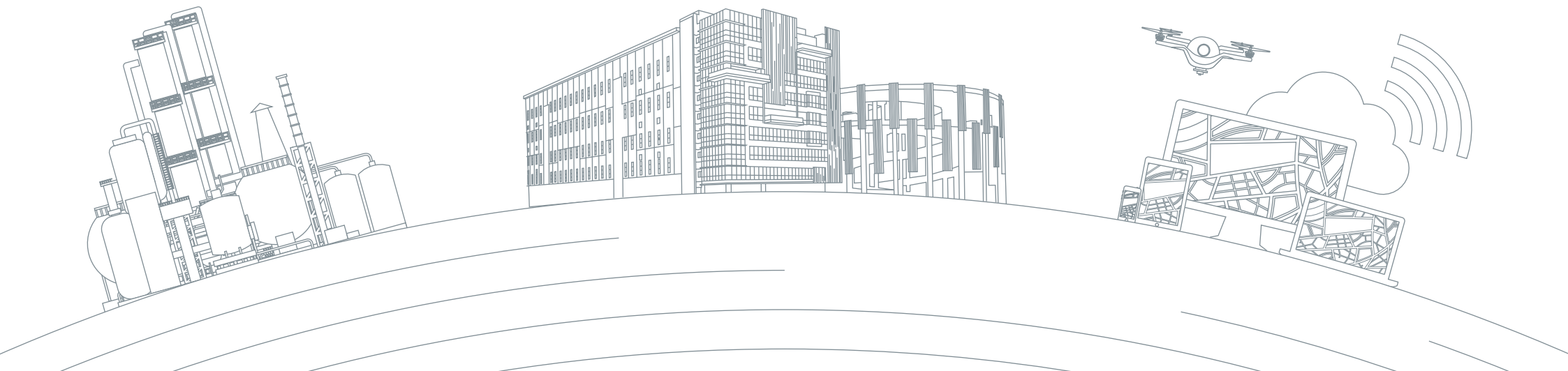


A CORPORATE LEGACY SERVING MULTIPLE GENERATIONS

LONGEVITY

REPORT 2018

Boustead Singapore Limited
Inaugural Sustainability Report



CORPORATE PROFILE

Established in 1828, Boustead Singapore Limited (SGX:F9D) is a progressive global Infrastructure-Related Engineering Services, Geo-Spatial Technology and Healthcare Group listed on the SGX Mainboard.

Focusing on the niche engineering and development of key infrastructure to support economic growth in global markets, our strong suite of engineering services comprises Energy-Related Engineering and Real Estate Solutions.

Under Geo-Spatial Technology, we provide professional services and exclusively distribute Esri geo-spatial technology – the world's leading geographic information system and location analytics platform – to major markets across Australia and parts of South East Asia. Our location analytics platform and digital infrastructure solutions are essential to create smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources.

In Healthcare, we provide niche innovative assistive technologies and transformational

medical solutions that improve the daily lives of chronic disease patients in Asia, with a focus on rehabilitative care, sleep care and sports science.

With a vast global network stretching across Asia, Australia, Europe, Africa and the Americas, we are ready to serve the world. To date, we have undertaken infrastructure-related projects in 87 countries and territories globally.

In 2008 and 2009, we were recognised in the prestigious Forbes Asia 200 Best Under A Billion as one of the Asia Pacific's 200 best public-listed corporations under US\$1 billion in revenue. In 2015, we were also the winner of the Singapore Golden Jubilee Business Award, in recognition of the best 50 Singapore corporations who have achieved and contributed to Singapore's progress and success over the past half-century since independence. In 2017, we were ranked by FinanceAsia as Singapore's Best Small-Cap in the annual Asia's Best Companies Poll. We are also listed on the MSCI World Micro Cap Index, FTSE Global Small Cap Index and FTSE ST Small Cap Index.

Visit us at www.boustead.sg.



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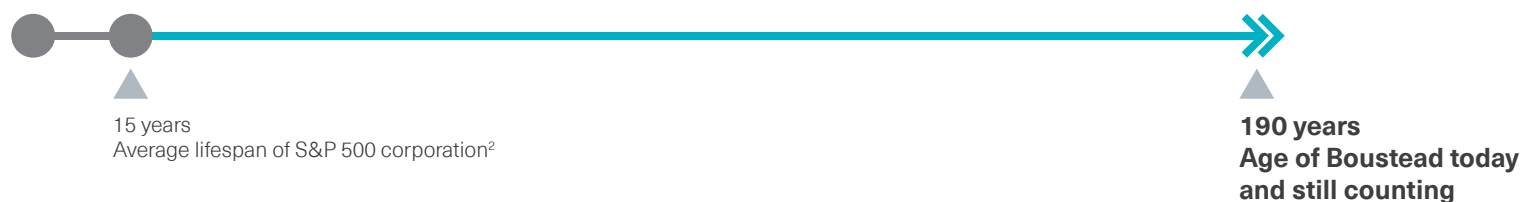
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DEFINING LONGEVITY

LONGEVITY

1. Long life.
2. Long existence or service.

- *Oxford Living Dictionaries*¹



Welcome to Boustead Singapore Limited's inaugural **Longevity Report**. Coincidentally, this year, we also celebrate 190 years of progress, truly an unrivalled milestone in Singapore's corporate history as we maintain our longstanding position as Singapore's oldest continuous business – a practical and symbolic reflection of longevity.

Even as sustainability reporting takes centre stage among the world's latest corporate reporting initiatives, we feel that at our age, the term 'longevity reporting' is more all encompassing and relevant than 'sustainability reporting'. As a corporation, we have enjoyed a long life but not only that, a long life in service.

As we reflect on our longevity, a few key ingredients stand out as being fundamental to our long-term success. Generations of our leadership have accepted that change is the only constant. We have strived to promptly adapt and remain relevant to the times. We have conducted business as upholders of progress for multiple generations of key stakeholders involved and with a greater purpose in mind. Last but not least, we are an incubator of sustainable businesses run by Boustead Men and Women of talent and good character, who have stayed true to our founding principles, strong human-centric corporate values and a reputation for integrity, quality, reliability and trust.

As you read this report, we hope that you gain an in-depth understanding of how we ensure the longevity of our business and the wider ecosystem that that we are interconnected with. We also share how this translates to delivering sustainable value and progress to our key stakeholders, along with the communities that we reside in and our collective home – Planet Earth. Our performance, policies and practices on material economic, environmental, social and governance topics are explained. As a responsible global corporate citizen, we are highly reflective about how our actions 'ripple upon the pond of life'.

1. "Definition of Longevity in English." *Oxford Living Dictionaries*, Oxford University Press, en.oxforddictionaries.com/definition/longevity. Accessed 28 August 2018.

2. Gittleston, Kim. "Can a Company Live Forever?" *BBC News*, British Broadcasting Corporation, 19 January 2012, www.bbc.com/news/business-16611040. Accessed 28 August 2018.

CHAIRMAN'S LONGEVITY MESSAGE



Dear Fellow Stakeholders,

It gives me great pleasure to present to you the inaugural **Boustead FY2018 Longevity Report** for the financial year ended 31 March 2018.

This year, we celebrate 190 years of progress, truly an unrivalled milestone in Singapore's corporate history as we maintain our longstanding position as Singapore's oldest continuous business. Although this is our inaugural report, you could say that longevity – sorry but I much prefer this word over sustainability – runs in our lineage and has been foremost on the minds of Boustead Men and Women for nearly two centuries.

As defined by the *Oxford Living Dictionaries*, longevity means 'long life' and/or 'long existence or service'. Both meanings are equally applicable in our context. Today, we celebrate our long life and we also celebrate our long service as a responsible global corporate citizen. No strangers to change, we have witnessed and survived more economic and financial crises, upheavals,

wars, and births and deaths of industries, than most.

What does it take to stay around for 190 years? Determination and grit are certainly not enough. As we reflect on our longevity, a few key ingredients stand out as being fundamental to our long-term success. First, generations of our leadership, past and present, have accepted that change is the only constant. Second, we have strived to promptly adapt and remain relevant to the times. Third, we have conducted business as upholders of progress for multiple generations of key stakeholders involved and with a greater purpose in mind. Lastly, as an incubator of sustainable businesses, run by Boustead Men and Women of talent and good character, we have stayed true to our founding principles, strong human-centric corporate values and a reputation for integrity, quality, reliability and trust.

As you can see, longevity is a combination of key ingredients that has allowed us to thrive in a totally interconnected and interdependent ecosystem of physical, social and symbolic relationships that

stretch over time. Let me share that any business established purely to enrich only select individuals or shareholders is likely to fail. Ethics, morality and a commitment to building a climate of fairness, honesty, trust and sincerity, not just with our clients but also with key stakeholders – our team, strategic partners, suppliers, lenders, shareholders, media, governments and communities – are necessary to longevity. We cherish the wider ecosystem of relationships that we are an integral part of.

Guiding us over the 190 years have been our mission, vision, steadfast corporate values and the focus on pursuing business with a greater purpose. This has allowed us to achieve our long-term objectives to be adaptable and relevant, deliver sustainable value and progress to key stakeholders, and make a positive impact economically, environmentally and socially on the world.

As you read this inaugural report, we hope to impart to you an in-depth understanding of how we ensure our longevity and how this translates to delivering sustainable value

and progress to key stakeholders, along with the communities that we reside in and our collective home – Planet Earth. Our performance, policies and practices related to material economic, environmental, social and governance topics are also explained. Our focus is not just on the end product but every part of the journey that takes us there, the very 'fabric of life'.

We learn and improve from both our successes and failures.

Thank you for entrusting us with the role of being a responsible global corporate citizen, one which we hope to honour for many more centuries to come. This journey is an ultra-triathlon, one which we will continue running and hope to have you join, even if only for part of the way. Have an enjoyable read.

Wong Fong Fui

Chairman & Group Chief Executive Officer

1.1 MISSION, VISION & BUSINESS MODEL

1.1.1 Mission

To utilise our vast experience and expertise accumulated since 1828 to provide progressive solutions to communities around the world.

1.1.2 Vision

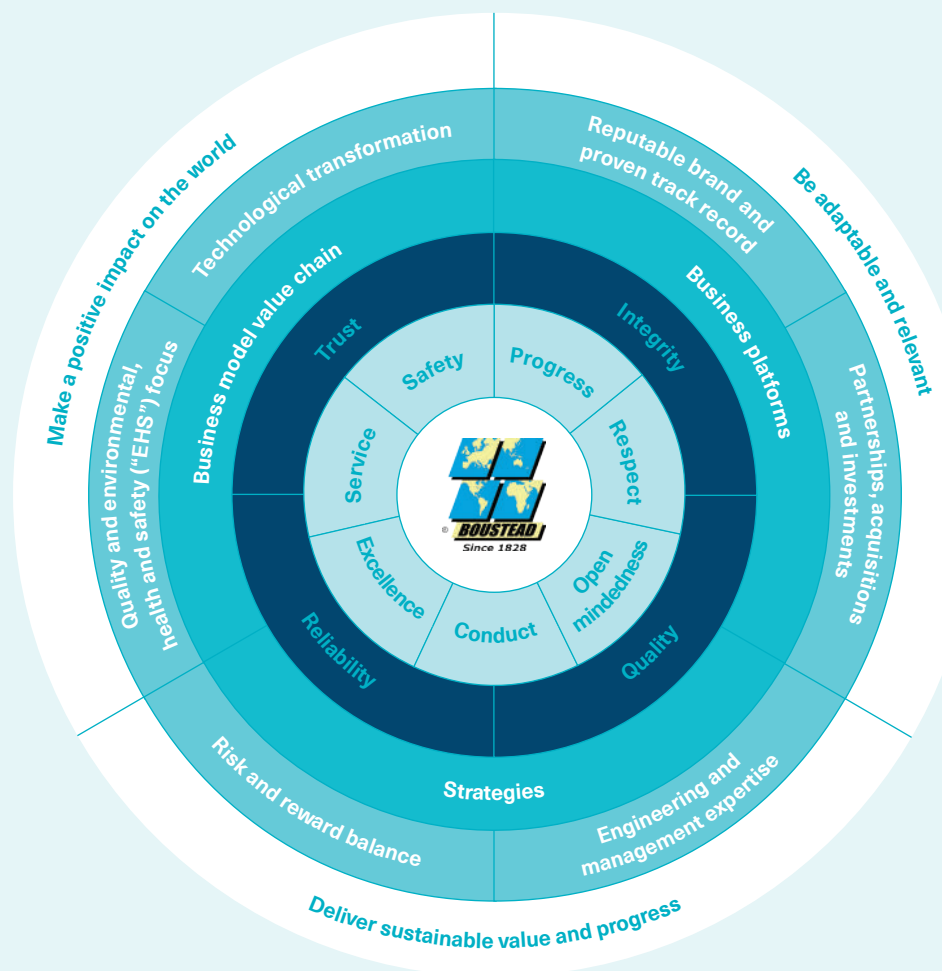
To be the premier global service provider of niche infrastructure-related engineering services, geo-spatial technology and healthcare services.

1.1.3 Business Model

Over Boustead's prestigious and rich heritage of 190 years, we have been delivering sustainable value and progress to key global stakeholders. We owe our success to our experienced and versatile teams who possess in-depth domain expertise and tremendous international experience, and generally undertake the high value-added activities across the engineering and technology value chains.

As a knowledge-based, information-driven corporation, we employ a business model with inbuilt exportability and flexibility, which has enabled us to adapt our operations to diverse situations and widespread geographic markets covering 87 countries and territories globally.

At the very core of Boustead is our mission and vision, fortified by our fundamental principles and strong human-centric corporate values: progress, respect, open mindedness, conduct, excellence, service and safety (PROCESS). Over time, we established our reputation for integrity, quality, reliability and trust, which together with our corporate values and business drivers, help us to achieve our long-term objectives to be adaptable and relevant, deliver sustainable value and progress to key stakeholders, and make a positive impact economically, environmentally and socially on the world. We are a responsible global corporate citizen with a greater purpose in mind.



1.1.4 Corporate Values

a) Striving for progress

We want to be distinguished for:

- Our industry leadership, client-focus and strong suite of products, services and solutions;
- Our professionalism, financial performance, proven business and management model, and successful growth strategies; and
- Our contribution to economic, environmental and social progress in global communities.

b) Respecting our team and stakeholders

We believe in creating a work environment that promotes creativity, excitement and growth, and makes our team feel cared for, challenged, empowered and respected because they are our best asset – they are Boustead. Creating the ideal environment for them to thrive in will eventually translate to delivering sustainable value and progress to key stakeholders.

c) Keeping an open mind

We endeavour to push the boundaries of paradigms, research and technologies to help our clients improve business performance and sustainability.

d) Adhering to the highest standards of honourable conduct

We believe in acting honourably in the way that we conduct business. We are committed to building a climate of fairness, honesty, trust and sincerity with all key stakeholders.

e) Upholding excellence

We aim to deliver excellence in everything we do.

f) Servicing our clients

We aim to gain an in-depth understanding of our clients' needs so that we are able to deliver progressive answers to them in the fast-paced global business environment.

g) Prioritising safety

We believe in making safety an inherent part of our products, services, solutions and the environment we operate in.

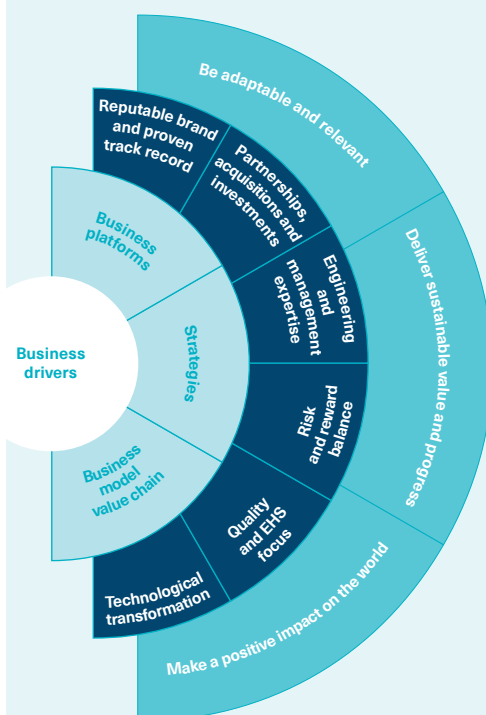
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1.1.5 Achieving Our Mission, Vision & Long-Term Objectives

In order to achieve our mission, vision and long-term objectives, we rely on our business drivers: business platforms, strategies and business model value chain.



Business Platforms

Positioning and presence

- Successful spotting and positioning on global megatrends
- Global view with local market knowledge
- Focus on development in high growth markets
- Broad coverage of industries
- Infrastructure-related projects in 87 countries and territories
- More than 13,000 clients globally including world's best corporations

Performance

- Extensive track record
- Delivery of world-class projects
- Solutions in energy, water, real estate, geo-spatial technology and healthcare
- Commitments to quality and EHS performance

People

- World-class teams
- Empowering culture
- Fair and non-discriminatory employment practices
- Ability to attract, develop, motivate and retain talent
- Industry technical experts

Strategies

Reputable brand and proven track record

With a strong brand heritage, we have established reputable positions in a broad range of industries, bringing together in-depth domain expertise and proven technologies in over 1,300 projects in 87 countries and territories.

Partnerships, acquisitions and investments

Our continuous search for strategic partnerships, catalytic acquisitions and investments is aimed at accelerating our business expansion, enhancing capabilities, broadening revenue streams and driving sustainable long-term growth.

Engineering and management expertise

Our teams offer in-depth domain expertise and deliver value engineering, helping clients to achieve highly effective and cost competitive solutions that raise efficiency and sustainability while eliminating wastage.

Risk and reward balance

We are vigilant in ensuring that our strategies to enhance stakeholder value are well-supported by sound risk management.

Quality and EHS focus

We strive to achieve the highest standards in quality and workplace EHS, for the wellbeing and protection of every individual. We are a leader and active participant in the bizSAFE Programme initiated by the Workplace Safety & Health Council.

Technological transformation

We aim to incorporate transformative technologies into our products, services and solutions, and be a market leader in the world of Industry 4.0.

Business Model Value Chain

Uphold our excellent reputation for integrity, quality, reliability and trust

Design eco-sustainable products, services and solutions

Commit to operational excellence through undertaking design, process, detailed and value engineering, project management, quality and EHS supervision, installation, commissioning and training

Deliver efficiency, performance and value to clients

Generate revenue, profit and cash flow in a sustainable manner

Be adaptable and relevant, deliver sustainable value and progress, and make a positive impact on the world

1.2 CORPORATE STEWARDSHIP & STRATEGIES

1.2.1 Corporate Stewardship for Longevity

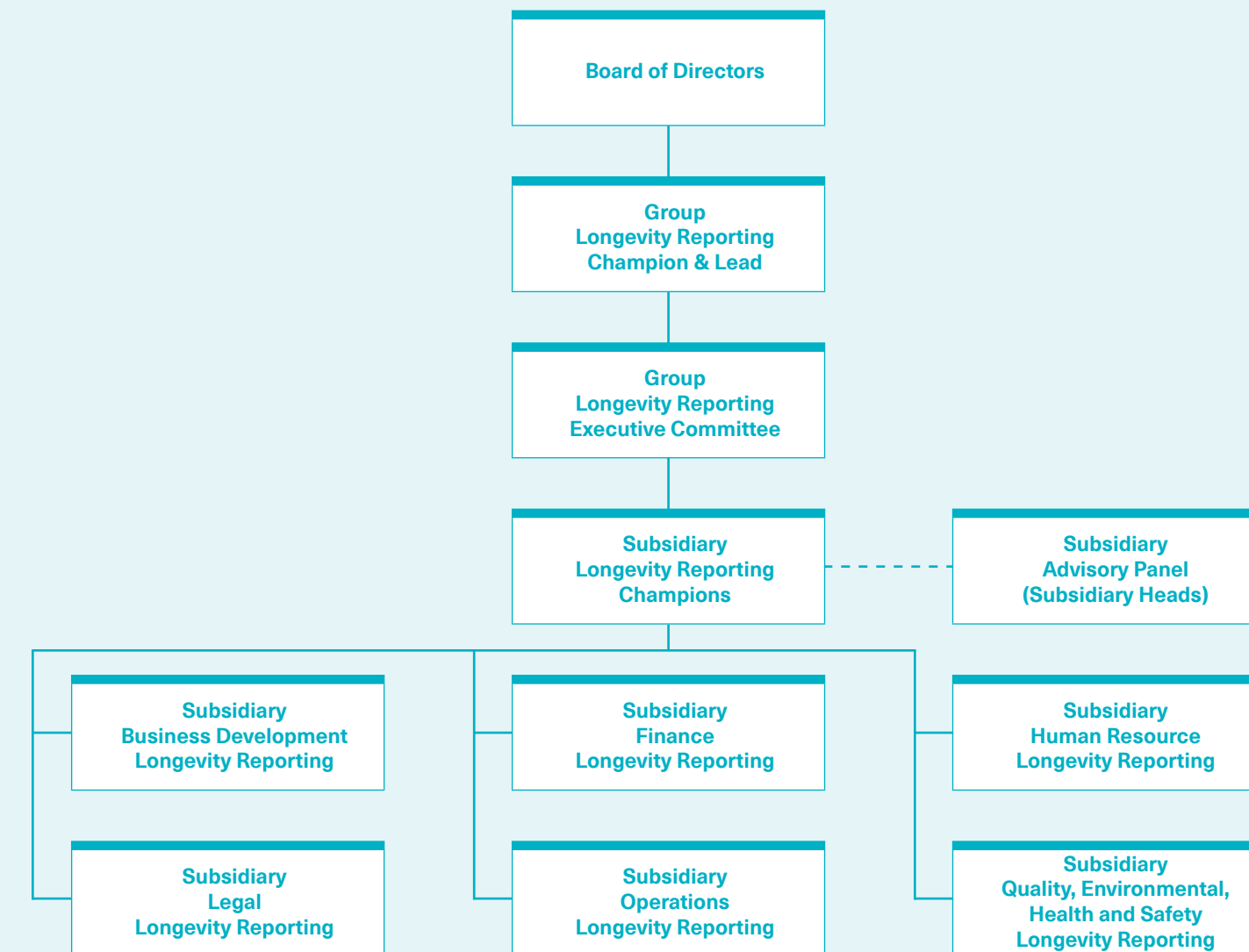
Our Board of Directors is responsible for Boustead's corporate stewardship and strategies. In line with this, our Board also oversees performance, policies and practices in relation to environmental, social and governance ("ESG") topics.

During FY2017, our Board appointed a Group Longevity Reporting Champion & Lead who reports directly to our Board. The Group Longevity Reporting Champion & Lead guides the efforts of the Group Longevity Reporting Executive Committee, which oversees appointed Subsidiary Longevity Reporting Champions who are responsible for implementing the Group Longevity Reporting Framework (with material references to Global Reporting Initiative Standards) and reporting subsidiary level data on material ESG topics within this framework to the Group Longevity Reporting Executive Committee on a quarterly basis.

1.2.2 Corporate Governance

As part of our Board's responsibility for our corporate stewardship and strategies, our Board is committed to maintaining a high standard of corporate governance and transparency within our Group, in line with the principles set out in the Code of Corporate Governance 2012 ("CG Code"). This establishes and maintains our Group's ethical and legal environment to preserve the interests of shareholders and all stakeholders.

Longevity Reporting Structure



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Our Board is made up of respected business leaders and individuals with decades of commercial experience and diverse backgrounds covering numerous areas of business expertise. Half of our Board is made up of independent directors. Our Board is further assisted by three Board Committees – the Audit & Risk Committee, Nominating Committee and Remuneration Committee – each of which is headed by an independent non-executive director.

Our Board currently comprises:

1. Wong Fong Fui
Chairman & Group Chief Executive Officer
2. Wong Yu Loon
Executive Director & Deputy Group Chief Executive Officer
3. Loh Kai Keong
Non-Executive Director & Consultant

4. Dr Tan Khee Giap
Independent Non-Executive Director

5. Chong Ngien Cheong
Independent Non-Executive Director

6. Godfrey Ernest Scotchbrook
Independent Non-Executive Director

More information on the individual profiles of our directors is available within the *Boustead FY2018 Annual Report* from pages 46 to 47.

Our latest Corporate Governance Report (“CG Report”) outlines our corporate governance practices with specific reference made to the principles and guidelines of the CG Code, which forms part of our continuing obligations under the SGX Mainboard Listing Manual. Our latest CG Report is available in its full text within the *Boustead FY2018 Annual Report* from pages 58 to 71 and is referenced in this report, rather than completely repeated.

Board & Board Committee Oversight Responsibilities



Board

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Corporate strategies and policies • Annual operating and capital budgets • Ethics, values and standards • Risk appetite and internal controls • Sustainability issues | <ul style="list-style-type: none"> • Business affairs and management team performance • Financial performance • Annual reports, accounts and financial reporting | <ul style="list-style-type: none"> • Shareholders' meetings • Dividend payments and distributions • Material acquisition and disposal of assets |
|---|---|--|



Audit & Risk Committee

- Internal controls
- Annual reports, accounts and financial reporting
- External and internal audit plans and results
- External and internal audit functions
- Interested person transactions
- Conflict of interest
- Internal investigations and whistle-blowing
- Enterprise risk management



Nominating Committee

- Appointments and reappointments of Board Directors, Board Committee members and senior management
- Board and senior management succession
- Board performance
- Board professional development and training programmes
- Board independence
- Board conflict of interest



Remuneration Committee

- Remuneration policies and packages of Board Directors and senior management

1.2.3 Board Longevity Statement

Our Board is committed to ensuring our longevity and longstanding position as Singapore's oldest continuous business. This includes reviewing our performance, policies and practices in relation to material ESG topics.

Our Board is assisted in this by our robust existing systems including audit, compliance, enterprise risk, financial, environmental, health and safety, human resource, information technology and operational management systems, along with the implementation of our Longevity Reporting Framework. Our Board assesses opportunities and risks presented by material ESG topics. This helps our Board to determine the appropriate strategies, policies and practices that will provide us with the adaptability and flexibility to seize opportunities to deliver sustainable value and progress to stakeholders, while being well-supported by sound risk management. Our risk appetite considers material ESG topics that may affect reputational risk, ethical and moral considerations, and have significant financial and non-financial implications.



Independent director



Non-independent director

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1.3 FY2018 LONGEVITY
PERFORMANCE SUMMARY

	Unit of Measurement	Capacity Contracted in FY2018	Capacity Supplied Prior to FY2018	Estimated Annual Capacity or Savings	Page
Eco-Sustainable Solutions Performance					
Waste heat recovery units' estimated annual energy recovery	GWh	498.4	32,892.9	33,390	27
Water and wastewater treatment plants' estimated annual treatment and recycling	million cu m	42.0	545.1	587	27
Green Mark Platinum buildings' estimated annual energy savings	GWh	1.7	35.4	37	27
Green Mark Platinum buildings' estimated annual water savings	cu m	4,390	82,715	87,000	27

	Unit of Measurement	FY2018 Group Performance	2017 Comparable Industries Average	2017 National Average	Page
Operational Performance					
Team Development Programme					
Net hiring growth rate	% of average headcount	+3.0	-3.5	-0.1	43
Monthly hiring rate	% of average headcount	2.4	1.9	2.1	43
Monthly turnover rate	% of average headcount	2.0	1.6	1.8	45
Performance appraisals rate	% of year-end headcount	90	n.a.	n.a.	44
Average annual training hours per team member	# of hours	9.2	n.a.	n.a.	44
Average annual medical leave taken per team member	# of days	4.2	n.a.	n.a.	45
Succession planning	% of key managing directors and chief executive officers covered by named deputy or successor	60	n.a.	n.a.	45

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	Unit of Measurement	FY2018 Group Performance	2017 Comparable Industries Average	2017 National Average	Page
Operational Performance					
Workplace Safety and Health Performance					
Accident frequency rate – team and suppliers	# of workplace accidents per million man-hours	1.2	1.2	1.6	47
Accident severity rate – team and suppliers	# of lost man days to workplace accidents per million man-hours	17	34	69	47
Occupational disease incidence rate – team and suppliers	# of occupational disease cases per 100,000 employees	0	16.9	23.6	47
Environmental Stewardship					
Average annual energy intensity:					
Design-and-build projects – Singapore only	kWh per sq m of constructed GFA	60.6	n.a.	n.a.	51
	MJ per sq m of constructed GFA	218.1	n.a.	n.a.	51
Administrative workplaces	kWh per employee	3,914.1	n.a.	n.a.	52
	MJ per employee	14,090.4	n.a.	n.a.	52
Edward Boustead Centre	kWh per sq m of GFA	154.5	268	255	52
Average annual water intensity:					
Design-and-build projects – Singapore only	cu m per sq m of constructed GFA	0.3	n.a.	n.a.	51
Administrative workplaces	cu m per employee	12.1	n.a.	n.a.	52
Edward Boustead Centre	cu m per sq m of GFA	1.1	1.1	n.a.	52
Legal Compliance					
Significant fines, non-monetary sanctions and cases brought against the Group through dispute resolution mechanisms in:					
Economic areas	# of incidents	0	n.a.	n.a.	53
Environmental areas	# of incidents	0	n.a.	n.a.	53
Social areas	# of incidents	0	n.a.	n.a.	53



SECTION 2 – LONGEVITY REPORTING FRAMEWORK

2.1 ABOUT THIS REPORT

2.1.1 Report Period & Scope

This is Boustead's inaugural **Longevity Report** and first publication dedicated to providing a more holistic review of our performance, especially covering non-financial areas such as environmental, social and governance ("ESG") topics that are material to our business and key stakeholders.

This report contains at least one full-year of data on material ESG topics and is aligned with our financial reporting period from 1 April 2017 to 31 March 2018 ("FY2018").

This report should be read in conjunction with the *Boustead FY2018 Annual Report*, *Boustead Projects FY2018 Annual Report* and *Boustead Projects FY2018 Longevity Report* for context. It should also be noted that the governance topic has not been fully discussed in this report. Our latest Corporate Governance Report is available in its full text within the *Boustead FY2018 Annual Report* from pages 58 to 71.

The term 'Longevity' has been used in direct replacement of the term 'Sustainability'.

2.1.2 Report Content

Content in this report was defined by identifying and prioritising our material ESG topics through an ESG materiality assessment process.

This report has been prepared with material references to Global Reporting Initiative ("GRI") Standards: Core, with the exception that only one full-year of data has been reported on for most material ESG topics

instead of two or more years of comparative data as required by GRI Standards: Core. The respective GRI Standards that have been applied are available in the GRI Content Index listed on pages 57 to 62 of this report. References have also been made to the United Nations Sustainable Development Goals.

This report fully complies with the requirements of the SGX-ST Listing Rules Practice Note 7.6 Sustainability Reporting Guide.

Where the relevant material ESG topics have already been discussed in detail in the *Boustead FY2018 Annual Report*, we shall make reference to such discussions without directly repeating them in this report.

Standard international units of measurement were used where possible, with conversion factors mentioned in relevant sections. Monetary values are presented in our functional reporting currency, Singapore dollars, unless otherwise indicated.

2.1.3 Report Boundaries

This report covers Boustead and our major subsidiaries globally including our global headquarters and subsidiaries within our three divisions – Energy-Related Engineering, Real Estate Solutions and Geo-Spatial Technology – unless otherwise indicated and with the exception of our newly acquired Healthcare Division, which was acquired only after the end of FY2018.

For a complete list of our significant subsidiaries as at 31 March 2018, please refer to the *Boustead FY2018 Annual Report* from pages 120 to 121.

We have not sought external assurance for this report.

2.1.4 Accessibility

In line with our commitment to environmental sustainability, we will not be printing any hard copies of this report. This report is available online at www.boustead.sg/investor_centre.

In the future, the **Longevity Report** will be an annual publication.

2.1.5 Feedback Channel

We welcome comments and feedback from our stakeholders in relation to this report and our performance, policies and practices discussed in this report. If you have any comments or feedback, please e-mail ir.team@boustead.sg.

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2.2 ENVIRONMENTAL, SOCIAL & GOVERNANCE MATERIALITY ASSESSMENT

Boustead conducts an environmental, social and governance (“ESG”) materiality assessment process in order to determine material ESG topics that should be included in this report. ESG topics are considered to be material if they may have a significant

impact on our business and ability to achieve our long-term objectives to be adaptable and relevant, deliver sustainable value and progress, and make a positive impact economically, environmentally and socially on the world. The views of both external and internal stakeholders are taken into account when determining ESG materiality.

To ensure that material ESG topics remain up-to-date, we periodically review current and emerging megatrends, changes in the economic, political, regulatory and ESG landscape in the geographic markets and industry clusters that we operate in, along with the views of key stakeholders. These are then integrated into our ESG materiality assessment process.

2.2.1 Key Stakeholder Engagement

We define key stakeholders as being groups that our business may have a significant impact on or vice versa, and who have a vested interest in the way that we conduct business. After a thorough review, nine key stakeholders were identified as shown here.

Key Stakeholders, Significance & Key Conversations

Key Stakeholders	Significance	Key Conversations
Board and Team <ul style="list-style-type: none"> Board of Directors Managers Executives Non-executives 	Boustead Men and Women are our best asset. Attracting, developing, managing and retaining our team is a core priority given our knowledge-based, information-driven business model, which generally focuses on high-value added activities across the engineering and technology value chains. These activities include design, engineering, project management and the application of proprietary domain expertise and extend over a global network of key stakeholder relationships. Creating the ideal environment for our team to thrive in will eventually translate to delivery of sustainable value and progress to key stakeholders.	<ul style="list-style-type: none"> Economic performance Business model, strategy and outlook Products and services (together “solutions”) Corporate governance, policies and practices Legal and regulatory compliance Talent acquisition, management and retention Succession planning Quality, environmental, health and safety (“QEHS”) Data and information security Responsible communications
Clients <ul style="list-style-type: none"> Direct clients End-user clients (clients of clients) 	We aim to gain an in-depth understanding of clients’ needs so that we are able to deliver progressive answers to them in the fast-paced global business environment. Collaborating with clients allows us to push the boundaries of paradigms, research and technologies to help clients improve business performance and sustainability.	<ul style="list-style-type: none"> Solutions Legal and regulatory compliance QEHS Data and information security
Strategic Partners <ul style="list-style-type: none"> Product principals Associated companies Joint ventures Co-investment partners 	Working with like-minded and reputable partners globally has allowed us to pool our complementary capabilities and expertise to widen our offerings and concurrently take on larger-scale projects, while simultaneously reducing commercial, operational and ESG risks related to a particular geographic market or industry cluster.	<ul style="list-style-type: none"> Economic performance Business model, strategy and outlook Solutions Corporate governance, policies and practices Legal and regulatory compliance QEHS Data and information security
Suppliers <ul style="list-style-type: none"> Consultants Subcontractors Suppliers 	We have a global network of major suppliers that supports the manufacturing and fabrication of solutions according to our designs. Major suppliers are selected based on pre-qualification assessments that include QEHS and other ESG factors, along with price.	<ul style="list-style-type: none"> Solutions Legal and regulatory compliance QEHS Data and information security

Key Stakeholders, Significance & Key Conversations (cont'd)

Key Stakeholders	Significance	Key Conversations
Lenders <ul style="list-style-type: none"> • Banks • Financial institutions • Trustees 	We have several principal bankers and lenders who support our business through the provision of bank loans and trade finance.	<ul style="list-style-type: none"> • Economic performance • Business model, strategy and outlook • Corporate governance, policies and practices • Legal and regulatory compliance
Investors <ul style="list-style-type: none"> • Institutional investors • Research analysts • Retail investors 	As owners, shareholders share in our mission, vision, corporate values and goal to be a responsible global corporate citizen with a greater purpose in mind. Ultimately, profit-driven motivations need to be aligned with our strong human-centric corporate values and allow us to deliver on our long-term objectives.	<ul style="list-style-type: none"> • Economic performance • Business model, strategy and outlook • Solutions • Corporate governance, policies and practices • Talent acquisition, management and retention • Succession planning • QEHS • Open and transparent communications
Media <ul style="list-style-type: none"> • Mainstream journalists • Online social media influencers 	The media continues to share our corporate story with the world, from economic performance to milestone achievements. As unofficial historians of our performance, the media helps us to stay on track.	<ul style="list-style-type: none"> • Economic performance • Corporate governance, policies and practices • Legal and regulatory compliance • QEHS • Fact-based and timely communications
Governments and regulators <ul style="list-style-type: none"> • National government agencies • State government agencies • Municipal government agencies • Regulators 	Apart from being clients in certain divisions, governments and regulators provide us with our business licences to operate.	<ul style="list-style-type: none"> • Corporate governance, policies and practices • Legal and regulatory compliance • Corporate taxes and relevant taxes • Talent acquisition, management and retention • QEHS • Data and information security • Proactive communications
Local Communities <ul style="list-style-type: none"> • Citizens • Communities surrounding projects • Beneficiaries of philanthropic contributions • Indirect beneficiaries of projects undertaken for end-user clients 	Given our global business, we understand that we have an impact on communities around the world, who may be direct beneficiaries of the gainful employment we provide, community development programmes or indirect beneficiaries of projects undertaken for end-user clients that benefit those communities. Local communities provide us with our social licences to operate.	<ul style="list-style-type: none"> • Legal and regulatory compliance • Solutions • QEHS • Interactive communications

2.2.2 Material ESG Topics

Materiality Assessment Process

Stage 1

Identification of key stakeholders by our headquarters and major subsidiaries

Stage 2

Identification of potential ESG topics by our headquarters and major subsidiaries

Stage 3

Prioritisation of material ESG topics by our headquarters and major subsidiaries

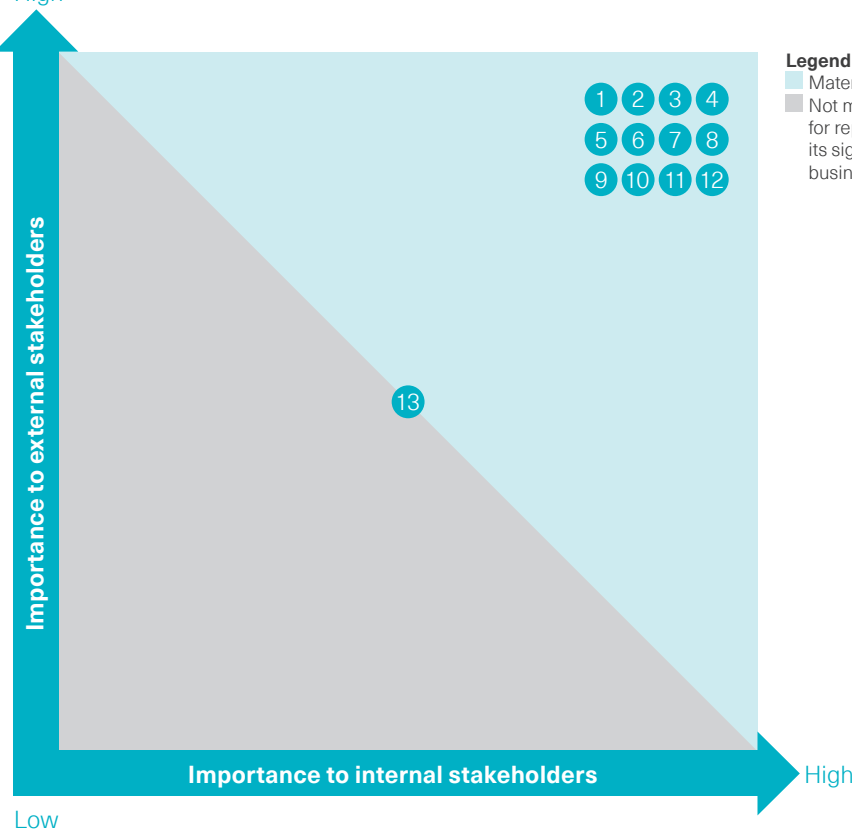
Stage 4

Consolidation and validation of material ESG topics for reporting

During 2017, we conducted materiality assessment workshops with our key team members including senior management and department heads at seven major subsidiaries, who acted as proxies for the nine key stakeholders that have been identified, and highlighted and prioritised material ESG topics of relevance to these key stakeholders. Where materiality assessment workshops could not be conducted face-to-face, they were conducted by teleconferencing and videoconferencing methods. Following completion of the materiality assessment workshops, we were able to consolidate and validate 12 material ESG topics for inclusion in this report. One more ESG topic – community development – was not material but chosen for reporting due to its significance to the business environment.

Material ESG Topics Validated

High



Legend

- Material
- Not material but chosen for reporting due to its significance to the business environment

ESG Topics

- 1 Business model, strategies and outlook
- 2 Corporate governance
- 3 Eco-sustainable solutions
- 4 Quality and transformation
- 5 Economic performance
- 6 Business ethics
- 7 Data and information security
- 8 Talent acquisition, development, management and retention
- 9 Succession planning
- 10 Health and safety
- 11 Environment
- 12 Legal and regulatory compliance
- 13 Community development



Material ESG Topics Boundaries, Impact & Disclosures

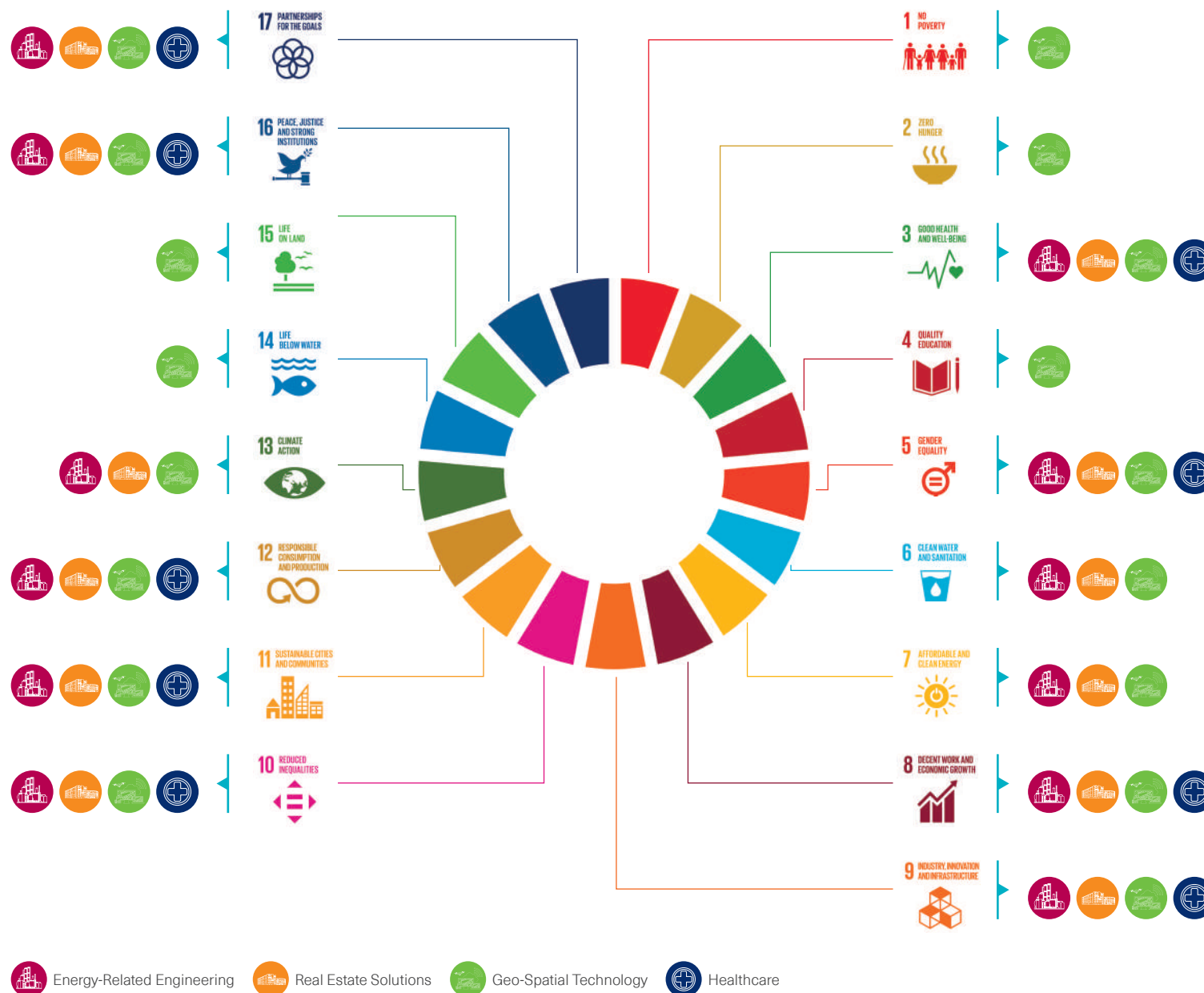
Material ESG Topic	Boundary and Impact	GRI Standard Disclosures	Addressed in this Report
Business model, strategies and outlook	• Most key stakeholders	• General disclosures	Section 1: Introduction
Corporate governance	• Most key stakeholders	• General disclosures	Section 1: Introduction
Eco-sustainable solutions	• Most key stakeholders	• GRI Standards not available	Section 3: Pursuing Business with a Greater Purpose
Quality and transformation	• Most key stakeholders	• GRI Standards not available	Section 3: Pursuing Business with a Greater Purpose
Economic performance	• Most key stakeholders	• Economic performance	Section 3: Pursuing Business with a Greater Purpose
Business ethics	• Most key stakeholders	• General disclosures • Customer privacy	Section 4: Developing Our Best Asset – Boustead Men & Women
Data and information security	• Board and team • Clients • Strategic partners • Suppliers • Governments and regulators	• Customer privacy	Section 4: Developing Our Best Asset – Boustead Men & Women
Talent acquisition, development, management and retention	• Board and team • Investors • Governments and regulators	• Employment • Occupational health and safety • Training and education	Section 4: Developing Our Best Asset – Boustead Men & Women
Succession planning	• Board and team • Investors	• Employment • Training and education	Section 4: Developing Our Best Asset – Boustead Men & Women
Health and safety	• Most key stakeholders	• Occupational health and safety • Socioeconomic compliance	Section 4: Developing Our Best Asset – Boustead Men & Women
Environment	• Most key stakeholders	• Energy • Water • Environmental compliance	Section 5: Conserving Our Collective Home – Planet Earth
Legal and regulatory compliance	• Most key stakeholders	• Environmental compliance • Socioeconomic compliance	Section 5: Conserving Our Collective Home – Planet Earth

2.2.3 Opportunities & Risks

We are vigilant in ensuring that our strategies to enhance stakeholder value are well-supported by sound risk management. Our material ESG topics present us with both opportunities (if we embrace the right approaches to managing these ESG topics) and risks (if we neglect these ESG topics), which are supplemented by our robust existing systems and Enterprise Risk Management Framework.

In addition, on 1 January 2016, the United Nations (“UN”) officially rolled out 17 Sustainable Development Goals (“SDGs”) of the 2030 Agenda for Sustainable Development. The UN SDGs universally apply to all countries with the ultimate aim of mobilising all stakeholders – governments, civil societies, the private sector and others – to collectively contribute to ending poverty, fighting inequality and tackling climate change through three dimensions of sustainable development: economic growth, social inclusion and environmental protection.

We have summarised opportunities and risks from material ESG topics here, including how we can contribute to achieving the UN SDGs through our business and performance, policies and practices in relation to material ESG topics.



Material ESG Topics Opportunities, Risks & United Nations Sustainable Development Goals

Material ESG Topic	Opportunities	Risks	Supporting UN SDG
Business model, strategies and outlook	<ul style="list-style-type: none"> Enable adaptability, flexibility and capability to seize good opportunities in timely manner Generate reasonable free cash flow, and sustainable value and progress for key stakeholders 	<ul style="list-style-type: none"> Industry cycle recovery in global oil & gas ("O&G") industries may be derailed by current global trade war Industry cycle recovery in Singapore's industrial real estate sector may be derailed by property cooling measures and restrictions Business model may be disrupted by disruptive technologies, loss of product distributorships, industry cycles and megatrends 	8, 17
Corporate governance, policies and practices	<ul style="list-style-type: none"> Set business, compliance and ethical framework to enable us to continue role as responsible global corporate citizen pursuing business with greater purpose in mind 	<ul style="list-style-type: none"> Under-compliance may create greater risks in all areas Over-compliance may restrict adaptability, flexibility and unnecessarily tie up resources 	16
Eco-sustainable solutions	<ul style="list-style-type: none"> Boost natural demand for solutions aligned with climate change and ESG initiatives, particularly for waste heat recovery units, water and wastewater treatment plants, advanced eco-sustainable industrial facilities, geo-spatial technology and healthcare 	<ul style="list-style-type: none"> Demand may decline for specific solutions misaligned with climate change and ESG initiatives, particularly for equipment used by O&G industries 	All
Quality and transformation	<ul style="list-style-type: none"> Strengthen market leadership positions in respective industries Gain competitive advantages through design, productivity and cost improvements Widen solutions Help clients to successfully shift into world of Industry 4.0 	<ul style="list-style-type: none"> Business model may be disrupted by disruptive technologies, loss of product distributorships, industry cycles and megatrends Market leadership positions and competitiveness may be eroded Sustainable value creation may be impeded with inability to uphold quality and transformation 	All
Economic performance	<ul style="list-style-type: none"> Provide capital to incubate and grow new and existing businesses Build trust with multiple generations of key stakeholders Generate reasonable free cash flow, and sustainable value and progress for key stakeholders 	<ul style="list-style-type: none"> Business model may be disrupted by disruptive technologies, loss of product distributorships, industry cycles and megatrends Sustainable value creation may be impeded with loss of economic performance 	8, 9
Business ethics	<ul style="list-style-type: none"> Build goodwill and trust with multiple generations of key stakeholders 	<ul style="list-style-type: none"> Unethical behaviour may undo goodwill and trust with multiple key stakeholders 	12, 16
Data and information security	<ul style="list-style-type: none"> Build goodwill and trust with key stakeholders, especially clients, governments and regulators Ensure data governance and integrity, particularly through deployment of geo-spatial technology 	<ul style="list-style-type: none"> Cyber attacks, hacking and phishing strategies are more sophisticated and may pose greater threats to even extremely secure IT networks Data and information security breaches may result in significant fines, losses of sensitive proprietary data and information, and affect competitiveness 	12, 16
Talent acquisition, development, management and retention	<ul style="list-style-type: none"> Create work environment that promotes creativity, excitement and growth, and makes our team feel cared for, challenged, empowered and respected Translate to delivery of sustainable value and progress to key stakeholders Safeguard domain expertise 	<ul style="list-style-type: none"> Aggressive competitors may poach team members Domain expertise may be lost Hiring and retraining costs may be more expensive in both monetary terms and time Sustainable value creation may be impeded with loss of team members 	3, 5, 8, 10

Material ESG Topics Opportunities, Risks & United Nations Sustainable Development Goals (cont'd)

Material ESG Topic	Opportunities	Risks	Supporting UN SDG
Succession planning	<ul style="list-style-type: none"> Provide talent with career prospects and ability to scale into leadership positions Safeguard domain expertise Provide corporate stability and continuity in execution of strategies 	<ul style="list-style-type: none"> Earmarked leadership talent may leave or be poached due to misperceptions about career prospects or misalignments on expectations Domain expertise may be lost Hiring and retraining costs may be more expensive in both monetary terms and time Sustainable value creation may be impeded with loss of team members 	5, 8, 10
Health and safety	<ul style="list-style-type: none"> Promote what is essential to longevity, which is prioritisation of life over profit Attract new team members and retain existing team members 	<ul style="list-style-type: none"> Stricter legal and regulatory frameworks for health and safety issues may raise compliance costs Business licences to operate may be revoked under extreme non-compliance situations, resulting in existential threat Significant fines, imprisonment, lawsuits, loss of economic performance and severe reputational damage may result from non-compliance situations 	3
Environment	<ul style="list-style-type: none"> Boost natural demand for solutions aligned with climate change and environmental initiatives, particularly for waste heat recovery units, water and wastewater treatment plants, advanced eco-sustainable industrial facilities and geo-spatial technology Save costs over long-term 	<ul style="list-style-type: none"> Demand may decline for specific solutions misaligned with climate change and environmental initiatives, particularly for equipment used by O&G industries Business licences to operate may be revoked under extreme non-compliance situations, resulting in existential threat Significant fines, imprisonment, lawsuits, loss of economic performance and severe reputational damage may result from non-compliance situations 	11, 12, 13
Legal and regulatory compliance	<ul style="list-style-type: none"> Build goodwill and trust with key stakeholders, especially governments and regulators Translate to delivery of sustainable value and progress to key stakeholders 	<ul style="list-style-type: none"> Stricter legal and regulatory frameworks for socio-economic issues may raise compliance costs, in line with global ESG recognition and increased cross-border cooperation between jurisdictions Business licences to operate may be revoked under extreme non-compliance situations, resulting in existential threat Significant fines, imprisonment, lawsuits, loss of economic performance and severe reputational damage may result from non-compliance situations 	12, 16
Community development	<ul style="list-style-type: none"> Build goodwill and trust with communities, who are providers of future talent Gain support of communities for projects globally 	<ul style="list-style-type: none"> Poor economic performance may hamper ability to contribute to community development, both directly and indirectly 	8, 10



SECTION 3 – PURSUING BUSINESS WITH A GREATER PURPOSE

190 YEARS OF PROGRESS

Over Boustead's prestigious and rich heritage of 190 years, we have performed our role as a trustworthy global corporate citizen, incubating and growing businesses and trust with multiple generations of key stakeholders globally, and delivering sustainable value and progress to them. Through our pursuit of business with a greater purpose, we have generated and distributed tremendous economic value and environmental, social and governance ("ESG") benefits to key stakeholders including our team, clients, strategic partners, suppliers, lenders, shareholders, the media, governments and communities. This has been achieved through our involvement with many businesses and industries. In some cases, we played important roles in the early development of industries such as the commodities (1828), shipping (1828), rubber (1877), tin (1887) and oil & gas (1892) industries, which today are mature industries that underpin global economic development and trade. Since our current management team took over in FY1997, we have registered continuous profitability every year – except for FY2002 – which we believe to be absolutely necessary if we are to be able to maintain our generation of sustainable value and progress to key stakeholders, and reinvest for long-term success and longevity.

A common consideration in evolving our business model and establishing, acquiring and investing in new and existing businesses, industries and geographic markets has

been based on assessing whether specific business expansions would not only provide sustainable profit but also serve a greater purpose through the direct and indirect benefits shared with as many key stakeholders in as many economic and ESG facets as possible. We have refrained from specific business expansions that could be highly profitable but yet are questionable on ethical and moral grounds, considered exploitative in nature or deemed as short-term and unsustainable to begin with. The long and short of it is that business expansions must make good sense and instil a sense of good. This is aligned with our mission to utilise our vast experience and expertise accumulated since 1828 to provide progressive solutions to communities around the world.

In line with this, our team, organisational ecosystem, and niche products and services (together "solutions") have to inherently uphold the high honourable conduct and quality standards that have been associated with the Boustead Group under Boustead Singapore Limited for the past 190 years. In addition, we embrace transformation or aim to be transformative where possible, in order to promptly adapt to new megatrends and the prevailing global landscape that has emerged over time.

In FY2018, our businesses were categorised into three key revenue-generating divisions – Energy-Related Engineering, Real Estate Solutions and Geo-Spatial Technology – as shown on page 19 of this report.

This section covers how we are pursuing business with a greater purpose through our knowledge-based, information-driven business model, eco-sustainable solutions, quality, transformation initiatives and generation of economic value, which are derived from the combined depth of all six capitals – financial, manufactured, intellectual, human, social and relationship, and natural – and ultimately deliver positive net effects for all six capitals.

3.1 KNOWLEDGE-BASED, INFORMATION-DRIVEN BUSINESS MODEL

As a knowledge-based, information-driven corporation, we employ a business model with inbuilt exportability and flexibility, which has enabled us to adapt our business operations to diverse situations and widespread geographic markets covering 87 countries and territories globally. We owe our success to our experienced and versatile teams who possess in-depth domain expertise and tremendous international experience, and generally undertake the high-value added activities across the engineering and technology value chains as shown on page 20 of this report.

Our business model allows us to focus on the high-value added activities that we are best at and retain the intellectual proprietary knowledge and domain expertise that we have developed as critical differentiators, while outsourcing low-value added activities to a global network of fabricators,

subcontractors and suppliers (together "suppliers"). Across all phases, we take responsibility for other high-value added activities including project management, procurement, quality, and environmental, health and safety ("EHS") supervision to ensure that projects are delivered as promised. We do not own fabrication and manufacturing facilities, which allows us to reinvest in people, domain expertise, solutions know-how and new acquisitions rather than in heavy capital expenditures for operational property, plant and equipment. In addition, we have been able to take our business global due to the flexibility of this business model. This is extremely important in our context given that our home market in Singapore is not large enough to be solely relied upon as the only market for most of our solutions, especially in relation to solutions provided by our Energy-Related Engineering Division and Geo-Spatial Technology Division.

At our Real Estate Solutions Division under Boustead Projects Limited ("Boustead Projects"), our business model incorporates integrated capabilities – development, design-and-build, leasehold portfolio management and ownership, and facilities management – and are reinforced by our excellent quality and EHS track records, and outright market leadership in building advanced eco-sustainable industrial facilities. More information on Boustead Projects' integrated industrial real estate solutions business model is available in the *Boustead Projects FY2018 Longevity Report*.

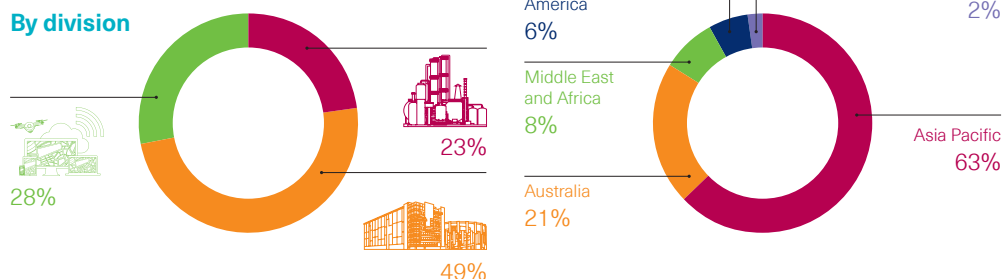
GROUP AT A GLANCE

Group Revenue

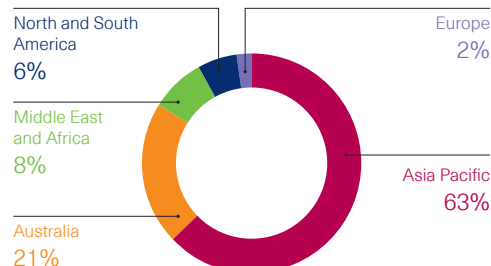
\$S\$414.1 million

FY2017: \$S\$433.8 million

By division



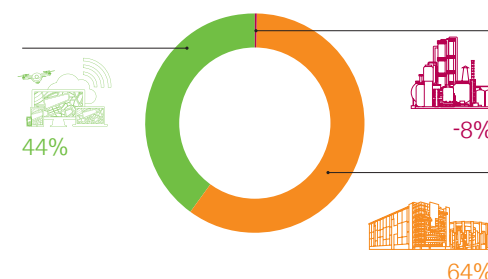
By region



Group Profit Before Income Tax

\$S\$54.0 million

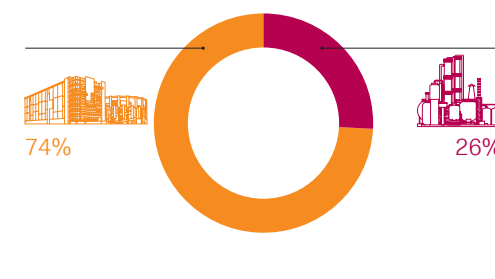
FY2017: \$S\$67.7 million



Group Contracts Secured

\$S\$313 million

FY2017: \$S\$180 million



Group Net Profit

\$S\$25.4 million

FY2017: \$S\$33.3 million

Group Net Assets

\$S\$439.5 million

FY2017: \$S\$444.7 million

Group Net Cash Position

\$S\$194.9 million

FY2017: \$S\$188.1 million

Earnings Per Share

4.9¢

FY2017: 6.4¢

Net Asset Value Per Share

63.5¢

FY2017: 61.7¢

**Energy-Related Engineering**

Our Energy-Related Engineering Division provides key process technologies for the:

1. Oil & gas (“O&G”) industries;
2. Petrochemical industry; and
3. Power industry.

This division has undertaken more than 1,200 projects in 86 countries and territories globally.

**Real Estate Solutions**

Our Real Estate Solutions Division under Boustead Projects provides design-and-build and development expertise for:

1. Industrial facilities;
2. Business park and commercial buildings; and
3. Industrial and business parks.

This division has constructed and developed more than 3,000,000 square metres of industrial real estate in Singapore, China, Malaysia and Vietnam.

**Geo-Spatial Technology**

Our Geo-Spatial Technology Division provides professional services and exclusive distribution of Esri geo-spatial technology, the world’s leading geographic information system and location analytics platform.

This division has more than 13,000 clients regionally including key government agencies and multinational corporations across eight exclusive markets in Australia and parts of South East Asia.

Value Creation across Engineering & Technology Value Chains

Engineering and Technology Value Chains			
	Consulting, Design and Engineering Phases	Fabrication and Manufacturing Phases	Delivery and Post-Delivery Phases
 Energy-Related Engineering	In-house expertise for high-value added: <ul style="list-style-type: none"> ✓ Feasibility studies ✓ Consulting ✓ Upgrading and revamp studies ✓ Design ✓ Process engineering ✓ Detailed engineering ✓ Structural engineering ✓ Systems architecture 	Outsource low-value added: <ul style="list-style-type: none"> Fabrication Manufacturing Modularisation 	In-house expertise for high-value added: <ul style="list-style-type: none"> ✓ Installation ✓ Static testing and commissioning ✓ Performance testing ✓ Training ✓ Completion and handover ✓ Technical support and spare parts supply
 Real Estate Solutions	In-house expertise for high-value added: <ul style="list-style-type: none"> ✓ Feasibility studies ✓ Land sourcing and acquisition ✓ Development planning ✓ Architecture and design ✓ Value engineering ✓ Structural engineering 	Outsource low-value added: <ul style="list-style-type: none"> Construction trades 	In-house expertise for high-value added: <ul style="list-style-type: none"> ✓ Static testing and commissioning ✓ Performance testing ✓ Practical completion and handover
 Geo-Spatial Technology	In-house expertise for high-value added: <ul style="list-style-type: none"> ✓ Scoping studies ✓ Consulting and professional services ✓ Enterprise systems planning ✓ Applications design ✓ Systems architecture 		In-house expertise for high-value added: <ul style="list-style-type: none"> ✓ Installation ✓ User testing ✓ Completion and handover ✓ After-sales maintenance services and technical support ✓ Training
Across all phases, we undertake: project management, procurement, quality and environmental, health and safety supervision.			

3.2 ECO-SUSTAINABLE SOLUTIONS

Each of our three divisions continue to develop solutions that are eco-sustainable, meaning that they have a positive ecological impact. 'Eco-' based on the root word 'ecological' is defined as 'relating to or concerned with the relation of living organisms to one another and to their physical surroundings.'¹ Our eco-sustainable solutions are expected to deliver primary benefits to clients, usually economic in nature, and secondary benefits to clients and other key stakeholders, which transcend economic value into ESG benefits, with an overall positive bottomline for the entire ecosystem that our solutions fit into.

This is extremely important given that our Energy-Related Engineering Division and Real Estate Solutions Division operate in the global energy and industrial sectors that together accounted for 60% of global primary energy usage in 2017.² Furthermore, it has been noted by the United Nations in its *The Emissions Gap Report 2017* that these sectors could contribute 50% of total emissions reduction potential in 2030.³ As such, our eco-sustainable solutions which are already directly influencing and reducing energy loss, emissions, pollution, and energy and water consumption have

the potential to do so into the future as well in some of the most energy-intensive sectors.

Our major solutions are shown on page 22 of this report in terms of their primary and secondary benefits, industry and geographic diversification, and long-term market outlook.

3.2.1 Solutions Supporting Economic Activities

Our engineered solutions under our Energy-Related Engineering Division and Real Estate Solutions Division have been implemented to support niche segments of hard infrastructure, primarily upstream and downstream O&G infrastructure, power plants, and industrial and business parks that form the backbone of economic activities in both developed and emerging markets. Our digital solutions under our Geo-Spatial Technology Division including digital infrastructure management systems have been implemented to support niche segments of hard and soft infrastructure that underpin a smart world. Today, our solutions are integrating Industry 4.0 transformation standards that increasingly support clients who are adapting to and creating solutions and technologies for smart nations, smart cities, smart

communities, smart buildings and Internet of Things ("IoT") applications.

3.2.2 Solutions with Additional ESG Benefits

Outside of the economic value that our clients receive, our engineered and digital eco-sustainable solutions also offer significant secondary benefits in ESG facets. These eco-sustainable solutions include WHRUs, water and wastewater treatment plants, advanced eco-sustainable industrial facilities and geo-spatial technology. With the eco-sustainability practices of clients coming under increased scrutiny from their own key stakeholders, we have been delivering eco-sustainable solutions that help them to match their global growth strategies with better management of their ecological footprints and compliance with environmental regulations. Clients who embrace our eco-sustainable solutions also receive social benefits such as boosting and protecting their relationships and reputations with their key stakeholders.



a) Waste Heat Recovery Units

BIH's WHRUs help clients to recycle exhaust and flue gases generated in extremely high temperature O&G processes – and in some

cases, power processes – so that these waste gases are reused in processes and are not directly released into the environment or flared off. Clients benefit from significantly reduced thermal energy loss, emissions and pollution, and further fuel cost savings as recycled waste heat keeps processes at optimal temperatures without having to use additional fuel. As an example, for every gigawatt-hour ("GWh") of thermal energy that escapes or is lost through the stack or surface of a process heater system operating at about 927°C and 10% excess air with ambient combustion air, 2GWh of thermal energy are required to replace the lost GWh of thermal energy.⁴ In the US alone, it is estimated that industries produce over 75,000GWh of waste heat at temperature levels over 148°C.⁵ This represents a significant opportunity to achieve sizeable efficiency gains, environmental benefits and fuel cost savings. When our WHRUs are utilised in combination with gas turbines (generally known to be inefficient to begin with), gas turbine efficiency can be potentially doubled. During FY2018, we were contracted to supply WHRUs with a total recovery capacity of over 56MW, representing expected total recovery of over 498GWh of thermal energy per year.

1. "Definition of Ecological in English." *Oxford Living Dictionaries*, Oxford University Press, en.oxforddictionaries.com/definition/ecological. Accessed 28 August 2018.


2. "Total Energy: Table 2.1 Energy Consumption by Sector." *Monthly Energy Review*, United States Government, US Energy Information Agency, August 2018, page 31, www.eia.gov/totalenergy/data/browser/?tbl=T02.01#/?f=A&start=1949&end=2017&charted=3-6-9-12. Accessed 28 August 2018.

3. "Table 4.1: Overview of Emission Reduction Potential." *The Emissions Gap Report 2017: A UN Environment Synthesis Report*, United Nations, UN Environment Programme, November 2017, page 35, www.unenvironment.org/resources/emissions-gap-report. Accessed 28 August 2018.




4. "Figure 8: Multiplying Effect of Available Heat on Furnace Losses." *A Best Practices Process Heating Technical Brief: Waste Heat Reduction and Recovery for Improving Furnace Efficiency, Productivity and Emissions Performance*, United States Government, US Department of Energy, November 2004, page 6, www.energy.gov/sites/prod/files/2014/05/f15/35876.pdf. Accessed 28 August 2018.

5. "Waste Heat Recovery: Technology and Opportunities in US Industry [3]." *Waste Heat Recovery Technology Assessment*, United States Government, US Department of Energy, 2015, page 4, www.energy.gov/sites/prod/files/2015/02/f19/QTR%20Ch8%20-%20Waste%20Heat%20Recovery%20TA%20Feb-13-2015.pdf. Accessed 28 August 2018.

Solutions

Division/Major Subsidiary	Solutions	Primary Benefits	Secondary Benefits	Long-Term Market Outlook
 Energy-Related Engineering				
Boustead International Heaters (“BIH”)				
<ul style="list-style-type: none"> Global business centred in O&G industries with projects delivered in 54 countries 	<ul style="list-style-type: none"> Process heater systems for: <ul style="list-style-type: none"> Refineries Gas processing and liquefied natural gas (“LNG”) plants Petrochemical plants 	<ul style="list-style-type: none"> High temperature heat transfer for distilling: <ul style="list-style-type: none"> Petroleum products Natural gas products and LNG Petrochemical products Hydrogen 	<ul style="list-style-type: none"> Cost effective energy resource used as: <ul style="list-style-type: none"> Feed stock for most consumer and industrial products Fuel for gas-fired and combined cycle power plants Fuel for global transportation fleet Resource security 	<ul style="list-style-type: none"> Weaker demand in refining activities aligned with climate change and legislative trends Stronger demand in gas processing activities as natural gas replaces crude oil in multi-decade transition to relatively cleaner fuels in climate change and legislative trends
	<ul style="list-style-type: none"> Waste heat recovery units (“WHRUs”) for: <ul style="list-style-type: none"> Refineries Gas processing and LNG plants Petrochemical plants Production platforms Floating production, storage and offloading (“FPSO”) vessels 	<ul style="list-style-type: none"> Recycled exhaust and flue gases for reuse in processes Reduced thermal energy loss and fuel to heat processes Potential doubling of gas turbine efficiency 	<ul style="list-style-type: none"> Reduced fuel costs Reduced emissions and pollution Resource security 	<ul style="list-style-type: none"> Stronger demand in gas processing activities aligned with climate change and legislative trends
Boustead Controls & Electrics (BC&E”)				
<ul style="list-style-type: none"> Regional business centred in O&G industries with projects delivered in 29 countries 	<ul style="list-style-type: none"> Process control systems for: <ul style="list-style-type: none"> Production platforms FPSO vessels 	<ul style="list-style-type: none"> Safe process startup, management and shutdown of O&G production 	<ul style="list-style-type: none"> Protected O&G assets, infrastructure and natural environment Enhanced safety for O&G personnel Resource security 	<ul style="list-style-type: none"> Weaker demand in oil production activities aligned with climate change and legislative trends Stronger demand in gas production activities aligned with climate change and legislative trends Potential to be deployed to other process industries

Solutions (cont'd)

Division/Major Subsidiary	Solutions	Primary Benefits	Secondary Benefits	Long-Term Market Outlook
 Energy-Related Engineering				
Boustead Salcon Water Solutions ("BSWS") <ul style="list-style-type: none"> Global business centred in O&G and power industries with projects delivered in 61 countries 	<ul style="list-style-type: none"> Water and wastewater treatment plants for: <ul style="list-style-type: none"> Power plants Refineries Gas processing and LNG plants Petrochemical plants Production platforms FPSO vessels 	<ul style="list-style-type: none"> Treated high quality pure and ultra pure water for processes Treated wastewater for safe release into natural environment or zero discharge Reclaimed and recycled wastewater for reuse in processes 	<ul style="list-style-type: none"> Reduced water pollution Resource security 	<ul style="list-style-type: none"> Stronger demand aligned with rejuvenation of world's most precious resource, and climate change and legislative trends Potential to be deployed to other process industries
 Real Estate Solutions				
Boustead Projects <ul style="list-style-type: none"> Regional business in wide range of heavy and light industries with projects delivered in four countries 	<ul style="list-style-type: none"> Advanced industrial facilities Business park and commercial buildings 	<ul style="list-style-type: none"> Advanced eco-sustainable industrial facilities for creation and distribution of solutions and technologies that meet Industry 4.0 transformation standards Client ownership model Client leasing model 	<ul style="list-style-type: none"> Reduced construction time, waste, emissions and pollution during design, construction and building operations Reduced energy and water consumption during building operations Resource security 	<ul style="list-style-type: none"> Stronger demand aligned with climate change, legislative and Industry 4.0 transformation trends
 Geo-Spatial Technology				
Esri Australia, Esri Singapore, Esri Malaysia, Esri Indonesia <ul style="list-style-type: none"> Regional business across almost all industries with projects delivered in eight countries 	<ul style="list-style-type: none"> Geographic information system ("GIS") and location analytics platform related to world-leading Esri ArcGIS enterprise platform 	<ul style="list-style-type: none"> Smart solutions Authoritative, effective and efficient big data governance and management of government data, infrastructure, resources and IoT 	<ul style="list-style-type: none"> Support for all kinds of private and public sector economic and ESG initiatives Planetary security 	<ul style="list-style-type: none"> Stronger demand aligned with smart cities, big data, IoT, climate change, legislative and Industry 4.0 transformation trends

b) Water & Wastewater Treatment Plants



BSWS' water and wastewater treatment plants help clients to produce high quality pure and ultra pure water for power, O&G and industrial processes, treat wastewater for safe release into the natural environment or for zero liquid discharge, and reclaim and recycle wastewater to be reused in processes or as potable water. Clients benefit from significantly reduced pollution and depletion of raw water resources. Industrial water demand accounts for about 20% of global water withdrawals, of which about 75% of all industrial water withdrawals are used in water-intensive energy production.⁶ During FY2018, we were contracted to supply water and wastewater treatment plants with a total treatment capacity of over 115,000 cubic metres ("cu m") per day, representing expected treatment of over 42 million cu m per year, with most of the capacity dedicated to water treatment applications in the power and O&G industries.

building lifecycle. Boustead Projects' eco-sustainable built environment is conducive to create a healthy and productive internal environment for clients, while reducing the ecological impact on the natural environment and surrounding communities.

Reporting to the Singapore Government's Ministry of National Development, the Building & Construction Authority ("BCA") is the agency responsible for championing the development of an excellent built environment for Singapore. In 2009, Boustead Projects broke new ground with the delivery of the first Green Mark Platinum-rated industrial facility in the heavy industry category for a Fortune 500 corporation, Applied Materials under the BCA's Green Mark Programme. Since then, Boustead Projects has proceeded to become the outright market leader in delivering Green Mark Platinum-rated industrial facilities and also delivered LEED-rated industrial facilities under the US Green Building Council ("USGBC")'s internationally-recognised Leadership in Energy & Environmental Design (LEED) Program. Boustead Projects' milestones include delivering the first Green Mark Platinum-rated industrial facilities in the heavy industry, aerospace and logistics industry categories, and about 18% and 33% of all new private sector Green Mark Platinum-rated industrial facilities and logistics facilities respectively on Business 1 and Business 2 industrial-zoned land.⁷

c) Green Buildings

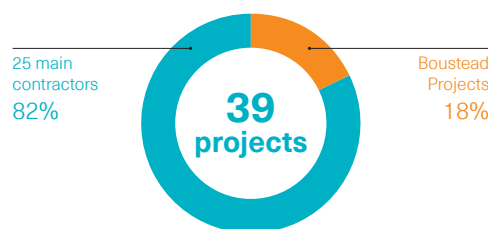


Boustead Projects' advanced eco-sustainable industrial facilities help clients to own or lease custom-built advanced eco-sustainable industrial facilities that match their global growth strategies and significantly reduce energy loss, emissions, pollution, waste, and energy and water consumption throughout the multi-decade

BCA Green Mark Programme for Non-Residential Buildings 2015

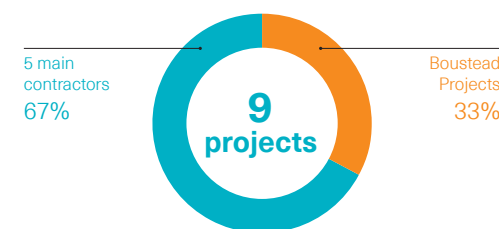
Green Mark Rating	Score
Green Mark Platinum	Above 69
Green Mark Gold Plus	60 to 69
Green Mark Gold	51 to 59
Green Mark Certified	Applies to all new projects submitted for URA planning permission on or after 15 April 2008

Green Mark Platinum Market Share for New Industrial Facilities



Boustead Projects has built about **1 out of every 5** Green Mark Platinum-rated industrial facilities.

Green Mark Platinum Market Share for New Logistics Facilities



Boustead Projects has built **1 out of every 3** Green Mark Platinum-rated logistics facilities.

6. "Water Demand." *The United Nations World Water Development Report 2018: Nature-Based Solutions for Water*, United Nations, UN Educational, Scientific and Cultural Organization, UN World Water Assessment Programme, 2018, page 11, unesdoc.unesco.org/images/0026/002614/261424e.pdf. Accessed 28 August 2018.

7. Track record updated to include 2018 BCA Green Mark Awards held in May 2018.



During FY2018, Boustead Projects added to their Green Mark Platinum track record shown on page 27 of this report with the Boustead Development Partnership's landmark project of the year, ALICE @ Mediapolis ("ALICE"), the first truly smart building in any business park in Singapore. This 11-floor thriving ecosystem and future home for info-communications, media and technology multinational corporations, and fast-growing ventures, is set in a vibrant green landscape and embodies Boustead Projects' best design-and-build practices and Industry 4.0 transformation standards, which have been extensively used in ALICE's development and design-and-build phases, and will continue throughout ALICE's entire multi-decade building lifecycle.

As the outright market leader in the design-and-build of advanced eco-sustainable industrial facilities, Boustead Projects is taking their commitment further to attain higher Green Mark ratings in their role as a developer for multi-tenanted developments that they intend to own and lease out in Singapore. In line with this, Boustead Projects designed and built our global headquarters – Edward Boustead Centre – to attain Green Mark Platinum in 2015, leading by example and showcasing to clients how extensive green building features can be incorporated into the design of all future buildings. Similarly, the same path was taken for ALICE, which recently attained the Green Mark Platinum. Moving forward, Boustead Projects will continue to explore ways to further introduce

eco-sustainable solutions into their leasehold portfolio including the introduction of the Green Lease Scheme at their multi-tenanted developments in Singapore. More information on Boustead Projects' eco-sustainable solutions is available in the *Boustead Projects FY2018 Longevity Report*.

d) A Smart World Grounded in Geo-Spatial Intelligence

Our Geo-Spatial Technology Division's location intelligence solutions related to the world-leading Esri ArcGIS enterprise platform help clients to create smart nations, smart cities and smart communities by solving the world's largest problems through effective and sustainable planning, deployment and management of key infrastructure and resources. In a world inundated with big data and IoT, and also severe underutilisation and wastage of limited resources, Esri technology works to effectively and efficiently govern and manage all kinds of private and public sector data. These include economic and ESG initiatives such as tackling urban planning, disease, poverty and social inequality, and working towards the ideal of planetary security by achieving the United Nations ("UN")'s 17 Sustainable Development Goals ("SDGs"). In December 2017, Environmental Systems Research Institute Inc or better known as Esri Inc, our principal for Esri technology announced that it is working with the UN Statistics Division and a number of member



states to develop a new data hub named the Federated System for SDGs.⁸ The Federated System will allow countries to measure, monitor, report and visualise progress towards SDGs in a geographic context on a global scale.

Crime, epidemics like Ebola, SARS and Zika, inadequate housing, pollution, sanitation hazards and transport issues are all consequences of decades of unplanned urbanisation. As a result, we are now seeing the rise of concepts like 'adaptive urbanism' and 'smart cities'. Effective management of our complex urban ecosystems fundamentally comes down to our geographic understanding of the environments – both engineered and natural – that we inhabit. From a global perspective, the 'Smart City' concept continues to be one of the biggest drivers of demand for GIS and location intelligence solutions. New Esri technology deployment opportunities appeared from 'Smart City 4.0' phenomena – a rethink of the traditional smart city approach to account for Industry 4.0, where IoT and other technologies seamlessly fuse the digital and physical worlds. In this era, smart cities are positioned as the facilitators of smart services, and citizens as co-collaborators who contribute data and insights through IoT sensors and other technology channels. 'Smart City Thinking' – a thought process that underpins all efforts to engineer urban environments where the quality of life for citizens is the central focus

– has also been embraced across South East Asia, with GIS deployed to connect disparate data sources in a manner that enables the weaving of intricate networks of intelligent applications, information hubs and smart workflows.

It goes without saying that this is a challenging job. However, it is a job made easier with digitalisation, and visualisation of insight and – most importantly foresight – delivered through Esri technology. Esri technology consumes masses of data from all types of sources including satellite data to real-time IoT sensor feeds, through to databases, spreadsheets, social media updates and everything in between. The insights that Esri technology produces are what informs decisions makers. Globally, Esri technology is recognised as a foundation technology that both supports and enables the building of smart cities. Esri technology's inherent ability to provide unprecedented context to both evolving and proposed urban ecosystems has made it the 'go to' tool for planners, policy-makers, health authorities, security agencies, environmentalists and many more stakeholders for more than four decades. During FY2018, some of the smart city transformations that our division continues to provide support to include Australia's Virtual Brisbane and Queensland Globe, Singapore's Smart Nation and Malaysia's Iskandar Regional Development Authority, among many others.

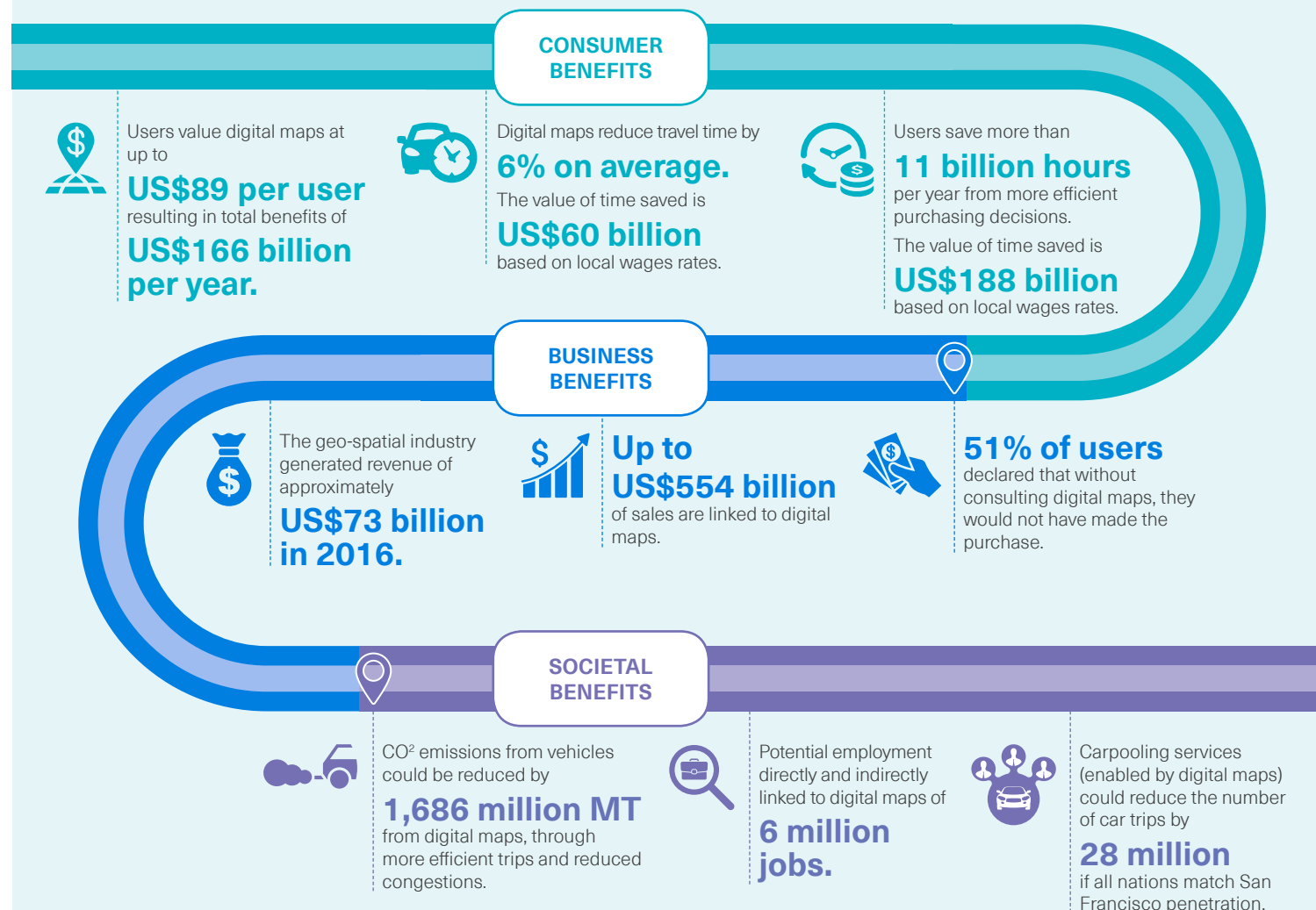
8. "Esri Technology will Help Power the United Nations' New Global Data Hub." Esri Inc, 11 December 2017, www.esri.com/esri-news/releases/17-4qtr/esri-technology-will-help-power-the-united-nations-new-global-data-hub. Accessed 28 August 2018.

According to AlphaBeta Advisors' published study for Google, they assessed that the global economic impact of geo-spatial services likely had a significant productivity impact in sectors representing 75% of global gross domestic product, and direct and indirect benefits for businesses, consumers and society at large.⁹ AlphaBeta Advisors' study was conducted with a survey of 9,000 Internet users in 22 countries spread across six continents, including three of our division's exclusive markets: Australia, Singapore and Indonesia. AlphaBeta went on to quantify the estimated economic impact of geo-spatial services in the Asia Pacific as shown here.

Furthering the vision towards a smart world, during FY2018 at the 2017 Esri User Conference held in July 2017, five clients within our respective exclusive distribution network in Australia, Singapore, Malaysia and Indonesia were internationally recognised as winners of the prestigious Special Achievement in GIS ("SAG") Award, selected from a pool of more than 100,000 private and public sector organisations globally. The SAG Award honours organisations who demonstrate innovative use of GIS technology to solve pressing real world challenges.

Shortly after the end of FY2018 at the 2018 Esri User Conference held in July 2018, nine clients within our respective exclusive distribution network were internationally recognised with the prestigious SAG Award, the highest annual number of clients in our history. Our track record in supporting SAG Award winners is shown on pages 28 and 29 of this report.

Estimated Economic Impact of Geo-Spatial Services in Asia Pacific During 2016



* Data in exhibit is estimated by AlphaBeta using a range of original and third party sources.

9. "Global Economic Impact of Geospatial Services During 2016." *The Economic Impact of Geospatial Services: How Consumers, Businesses and Society Benefit from Location-Based Information*, AlphaBeta Advisors Pty Ltd, September 2017 www.alphabeta.com/wp-content/uploads/2017/09/GeoSpatial-Report_Sept-2017.pdf. Accessed 28 August 2018.

Eco-Sustainable Solutions in Action



Energy-Related Engineering

BIH

5 WHRUs

498.4 gigawatt-hours ("GWh")



148 WHRUs

32,892.9 GWh



153 WHRUs recovering
over 33,390 GWh of
thermal energy

Estimated annual recovery



Heating used by over
3.6 million homes in the UK
or
£692 million



Capacity contracted in FY2018

Capacity supplied prior to FY2018

Note: Calculations are based on contractual specifications, with conversion calculations based on the UK Government Department for Business, Energy & Industrial Strategy's published statistics for industrial gas tariffs for 2017.

BSWS

11 water and wastewater
treatment plants

42.0 million cubic metres ("cu m")



103 water and wastewater
treatment plants

545.1 million cu m



114 water and wastewater treatment
plants treating or recycling
over 587 million cu m of water

Estimated annual treatment or recycling



Water used to fill over
234,000 Olympic size
swimming pools
or
US\$1.2 billion



Capacity contracted in FY2018

Capacity supplied prior to FY2018

Note: Calculations are based on contractual specifications, with conversion calculations based on the Global Water Intelligence's 2017 Global Water Tariff Survey where the global average water tariff was US\$2.06 per cu m. Capacity supplied prior to FY2018 is based on our track record dating back to completed projects after BSWS was acquired in 2002.



Real Estate Solutions

Boustead Projects

A building under
construction - ALICE

1.7 GWh

and

4,390 cu m



8 buildings

35.4 GWh

and

82,715 cu m



9 buildings saving
over 37 GWh of electricity
and
over 87,000 cu m of water

Estimated annual recovery



Electricity used by 7,800
homes in Singapore
or
S\$7.3 million



Water used to fill 34 Olympic
size swimming pools
or
S\$0.1 million



Green Mark Platinum rating attained in FY2018

Green Mark Platinum ratings attained prior to FY2018

Note: Calculations are based on BCA Green Mark Programme assessments at the time when the Green Mark Platinum was awarded to a specific building, with conversion calculations based on the Energy Market Authority's and PUB's published statistics for electricity tariffs and industrial water tariffs respectively for 2017.

Special Achievement in GIS Awards

Geo-Spatial Technology				
	Australia	Singapore	Malaysia	Indonesia
Total	22 awards	16 awards	11 awards	10 awards
2018	<ul style="list-style-type: none"> Geoscience Australia for MH370 search GIS solution Power & Water Corporation for utilities management GIS solution 	<ul style="list-style-type: none"> National Parks Board for MAVEN PUB for water management GIS solution 	<ul style="list-style-type: none"> Kerajaan Negeri Sembilan for GIS9 Sabah Lands & Surveys Department for Jabatan Tanah dan Ukur Web Mapping Application Petronas Carigali Sdn Bhd for Play Based Exploration 	<ul style="list-style-type: none"> National Resilience Institute of the Republic of Indonesia for Siskurtannas PT Telekomunikasi Indonesia for Sales IndiHome Information System
2017	<ul style="list-style-type: none"> Australian Army for defence GIS solution 	<ul style="list-style-type: none"> Urban Redevelopment Authority ("URA") for GEMMA 	<ul style="list-style-type: none"> Penang Geographical Information System Centre for e-Peta 	<ul style="list-style-type: none"> Indonesian Navy for Hydro-Oceanography Data Centre Bank Muamalat for banking GIS solution
2016	<ul style="list-style-type: none"> Queensland Urban Utilities for Q-Hub 	<ul style="list-style-type: none"> Housing & Development Board for Integrated Planning & Analysis Platform 	<ul style="list-style-type: none"> Malaysian Centre for Geospatial Data Infrastructure ("MaCGDI") for Malaysia Geospatial Online Services 	<ul style="list-style-type: none"> Ministry of Home Affairs of the Republic of Indonesia for population data management GIS solution
2015	<ul style="list-style-type: none"> Australian Geospatial-Intelligence Organisation for Enterprise Production Management Hema Maps Pty Ltd for Hema Explorer Map Victoria's Department of Environment, Land, Water & Planning for FloodZoom 	<ul style="list-style-type: none"> Land Transport Authority ("LTA") for Planning for Land Transport Network Municipal Services Office for OneService@SG 	<ul style="list-style-type: none"> Department of Survey & Mapping Malaysia ("JUPEM") for Geospatial Data Acquisition System 	<ul style="list-style-type: none"> PT Freeport Indonesia for mining GIS solution
2014	<ul style="list-style-type: none"> Queensland's Department of Natural Resources & Mines for stock route management GIS solution South Australia's Department of Communities & Social Inclusion for Evidence Based Management Framework 	<ul style="list-style-type: none"> Singapore Land Authority ("SLA") for Spatial Challenge 	<ul style="list-style-type: none"> JUPEM, Defence Geospatial Division for uGeo for Defence 	<ul style="list-style-type: none"> PT Pertamina EP for upstream O&G GIS solution
2013	<ul style="list-style-type: none"> Western Power for enterprise GIS solution 	<ul style="list-style-type: none"> URA for Integrated Planning & Land Use System ("URA iPLAN") 	<ul style="list-style-type: none"> Sarawak Land & Survey Department for Land & Survey Information System 	<ul style="list-style-type: none"> Ministry of Energy & Minerals Resources, Directorate General of Mineral & Coal Mining for mining GIS solution

Special Achievement in GIS Awards (cont'd)

	Australia	Singapore	Malaysia	Indonesia
Total	22 awards	16 awards	11 awards	10 awards
2012	<ul style="list-style-type: none"> • VicRoads for VicTraffic 	<ul style="list-style-type: none"> • Ministry of Health for healthcare GIS solution • PUB for Geographic Resource & Information System 	<ul style="list-style-type: none"> • Ministry of Housing & Local Government, Federal Department of Town & Country Planning for Safe City Monitoring System 	<ul style="list-style-type: none"> • Ministry of Transportation for transportation GIS solution
2011	<ul style="list-style-type: none"> • Brisbane City Council for Flood Map • Queensland Fire & Rescue Service for Total Operational Mapping 	<ul style="list-style-type: none"> • SLA for GeoSpace 		
2010	<ul style="list-style-type: none"> • Australian Department of Climate Change for National Carbon Accounting System • Victoria's County Fire Authority for EIMS Mapper 	<ul style="list-style-type: none"> • SLA for OneMap 		
2009	<ul style="list-style-type: none"> • Australian Capital Territory Emergency Services Agency for emergency management GIS solution • Tasmania's Department of Primary Industries & Water for state GIS solution 		<ul style="list-style-type: none"> • MaCGDI for Malaysia Geospatial Data Infrastructure 	
2008	<ul style="list-style-type: none"> • Royal Australian Navy Directorate of Oceanography & Meteorology, Australia for marine GIS solution • Thiess Pty Ltd for engineering GIS solution • WestNet Energy Alinta Gas Networks for utilities GIS solution 	<ul style="list-style-type: none"> • LTA for Land Transport Infrastructure Data Hub 	<ul style="list-style-type: none"> • JUPEM, Utility Mapping Section for National Utility Database 	<ul style="list-style-type: none"> • National Coordinator for Survey & Mapping Agency for national mapping GIS solution
2007	<ul style="list-style-type: none"> • City of Greater Geelong for municipal GIS solution 	<ul style="list-style-type: none"> • Defence Science & Technology Agency for national security GIS solution • SLA for Singapore Street Directory 		
2006	<ul style="list-style-type: none"> • BHP Billiton Ltd for Enterprise Spatial Data Infrastructure 	<ul style="list-style-type: none"> • URA for URA iPLAN 		



3.3 QUALITY

Quality has always been a defining factor in the total client experience. As part of our quality assurance and improvement programmes, all of our major subsidiaries under our Energy-Related Engineering Division and Real Estate Solutions Division obtained ISO 9001 certifications for Quality Management Systems (“QMS”) from at least 2005 onwards. Shortly after the end of FY2018, all of these same subsidiaries had received an upgrade to the latest ISO 9001:2015 standard. Our QMS set out quality management system enablers, commitments, targets and responsibilities for our team. Our QMS are both externally and internally audited, and ensure quality management performance at all workplaces and project sites under our control on a daily basis. In addition, our largest subsidiary under our Geo-Spatial Technology Division also has a QMS, which although not certified, adheres to the intent of ISO 9001:2000.

As the delivery of quality is emphasised throughout all potential client touch points, our solutions are not always the lowest priced among competing solutions but do consistently deliver high quality client experiences and outcomes. Due to positive client experiences and outcomes, numerous clients have become repeat clients which is important in the context where almost all client relationships are business-to-business arrangements involving a smaller client base but larger transactional value as compared to what is typically seen in business-to-consumer arrangements. The embedding of quality into all potential client touch points is extremely important since a client team's project journey together with us typically lasts for over one year and is made up of thousands of interactions between key stakeholders, especially between our team and clients, strategic partners, suppliers, lenders, government agencies and regulators, all within a single project.

3.3.1 Quality, Domain Expertise & Project Track Records as Client Pre-Qualifiers

Our clients range from the world's largest energy corporations and engineering, procurement and construction (“EPC”) corporations to global clients including Forbes Fortune 500, S&P 500 and Euronext 100 corporations, as shown on page 31 of this report. Given the strong brand reputation of our clients and potential clients, there are usually more stringent expectations on quality, domain expertise and project track records since our solutions have such a significant impact on the achievement of clients' global growth strategies and their own relationships with their key stakeholders. Many clients conduct financial, quality, EHS and project track record reviews on our business and at times, those of our suppliers, before pre-qualifying and inviting us to submit proposals, bids and tenders for potential projects. Once we become a pre-qualified main contractor to a specific EPC corporation or end-user client, we are

routinely invited to submit proposals, bids and tenders for potential projects whenever the specific EPC corporation or end-user client reviews a potential new investment or project globally.

3.3.2 Construction Awards & Construction Quality Assessment System

Boustead Projects is a regular feature at the BCA Awards, an annual awards programme hosted by the BCA to recognise the best in construction practices and projects.

During FY2018 at the BCA Awards 2017 held in June 2017, Boustead Projects received a Construction Excellence Award (“CEA”) for the Seagate Singapore Design Center – The Shugart at Fusionopolis, one-north, and a Building Information Modelling (“BIM”) Gold Award in the Organisation Category. The CEA accords recognition to construction projects that have demonstrated the highest standards of construction excellence in Singapore, while the BIM Award (Organisation Category)

ISO 9001 Certifications

	BIH	BC&E	BSWS	Boustead Projects	Esri Australia
ISO 9001 Initiation	1992	2005	1999	1999	1999
ISO 9001 Latest Standard	Upgraded to ISO 9001:2015 in Mar 2018	Upgraded to ISO 9001:2015 in Jan 2018	Upgraded to ISO 9001:2015 in Jul 2018	Upgraded to ISO 9001:2015 in Apr 2018	Current QMS not certified
Other Industry-Specific Quality Standards	<ul style="list-style-type: none"> ISO/TS 29001:2011 EN 1090-1:2009 (EXC 2) in compliance with CPR 305/2011/EU PED 2014/68/EU (Module H1) 				Current QMS adheres to intent of ISO 9001:2000 where critical processes are controlled and monitored

recognises outstanding organisations for going the extra mile in BIM and virtual design and construction (“VDC”) adoption at the organisational level and also recognises organisations for their outstanding examples of BIM and VDC use in enhancing their own productivity. Separately at the BCA Awards 2017, a design-and-build project, Markono M-Cube received the Green Mark Gold for its eco-sustainable features.

In FY2018, Boustead Projects also achieved the Singapore Quality Class (“SQC”) certification under SPRING Singapore’s Business Excellence Framework.

Shortly after the end of FY2018 at the BCA Awards 2018 held in May 2018, Boustead Projects received the Green & Gracious Builder Award (Excellent) for overall excellent environmental, professional and sustainability practices, an upgrade from the Green & Gracious Award (Merit) attained in

2015. Separately at the BCA Awards 2018, ALICE received the Green Mark Platinum for its outstanding eco-sustainable features.

To date, Boustead Projects’ quality and eco-sustainable efforts have been recognised with 24 construction quality and Green Mark awards at the BCA Awards as shown on page 32 of this report.

As a promoter of quality, Boustead Projects is a leader in the BCA’s Construction Quality Assessment System (“CONQUAS”), which is used to measure the quality achieved in a completed construction project in Singapore in respect of structural, architectural, and mechanical & electrical works.

To date, Boustead Projects’ efforts in construction quality have been recognised with seven projects ranked in the CONQUAS all-time top 100 industrial projects list¹⁰, making them the top main contractor on the list shown here.

Projects on BCA CONQUAS List

Project	CONQUAS Score	Rank on All-Time Top 100 Industrial Projects List (August 2018)
Seagate Singapore Design Center – The Shugart	92.2%	n.a. (commercial project)
ST Omega 2	91.5%	10th
Edward Boustead Centre	91.3%	14th
Kerry Logistics Centre	90.7%	16th
SDV Green Hub	90.3%	20th
ST Electronics Building	89.1%	29th
ST Engineering Hub	85.1%	52nd
Rolls-Royce Test Bed Facility	82.9%	75th
Sun Venture Investments @ 50 Scotts Road	81.5%	n.a. (commercial project)

Clients



Energy-Related Engineering

The majority of clients are among the world’s largest energy corporations and EPC corporations and include:

- Global EPC corporations;
- O&G supermajors and majors;
- National O&G corporations; and
- National power and utilities corporations.

Our division has delivered projects for more than 60% of the world’s 50 largest O&G corporations.



Real Estate Solutions

Clients range from reputable small and medium-sized enterprise clients to global clients and include:

- Forbes Fortune 500 corporations;
- S&P 500 corporations; and
- Euronext 100 corporations.

Boustead Projects is approved by the BCA for Grade CW01-A1 and General Builder Class 1 License¹¹ to execute building construction contracts of unlimited value.



Geo-Spatial Technology

The majority of clients are national, state and municipal government agencies in Australia, Singapore, Malaysia and Indonesia, while private sector clients include:

- Engineering, mining, O&G and utilities corporations;
- Financial and insurance corporations; and
- Retail and telecommunications corporations.

Our division is the leading authority on GIS in respective exclusive distribution markets.

10. “IQUAS: Information on Construction Quality.” Singapore Government, Building & Construction Authority, www.bca.gov.sg/professionals/iqas/iqas/default.aspx. Accessed 28 August 2018.

11. Our BCA license registrations are available at www.bca.gov.sg/bcadirectory/company/details/201432108g.

BCA Awards

Awarded by:				
BCA			USGBC	
	Construction Quality	Green Mark Platinum	Green Mark Gold	LEED Gold
Total	6 awards	9 awards	9 awards	3 awards
2018	• BP E&C: Green & Gracious Builder Award (Excellent)	• ALICE @ Mediapolis		
2017	• BP: Construction Excellence Award for Seagate Singapore Design Center – The Shugart • BP E&C: BIM Gold Award – Organisation Category		• Markono M-Cube • XP Power (Green Mark Gold Overseas recertification)	
2016		• Kuehne + Nagel Singapore Logistics Hub		• Kuehne + Nagel Singapore Logistics Hub
2015	• BP: Green & Gracious Builder Award (Merit) • BP: Construction Productivity Award – Projects for Edward Boustead Centre	• Edward Boustead Centre • Seagate Singapore Design Center – The Shugart		
2014	• BP: Construction Excellence Certificate of Merit for SDV Green Hub	• DB Schenker Shared Logistics Center 3 (Tampines LogisPark)		
2013			• Greenpac Greenhub • Jabil Circuit • Kerry Logistics Centre • Satair Airbus Singapore Centre	• Kerry Logistics Centre • SDV Green Hub / 1st LEED Gold in logistics industry in Asia /
2012		• SDV Green Hub / 1st in logistics industry category /	• XP Power (Green Mark Gold Overseas) / 1st Green Mark in non-residential building category in Vietnam /	
2011		• Rolls-Royce Wide Chord Fan Blade Manufacturing Facility • Rolls-Royce Test Bed Facility / 1st in aerospace industry category /		
2010			• IBM Singapore Technology Park • Sun Venture Investments @ 50 Scotts Road	
2009		• Applied Materials Building / 1st in heavy industry category /	• StarHub Green	

3.4 TRANSFORMATION INITIATIVES

With shorter business cycles due to disruptive technologies, we need to embrace transformation or be transformative where possible, in order to adapt to new megatrends and the prevailing global landscape that emerges over time. In general, two new megatrends that are having a profound effect on our respective industries are Industry 4.0 and climate change.

3.4.1 Industry 4.0

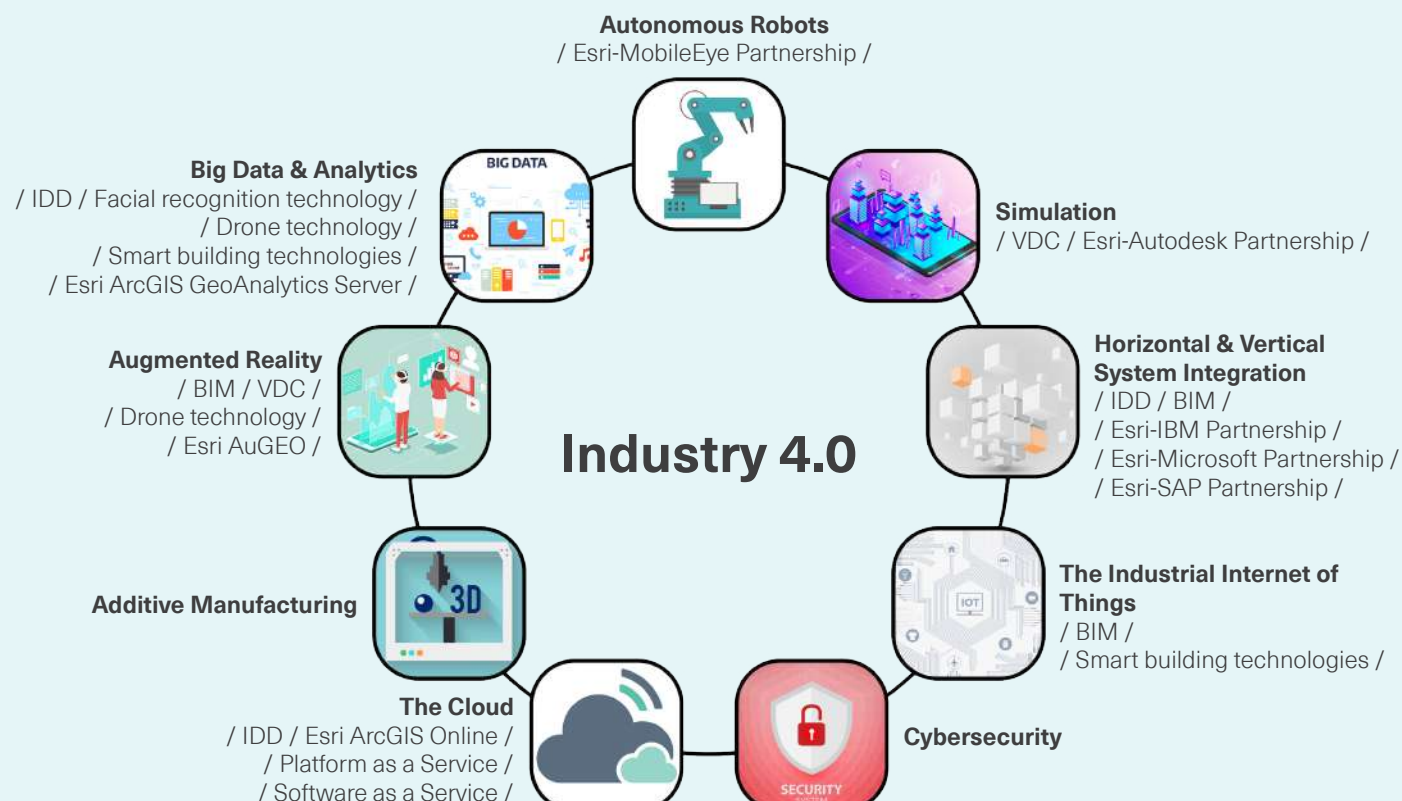
According to Boston Consulting Group (“BCG”), Industry 4.0 – the fourth industrial revolution – is a transformation that makes it possible to gather and analyse data across machines, enabling faster, more flexible and more efficient processes to produce higher quality goods at reduced costs. This will increase productivity, shift economics, foster industrial growth and modify the profile of the workforce and ultimately change the competitiveness of corporations and regions.¹² BCG went on to name nine technologies that are transforming industrial production as shown here. We have overlaid our already implemented technologies in eight of these areas.

a) Integrated Digital Delivery

For over two decades, our Real Estate Solutions Division under Boustead Projects has been a pioneering force in Singapore’s industrial real estate sector, demonstrating pioneership and transformation in business model and activities including design-and-build (1996), design-build-and-lease (2003), advanced eco-sustainable buildings (2009) and integrated digital delivery (2017), among others. As the latest capability in Boustead



Nine Technologies of Industry 4.0



/ Our positions of TRANSFORMATION /

12. “Embracing Industry 4.0 and Rediscovering Growth.” The Boston Consulting Group, www.bcg.com/capabilities/operations/embracing-industry-4.0-rediscovering-growth.aspx. Accessed 28 August 2018.

Projects' pioneering approach, integrated digital delivery ("IDD") deploys digitalisation and cloud-based technologies, and transformative methodologies like BIM, VDC, and design for manufacturing and assembly ("DfMA"). During FY2018, these methodologies were extensively adopted in ALICE's design, construction, project management and delivery, further complemented by Boustead Projects' use of drones for aerial imaging, site progress and surveillance, and eventually ALICE's marketing through the deployment

of augmented and virtual reality technologies. ALICE was constructed virtually using BIM and VDC (before the actual construction) so that most issues could be anticipated during construction, operation and maintenance, and proactive solutions could be generated, thereby significantly boosting productivity. Another first in the industry, ALICE adopted large-scale prefabricated bathroom units ("PBUs") using prefabricated, prefinished volumetric construction, moving beyond the norm of small PBUs in the residential sector.

On the operational side, an ALICE mobile app designed as a collaboration between Boustead Projects and Habitatap – a leading homegrown proptech firm – will be driven by big data analytics and IoT for tenant interface tied to ALICE's smart building management system. The single and comprehensive backend system for operations and facilities management will greatly automate processes, and reduce manual tasks and the number of facilities management staff required. Please review our Industry 4.0 Future Feature on ALICE

as shown on page 35 of this report, a taste of how we are converging the ideals of the Singapore Government's Industry Transformation Programme and Industry Transformation Maps ("ITMs") for three industries: construction, real estate and infocomm media. Simultaneously, Boustead Projects is using IDD and proven technologies to reshape advanced eco-sustainable industrial facilities for clients shifting into Industry 4.0 under their respective ITMs.

Transformational Technologies Deployed Today

	Development	Design-and-Build	Facilities Management and Building Operations
Construction Industry Transformation	Design for Manufacturing and Assembly (DfMA)		
	<ul style="list-style-type: none"> Prefabricated prefinished volumetric construction (PPVC) 		
	Green Building		
	<ul style="list-style-type: none"> Green Mark Platinum 		
	Integrated Digital Delivery (IDD)		
	<ul style="list-style-type: none"> Building information modelling (BIM) to be used throughout multi-decade building lifecycle Virtual design and construction (VDC) 		
		<ul style="list-style-type: none"> Drone technology integrated with BIM for aerial imaging, site progress and surveillance Facial recognition technology used for site management and security 	<ul style="list-style-type: none"> Digital asset delivery and management
Real Estate Industry Transformation			Digital delivery and smart building technologies <ul style="list-style-type: none"> Habitap – tenant management and facilities management through single portal Drone technology combined with augmented reality to create line-of-sight views from marketable units before completion of construction
Infocomm Media Industry Transformation	Boustead Development Partnership awarded first JTC Corporation concept-and-price tender in Mediapolis <ul style="list-style-type: none"> ALICE promotes several cross-sector innovation initiatives Use of immersive media (virtual reality and augmented reality) in VDC Use of BIM-to-Field inspection method to carry out paper-free, timely site inspections 		Infrastructure and support <ul style="list-style-type: none"> Successful fast-growing ventures from JTC LaunchPad Shared media facilities Offers ecosystem to bring different sectors with solutions boosting productivity and catalysing digitalisation, helping to grow local digital champions Habitap – smart community Smart building solutions will use IoT and data analytics in future

Industry 4.0 Future Feature: ALICE

ALICE

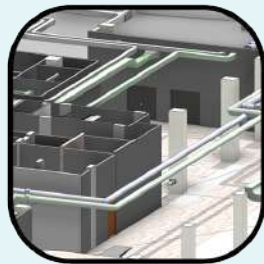
AT MEDIAPOLIS

INTRODUCING THE FIRST TRULY SMART BUILDING IN ANY BUSINESS PARK IN SINGAPORE



Solar Power

100 kWp photovoltaic system above green roof



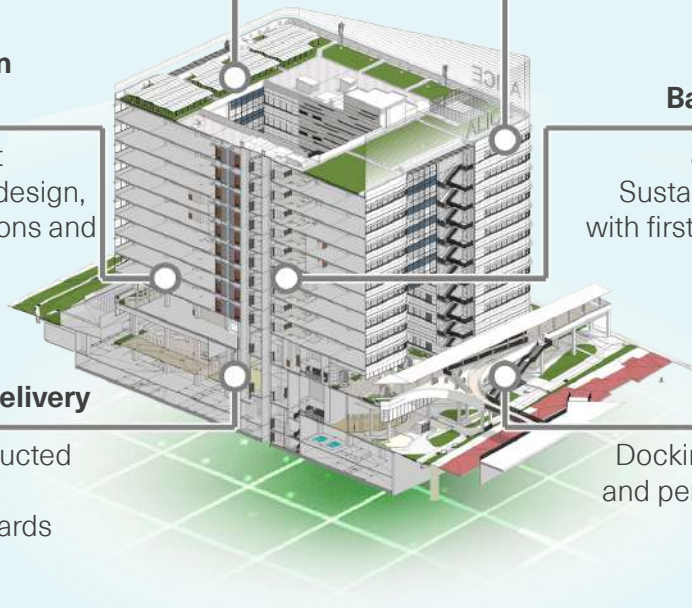
Building Information Modelling (BIM)

BIM used throughout building lifecycle for design, construction, operations and maintenance



Integrated Digital Delivery

Designed and constructed with Industry 4.0 transformation standards



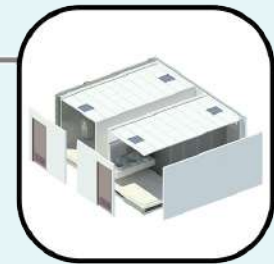
Smart App

One-stop tenant services linked to smart building management system



Prefabricated Bathroom Units (PBUs)

80% of area built using Sustainable Building System with first ever large-scale PBUs



Clean Transport

Docking stations for bicycles and personal mobility devices



b) Smart Cities & IoT Offerings

Underpinning Industry 4.0 digitalisation efforts, our Geo-Spatial Technology Division is mapping the future of Industry 4.0 with the delivery of location intelligence solutions related to the world-leading Esri ArcGIS enterprise platform. For over 40 years, Esri solutions have been providing location-based big data analytics, which today are critical in the advancement of smart nations, smart cities, smart communities and IoT applications. We continue to benefit from our principal, Esri Inc's R&D investments which exceed 25% of Esri Inc's revenue annually, and from the technology alliances and partnerships that Esri Inc has with numerous world leading technology corporations globally including Autodesk, IBM, Microsoft and SAP, among others. We have also evolved our business model to ensure the inclusion of Cloud-hosted GIS 'As a Service' offerings including 'Platform as a Service' and ArcGIS Online 'Software as a Service' offerings in line with evolving client requirements for software delivery models. Please review our Industry 4.0 Future Feature on Smart World as shown here to see where we are shaping smart cities.

3.4.2 Climate Change

Opening for signatures on 22 April 2016 – Earth Day – at the UN Headquarters in New York, the Paris Agreement entered into force on 4 November 2016 and has been ratified by 180 out of 197 parties to the Convention to date. The Paris Agreement brings together all nations in an extremely important common goal to combat climate change and adapt to its effects, with the aim of keeping global temperature rise this century at well below 2°C above pre-industrial levels and pursue efforts to limit temperature increase even further to 1.5°C.¹³ The Singapore Government ratified the Paris Agreement on 21 September 2016.

Industry 4.0 Future Feature: Smart World

SMART CITIES REGIONALLY UNDERPINNED BY ESRI GEO-SPATIAL TECHNOLOGY



13. "What is the Paris Agreement?" United Nations, UN Framework Convention on Climate Change, unfccc.int/process-and-meetings/the-paris-agreement/what-is-the-paris-agreement. Accessed on 28 August 2018.

In line with this, we acknowledge that we have a shared responsibility as a responsible global corporate citizen to work towards uplifting our business in material ESG topics, especially in relation to industries where we operate. Given the high energy intensity and emissions contributed by these industries, we aim to promote our eco-sustainable solutions as previously shown on pages 21 to 29 of this report. As explained earlier, we provide eco-sustainable solutions that have the potential to directly influence and reduce energy loss, emissions, pollution, and energy and water consumption in some of the most energy-intensive sectors, and work towards the

extremely important common goal to combat climate change and protect our environment. More information on our performance, policies and processes in relation to climate change will be shared in subsequent sections of this report.

3.5 FY2018 ECONOMIC VALUE GENERATION & DISTRIBUTION

Our continuous profitability every year since our current management team took over in FY1997 – except for FY2002 – has enabled us to maintain our generation of sustainable value and progress to key stakeholders, and reinvest for long-term success and longevity.

In FY2018, we created S\$418.1 million in economic value, which was distributed to key stakeholders as shown here.

We have built a fundamentally-sound balance sheet, reinvested in business expansions and continue to have the capability to make new acquisitions and investments. Since resuming annual dividend payments to shareholders in FY2003, we have made 16 consecutive years of annual dividend payments to shareholders and did so again in FY2018 as part of our dividend tradition. Our financial performance summary is shown on page 38 of this report.

Suppliers



- Purchases
- Supplier payments
- Other operating expenses
- Indirect jobs for communities where we operate

S\$291.7 million

Team



- Salaries
- Defined contribution plans
- Share-based compensation
- Other benefits
- Direct jobs for communities where we operate

S\$70.1 million

Lenders and Investors



- Interest paid to lenders
- Dividends paid to shareholders

S\$20.2 million

Governments



- Corporate taxes for funding government basic services and sponsored economic and ESG initiatives
- Indirect jobs for communities where we operate

S\$12.0 million

Communities



- Community service
- Philanthropic donations

S\$0.23 million

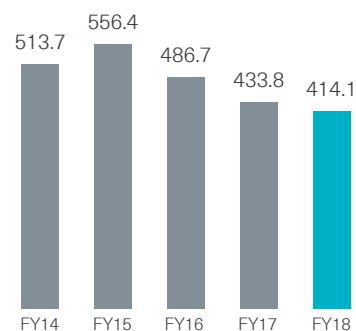
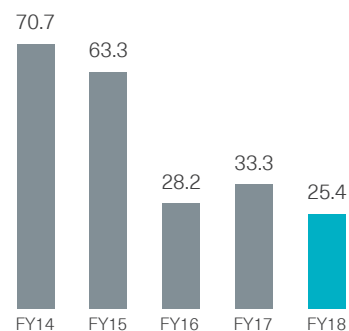
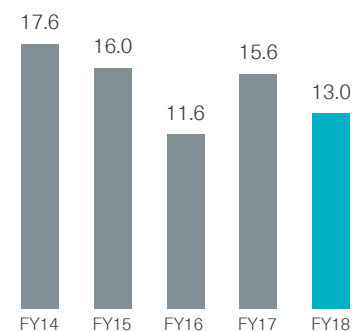
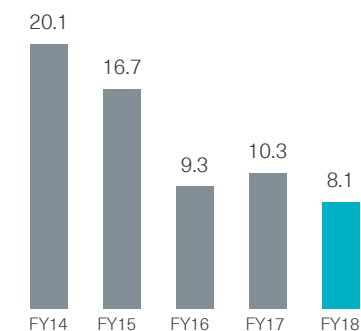
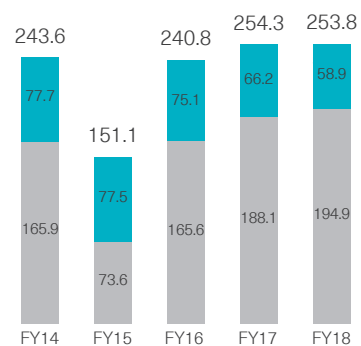
Economic value retained



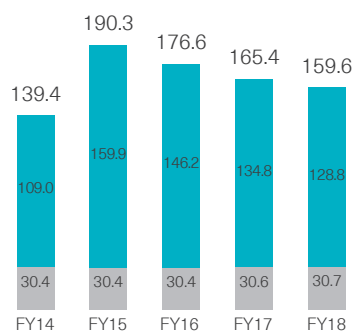
- Reinvestment in core businesses
- Future acquisitions and investments

S\$23.8 million

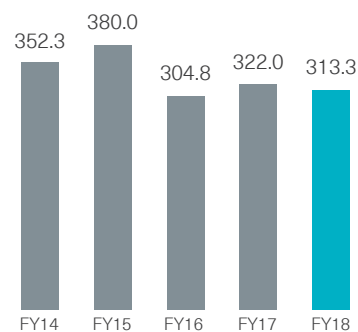
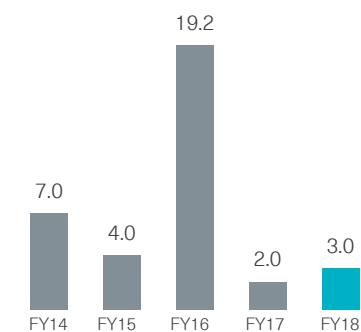
5-Year Financial Performance Summary

Group Revenue
(S\$'m)Group Net Profit
(S\$'m)Operating Profit Over Turnover
(%)Return on Equity
(%)Net Cash and Available-for-Sale Financial
Assets
(S\$'m)

Net cash Available-for-sale financial assets

Properties Held for Sale and Investment
Properties
(S\$'m)

Properties held for sale Investment properties

Equity Attributable to Equity Holders of
the Company
(S\$'m)Dividend Per Share
(¢)

SECTION 4 – DEVELOPING OUR BEST ASSET – BOUSTEAD MEN & WOMEN

A PEOPLE-TO-PEOPLE BUSINESS

An organisation is only as good as its people. At Boustead, this is absolutely true.

We are a knowledge-based, information-driven, business-to-business and people-to-people corporation, where achieving our mission, vision and long-term objectives are highly dependent on the values, conduct and performance of our best asset – our team known affectionately as Boustead Men and Women.

Our team is expected to demonstrate our seven human-centric corporate values or PROCESS – progress, respect, open mindedness, conduct, excellence, service and safety – in interactions with key stakeholders. Developing a high performance team capable of delivering our engineered and digital products and services (together “solutions”) aligned with our fundamental principles and strong human-centric corporate values, strengthens our trusted partnerships with client teams at many of the world’s best corporations, helping them to achieve their strategic goals, derive true value from their sizeable investments and deliver economic value and environmental, social and governance (“ESG”) benefits to their own stakeholders, while keeping us at the forefront of our respective industries.

A client team’s project journey together with us typically lasts for over one year and is made up of thousands of interactions between key stakeholders, especially between our team and clients, strategic partners, suppliers, lenders, government agencies and regulators, all within a single project. As our business ambassadors,

our team is the first ranking enabler of developing strong relationships with key stakeholders and the main contributor to our long-term success and longevity. All systems, policies and processes (together “system enablers”) are there to support a high performance team capable of meeting the expectations of key stakeholders.

With our prestigious and rich heritage, fundamental principles have been passed down from generation to generation that continue to guide our daily actions and decisions today. We believe in acting honourably in the way that we conduct business and staying true to our strong human-centric corporate values. We have zero tolerance for accidents, bribery, corruption, fraud and violence. We do not condone the use of child labour or forced labour, whether at project sites under our direct control or project sites under our subcontractors and suppliers (together “suppliers”)’s control. We believe in providing our team with fair employment and human rights.

This section covers our Code of Conduct, Team Development Programme, positive work environment and supply chain management which are mainly derived from the combined depth of three capitals – intellectual, human, and social and relationship – and ultimately deliver positive net effects for all six capitals.

4.1 CODE OF CONDUCT

We are highly committed to building a climate of fairness, honesty, trust and sincerity with key stakeholders, beginning with our team’s honourable conduct. Our Code of Conduct (“COC”) sets the foundation

for our daily actions and decisions, and helps our team to adhere to the highest standards of honourable conduct.

Our team members are inducted in, updated on and expected to adhere to our COC as a condition of employment, with orientation briefings when new team members join, followed by annual acknowledgements and reviews of our COC. Policies on anti-bribery and anti-corruption (“ABAC”), fair dealing and competition, proper use of corporate positions and resources, confidentiality and privacy obligations, insider trading and whistle-blowing are covered in our COC, among other guidance areas on honourable conduct as shown here.

4.1.1 ABAC

We have zero tolerance for bribery and corruption. We expect our team and all third parties whom we have business dealings with to comply with Singapore’s Prevention of Corruption Act (Chapter 241) and all applicable ABAC laws and regulations in countries where we operate. Our team members are bound by our ABAC Policy regardless of whether they are employed in Singapore, stationed overseas or employed outside of Singapore. We may also be required to comply with applicable foreign ABAC laws and regulations imposed in business dealings with multinational clients who are headquartered in a foreign country where we have no operational presence.

Code of Conduct Coverage & Data Protection Governance Framework Policies

COC Coverage	Data Protection Governance Framework Policies Coverage
<ul style="list-style-type: none"> • Legal compliance • Business integrity • ABAC • Fair dealing and competition • Proper use of corporate positions and resources • Gifts and entertainment • Political and charitable donations • Confidentiality and privacy obligations • Conflict of interest • Insider trading • Whistle-blowing 	<ul style="list-style-type: none"> • IT • Information security • External data protection • Internal data protection • Document retention • Third-party outsourcing
Available Feedback Channels	
<ul style="list-style-type: none"> • Whistle-blowing mechanism 	<ul style="list-style-type: none"> • Data Protection Committee and Data Protection Officers



4.1.2 Fair Dealing & Competition

We engage only in fair and vigorous competition. We expect our team members to fairly deal and interact with fellow team members, clients and competitors, and not to take unfair advantage of all third parties whom we have business dealings with. This includes avoiding abuse of confidential or privileged information, concealment, illegal conduct, manipulation, misrepresentation of material facts, undue influence or any other unfair dealing practices.

4.1.3 Proper Use of Corporate Positions & Resources

We expect our team members to apply and use corporate positions and resources in a responsible manner, which broadly includes duties to act in good faith and in our best interests as a whole.

4.1.4 Confidentiality, Data Protection & Privacy

Information is a valuable asset, particularly in our knowledge-based, information-driven business model. In the ordinary course of business, we may receive clients' confidential data, in which case we may be subject to various non-disclosure agreements and confidentiality clauses. Clients expect us to abide by confidentiality obligations, exposing us to a wide range of risks from non-compliance. In addition, we

have to comply with Singapore's Personal Data Protection Act 2012 ("PDPA") that requires organisations that collect, use or disclose personal data to abide by PDPA requirements, again exposing us to a wide range of risks from non-compliance.

We are highly committed to adhering with all confidentiality obligations, and applicable data protection and privacy laws and regulations in countries where we operate. Our data protection and IT system enablers ensure that information assets are properly governed, managed and secured both in digital and physical environments. This allows us to effectively comply with confidentiality, data protection and privacy obligations over the long-term.

In data protection, we have implemented a Data Protection Governance Framework ("DPG Framework") that covers governance principles, structure and system enablers. We opted for a governance structure with centralised formulation of system enablers and decentralised implementation of system enablers. Our Data Protection Committee ("DPC") comprising our senior management team, department heads and key executives has overall responsibility for the effective implementation of system enablers, while appointed Data Protection Officers ("DPOs") direct and coordinate activities. Our DPOs

also act as the external interface with the general public. Other than our DPC and DPOs, team members are also briefed and trained to understand the PDPA and our DPG Framework including any department data and information flows that may require protection. Policies for IT, information security, external data protection, internal data protection, document retention and third-party outsourcing are covered in our DPG Framework and reviewed by our senior management team and DPC at least once every two years.

During FY2018, we had no substantiated complaints on breaches of client privacy. Nonetheless, in one instance, our Real Estate Solutions Division internally identified a supplier that was in minor non-compliance in end-user client confidentiality and promptly notified the supplier to remove any references to the specific end-user client on their website, which was immediately effected.

4.1.5 Insider Trading

We expect our team members with access to price-sensitive information to comply with Singapore's Securities & Futures Act (Chapter 289), and laws and regulations against insider trading. Team members with access to price-sensitive information are not allowed to trade in Boustead's securities

on short-term considerations and in the two weeks and one month before quarterly and full-year financial results announcements respectively, ending only after release of relevant announcements. Team members are reminded to comply with insider trading laws and regulations, and trading black-out periods on a quarterly basis.

4.1.6 Whistle-Blowing Mechanism

Implemented in 2008, our whistle-blowing mechanism allows our team members and all third parties to raise and report in good faith and in confidence, any concerns about possible misconduct in financial reporting matters or suspected bribery, corruption, fraud and dishonourable conduct. Procedures are in place to ensure that whistle-blowers are protected. More information on our Whistle-Blowing Policy is available within the *Boustead FY2018 Annual Report* on page 69.

Violations of our COC will result in appropriate disciplinary actions being taken against the violating team member including potential dismissal and referral to legal authorities for serious violations that may be illegal. A compliance plan sets forth how our COC is to be implemented and monitored including how violations are detected, reported and investigated, as well as follow-up actions to be taken.

4.2 TEAM DEVELOPMENT PROGRAMME

The purpose of our Team Development Programme ("TDP") is to attract, develop, motivate and retain team members with values, attitudes, skillsets and work practices aligned with our mission, vision, strong human-centric corporate values and high performance team culture. Our TDP is structured to create a work environment that promotes creativity, excitement and growth, and make team members feel cared for, challenged, empowered and respected. Our TDP sets out human resource management ("HRM") system enablers, commitments, targets and responsibilities for our team, with implementation responsibility belonging to our Group Human Resource Team ("Group HR Team") headed by our Senior Vice President of Human Resources, a member of our senior management team at our Group Headquarters. Our Group HR Team provides HRM leadership and support to all subsidiaries globally.

We have always embraced diversity in our team. This diversity has not just been in terms of gender balance but also in age, race, religion, marital status, family responsibilities, work experience and nationality, with a multi-cultural and multi-faceted team from Asia, Australia and Europe.

During FY2018, our overall team size increased by 25 team members on a net basis to 773 team members, equating to 3% growth in overall team size. At the end of FY2018, our team deployment and team profile breakdown are as shown here.

4.2.1 Talent Attraction

As part of our TDP, we are highly committed to complying with Singapore's Employment Act and all applicable employment laws

and regulations in countries where we operate. We are further committed to fair, responsible and progressive employment practices and strive to adopt the latest HRM best practices, which is essential to attracting the right talent to contribute to our long-term success and longevity. Our team members are considered to be employed by us only within the context and terms of their employment contracts.

a) The Employers' Pledge of Fair Employment Practices

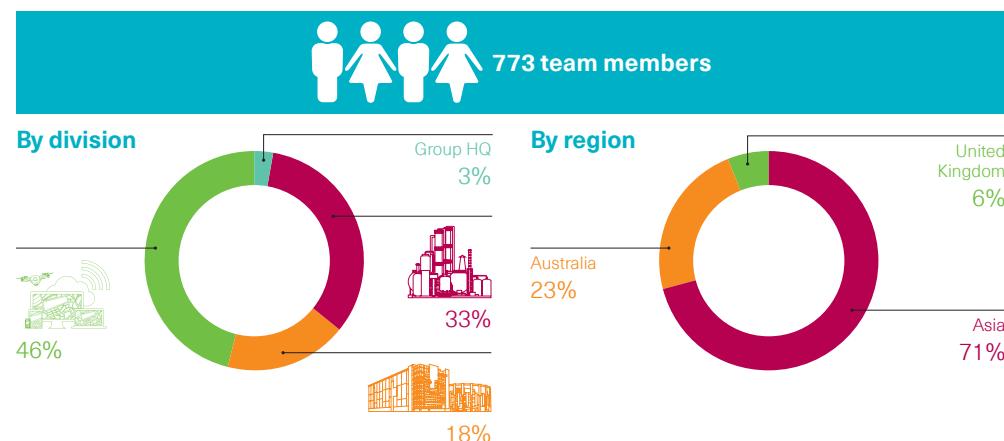
Singapore's Tripartite Alliance for Fair & Progressive Employment Practices ("TAFEP") promotes the adoption of fair, responsible and progressive employment practices among employers, employees and the general public. Boustead Services Pte Ltd ("Boustead Services"), our management services arm is one of over 5,000 signatories to the TAFEP's Employers' Pledge of Fair Employment Practices

Team Development Programme Policies

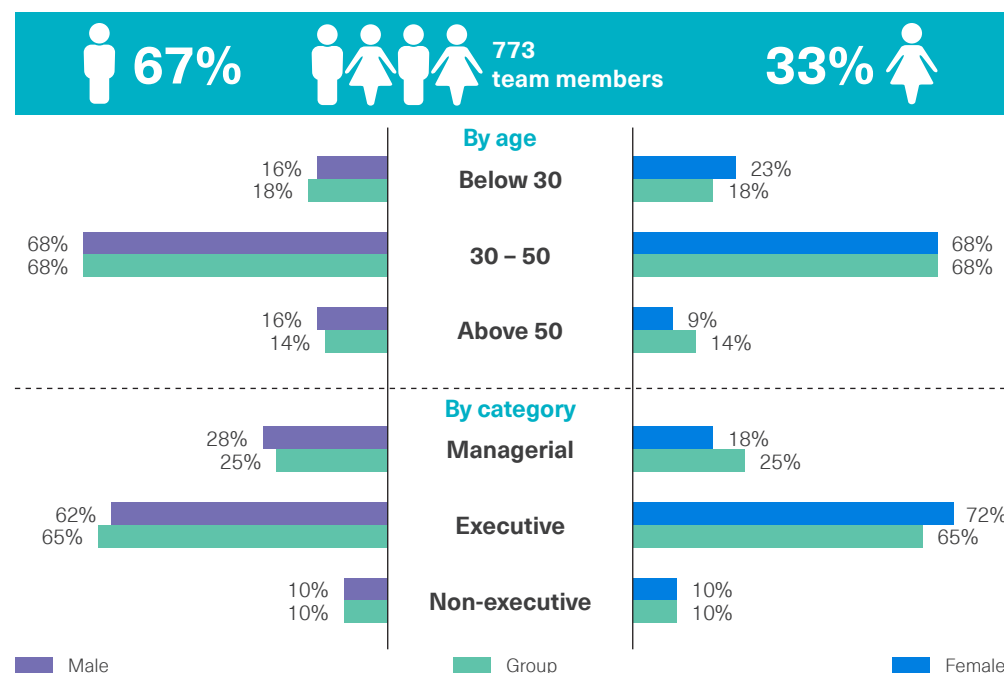
Policies Coverage

- Fairness and diversity
- Freedom of association
- Human rights
- Learning and development
- Leave
- Promotion
- Remuneration
- Restricted Share Plan 2016
- Retirement and re-employment
- Staff engagement
- Staff transfer
- Staff welfare and benefits
- Work environment

FY2018 Team Deployment



FY2018 Team Profile





("Pledge")¹ and is also a member of the Singapore National Employers Federation. Through Boustead Services, all of our subsidiaries are indirectly a party to the Pledge, adhering to the fair employment practices adopted by the Boustead Group.

Under the Pledge, we have committed to work towards fair employment practices including:

- Recruiting and selecting employees on the basis of merit, regardless of age, race, gender, religion, marital status and family responsibilities or disability;
- Treating employees fairly and with respect, and implementing progressive HRM systems;
- Providing employees with equal opportunity to be considered for training and development based on their strengths and needs to help them achieve their full potential;
- Rewarding employees fairly based on their ability, performance, contribution and experience; and
- Complying with the labour laws and abiding by the Tripartite Guidelines on Fair Employment Practices.

Apart from the Pledge, we promote gender equality at the workplace. In terms of talent attraction, this means that we offer the same basic remuneration package to all interviewing job candidates for a specific role and scope, regardless of gender or whether a job candidate has served Singapore's mandatory national service.

b) Other Talent Attraction Practices

We generally advertise available positions both externally and internally, although recruitment for certain sensitive key positions may be conducted anonymously through professional recruitment agencies. Where possible, we seek to employ citizens from countries where we operate. Since 2014, we have also adhered to Singapore's Ministry of Manpower ("MOM")'s Fair Consideration Framework that requires available positions – unless exempted – to be advertised on the national Jobs Bank for at least 14 days, thereby giving citizens fair consideration for all job opportunities before hiring foreign professionals to fill these positions.²

Adding to our potential talent pool, we are one of 10 sponsoring organisations within the engineering industry participating in the Singapore-Industry Scholarship ("SgIS") Programme.³ Launched in 2012 and co-funded by both the Singapore Government and private sector organisations, we are a founding private sector organisation within the SgIS, a multi-industry undergraduate scholarship programme that aims to groom future Singaporean industry leaders in strategic sectors that are critical for the country's development. To date, we have given scholarships to seven individuals, all of whom have since completed their local university degree programmes and joined us in full-time capacities.

As mentioned earlier, during FY2018, we experienced 3% growth in overall team size, in contrast to Singapore's average employment level at both the comparable industries and national levels, which were down 3.5% and 0.1% respectively in 2017.⁴ Our growth in overall team size was led by the hiring of 221 new team members equating to a 29% overall team hires rate. Most new team members joined our Real Estate Solutions Division and Geo-Spatial Technology Division, where business activities have been steadily increasing. The team hires breakdown is shown on page 43 of this report.

4.2.2 Talent Development, Management & Retention

As part of our TDP, we embrace a holistic talent development, management and retention strategy.

a) Conditions of Employment

We believe in treating our team fairly, with respect and an entitlement to human rights. We offer conditions of employment and benefits that are in line with applicable employment laws and regulations, and prevailing market practices in countries where we operate including:

- Reasonable break times, rest days and working hours, with overtime pay for eligible team members;
- Paid leave entitlements which depending on contractual terms, and applicable laws and regulations as

stipulated by Singapore's MOM or other foreign government labour agencies include adoption leave, annual leave, childcare leave, compassionate leave, examination leave, marriage leave, maternity leave, national service leave, paternity leave, shared parental leave, sick and hospitalisation leave and unpaid infant care leave. We may also authorise unpaid leave depending on the reasons provided and subject to work arrangements;

- Defined contribution plans in line with applicable laws and regulations as stipulated by Singapore's Central Provident Fund or other foreign government pension agencies;
- Group insurance plans covering business travel, hospitalisation and surgery, personal accidents, term life insurance and workmen compensation;
- Group medical plans and flexible healthcare benefits; and
- International SOS coverage for business travel in higher risk countries.

b) Fair Remuneration

We have pledged to reward our team members fairly and equitably based on their ability, performance, contribution and experience. We offer fair and competitive remuneration packages, which may include overtime pay and annual wage supplements for eligible team members according to contractual terms. On top of basic remuneration packages, team members also

1. "Meet Our Pledge Signers." Tripartite Alliance for Fair & Progressive Employment Practices, www.tafep.sg/pledge-signers. Accessed 28 August 2018.

2. "Fair Consideration Framework." Singapore Government, Ministry of Manpower, www.mom.gov.sg/employment-practices/fair-consideration-framework. Accessed 28 August 2018.

3. "Engineering." Singapore-Industry Scholarship, www.singaporeindustryscholarship.sg/industries/engineering. Accessed 28 August 2018.

4. "C.1 Employment by Industry, 2007-2017 (December)." *Singapore Yearbook of Manpower Statistics 2018*, Singapore Government, Ministry of Manpower, Manpower Research & Statistics Department, 2018, pages C4 and C5, stats.mom.gov.sg/pages/singapore-yearbook-of-manpower-statistics-2018.aspx. Accessed 28 August 2018.

receive our payments to defined contribution plans. Salary benchmarking exercises are also conducted to ensure that remuneration packages are equitable with what the industry offers for similar positions.

There is a profit sharing bonus scheme for eligible full-time team members that is pegged to a predetermined formula based on our overall and respective subsidiaries' financial performance. Individual bonus payments and annual salary increments are determined only after each team member's performance appraisal ("appraisal") is objectively assessed by our senior management teams at respective subsidiaries. In FY2018, we distributed a total of S\$70.1 million in economic value to our team.

There is also a Boustead Restricted Share Plan 2011 ("RSP") that incentivises key team members to work towards department and individual key performance indicators ("KPIs") and helps to align their interests with our long-term success. Team members who are selected to participate under the RSP and subsequently meet their KPIs for a specific financial year may be eligible to receive Boustead's shares, which are vested and issued in tranches over four years. More information on the RSP is available in the *Boustead FY2018 Annual Report* on pages 56, 64, 65, 133 and 134.

c) Performance Appraisal

As part of our TDP, full-time team members are entitled to an appraisal at least once a year as part of our Performance Management System ("PMS"), with the exception of team members who are re-employed beyond the statutory retirement age, have resigned, are serving notice

or under probation during the relevant appraisal period. Team members who are under probation will receive a confirmation appraisal at the time of confirmation. Team members are evaluated on their achievement of quantitative department and individual KPIs and qualitative skillset competencies relevant to their respective roles and scope, which are defined and set at the beginning of the period under review.

Team members who consistently outperform are offered opportunities to take up higher challenges, while team members who underperform are assisted in identifying and addressing the root causes behind their underperformance. Our PMS allows us to identify team members with high leadership potential, feeding into our Succession Planning System ("SPS").

Whenever possible, we promote team members internally into available senior positions. In addition, our Team Recognition Programme includes long service and achievement awards given to recognise project teams and individual team members for performance in specific areas.

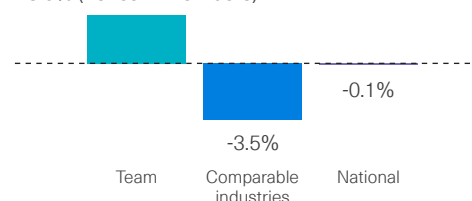
During FY2018, 90% of our team received appraisals, the breakdown as shown on page 44 of this report.

d) Communication & Engagement

We encourage open communication and engagement. With an open door policy, our team members may provide feedback or raise concerns with direct supervisors and our senior management teams at respective subsidiaries. Appraisals also provide team members with an opportunity to provide and receive feedback on their performance and any other important matters.

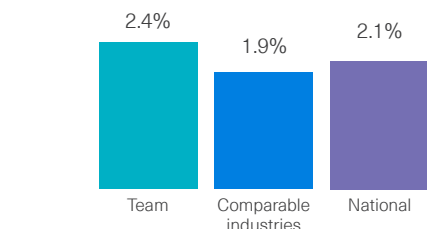
FY2018 Team Net Hiring Growth Rate vs Industry/National Levels

+3.0% (25 team members)



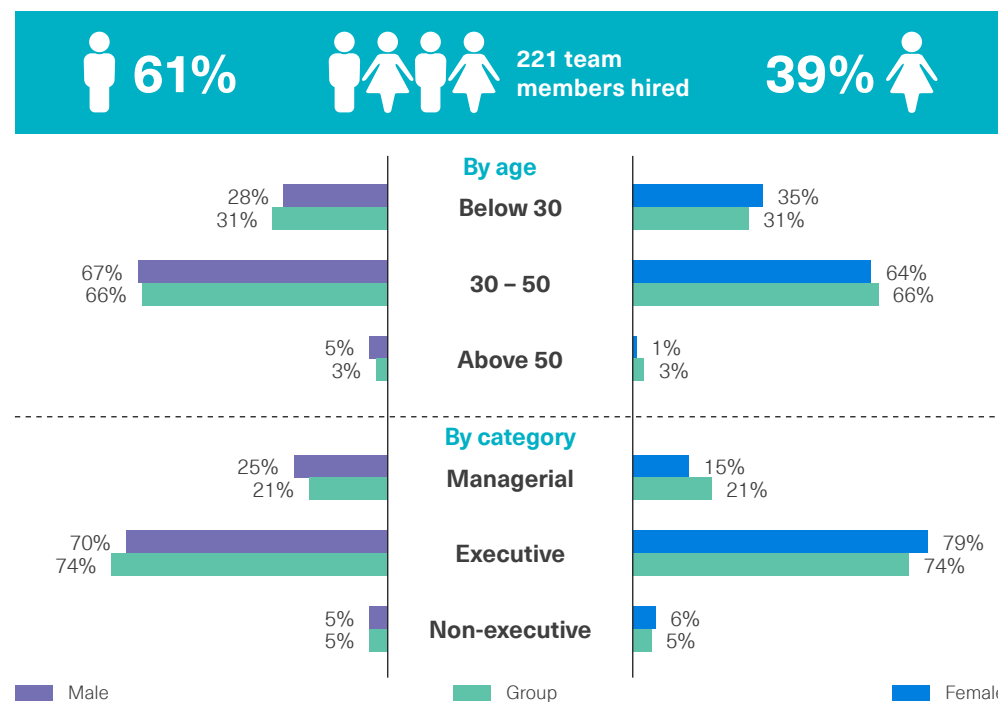
Note: Calculations are based on MOM's published statistics for 2017, with the blended weighted industries average based on Singapore's architectural & engineering, construction, legal, accounting & management services and real estate sectors.

FY2018 Team Monthly Hiring Rate vs Industry/National Levels



Note: Calculations are based on MOM's published statistics for 2017, with the blended weighted industries average based on Singapore's architectural & engineering, construction, legal, accounting & management services and real estate sectors.

FY2018 Team Hires Breakdown



As part of our communication and engagement, our major subsidiaries organise townhall sessions on at least an annual basis, serving as an organisation-wide communication session between our senior management teams and team members at respective subsidiaries. Townhall sessions are facilitated by external trainers and include team-building activities to promote cohesion and teamwork.

We have procedures to address and as much as possible, satisfactorily resolve team members' grievances. This is complemented by our whistle-blowing mechanism.

During FY2018, we conducted Team Engagement Surveys at 75% of our major subsidiaries. Response rates averaged over 95% and overall satisfaction ratings averaged over 80%. Survey results will be used to improve our TDP to increase overall talent attraction, development, motivation and retention levels.

e) Career Development & Training Opportunities

We have pledged to provide our team members with equal opportunity to be considered for career development and training based on their strengths and needs, and to help them to achieve their full potential. We aim to nurture and professionally develop team members by investing in their career development and training, offering them growth opportunities through promotions, job rotations and overseas assignments. Team members can also upgrade skillsets and are generally encouraged to undergo professional training that may help their performance. This includes sponsoring or subsidising the cost of approved career development and training courses, and may also include granting paid leave to attend

these courses. We also have an Education Assistance Scheme under which we may sponsor team members who desire to attend job-related courses on their own initiative and for personal development. While we identify the career development and training needs of team members at least once a year during appraisals, we also assess such needs on an ad-hoc basis.

As we continue to pioneer new solutions and make investments in procuring and implementing transformational technologies, methodologies and system enablers, we have also made necessary investments in training team members so that they can realise the full benefits of these transformational technologies, some of which are shown here.

With technological advancements accelerating the pace of disruption and shortening business cycles, we believe that investments in training need to be adaptable, flexible and timely.

During FY2018, our team underwent a total of 7,006 training hours, the breakdown as shown here. Training was emphasised across our team with no differentiation by gender, and between managerial and executive team members.

f) Health & Wellness

Other than earlier mentioned conditions of employment and benefits, we have also implemented team wellness programmes including sponsorships and subsidies for selected social, sports and recreational activities, health screening sessions and lunchtime health talk sessions. In addition, other types of lunchtime talk sessions on various topics of interest have been organised on a regular basis.

FY2018 Performance Appraisals



697 team members appraised

% receiving an appraisal by gender



% receiving an appraisal by category



FY2018 Training Performance



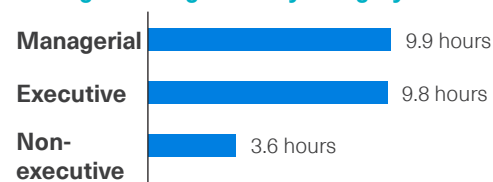
Total training hours: 7,006 hours

Average training hours per team member: 9.2 hours

Average training hours by gender



Average training hours by category



Training for Transformational Technologies



Green building



Building information modelling



Design for manufacturing and assembly



Augmented and virtual reality



Drone technology



Cloud-based IT systems to manage and optimise collaboration and workflows

During FY2018, our team members took a total of 3,183 days of medical leave due to sickness or hospitalisation, the breakdown as shown here. Two workplace safety and health incidents and accidents – one major and one minor – at our administrative workplaces are accounted for in the total.

g) Employment Beyond Statutory Retirement Age

We may offer our team members re-employment beyond Singapore's statutory retirement age of 62 years, as guided by applicable laws and regulations, and our policies on retirement and re-employment. Any re-employment and extension of re-employment depends on whether a retiring team member's services are required, the team member is medically certified to be fit for employment and is able to perform at an acceptable level. In general, we try to provide re-employment whenever possible, given that retiring team members have decades of experience and can still be highly productive and motivated.

During FY2018, we had four team members under re-employment beyond the statutory retirement age.

h) Succession Planning

We recognise that having adequate succession planning is a key priority and essential to our business continuity. We have a SPS for senior management teams and key executives at our headquarters and respective subsidiaries. Core leadership positions are covered by deputies or experienced potential replacements, who are identified through our PMS as being

team members with high leadership potential to be developed and nurtured into next-generation leaders.

At the end of FY2018, 60% of our key Managing Directors and Chief Executive Officers – six out of a total of 10 team members – were covered by a named deputy or designated successor. Our Chairman & Group Chief Executive Officer also has a named deputy or designated successor. The majority of those that have no named deputies or designated successors are from our Energy-Related Engineering Division, where these key team members were recently promoted into the top positions in the past two years as designated successors to team members who retired from these respective top positions.

i) Termination of Employment & Turnover

Our team members are entitled to compensation according to severance clauses in their employment contracts if we terminate their services. Under all circumstances, we seek to ensure that any termination of employment is conducted in a fair and lawful manner. We have also implemented procedures to ensure that affected team members are properly compensated and may also receive job placements or other forms of assistance in addition to monetary compensation if we retrench them.

As with any corporation, we have not been spared from natural attrition and turnover of team members. During FY2018, we had turnover of 184 team members equating to a 24% overall team turnover rate. The team turnover breakdown is shown here.

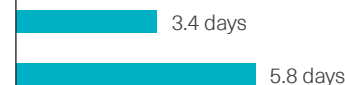
FY2018 Absentee Performance



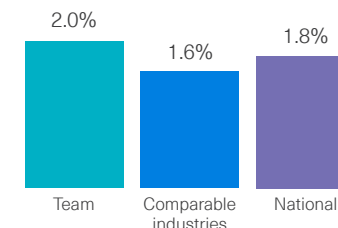
Total medical leave:
3,183 days

Average medical leave per
team member: 4.2 days

Average medical leave by gender



FY2018 Team Monthly Turnover Rate vs Industry/National Resignation Levels



Note: Calculations are based on MOM's published statistics for 2017, with the blended weighted industries average based on Singapore's architectural & engineering, construction, legal, accounting & management services and real estate sectors.

FY2018 Team Turnover Breakdown

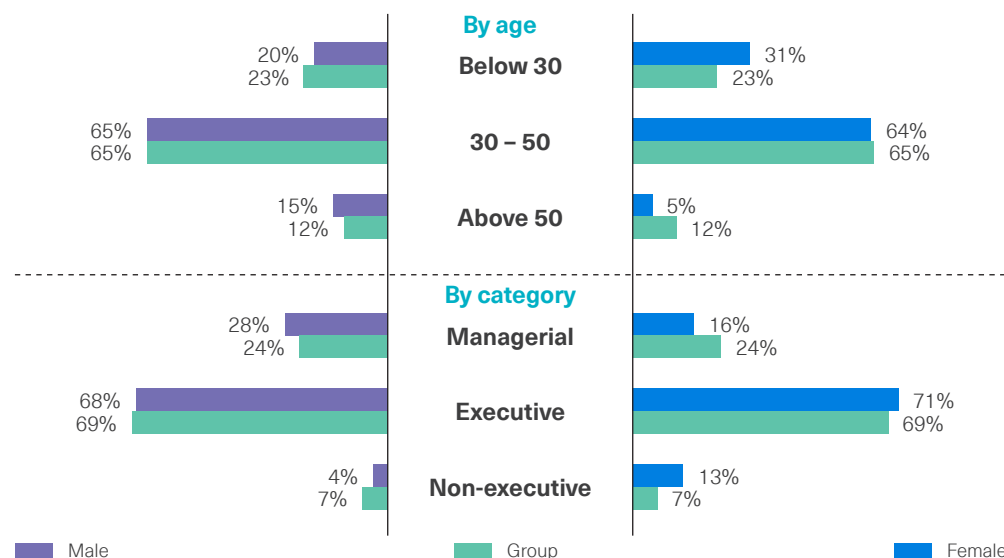


67%



184 team
members exited

33%





4.3 CREATING A POSITIVE WORK ENVIRONMENT

We are highly committed to creating a positive work environment, where our team, clients, suppliers and other key stakeholders feel comfortable, safe and secure within and around our operations globally. Our positive work environment is designed and organised to be conducive for delivering our solutions in a productive manner and facilitating interactions with key stakeholders, along with meeting applicable laws and regulations in countries where we operate.

4.3.1 Workplace Health & Safety Above All

Of utmost importance, we care deeply about safeguarding the wellbeing of our team, beginning with our workplace safety and health ("WSH") management performance and system enablers that apply to our team and all key stakeholders who are affected by our operations globally.

From a WSH standpoint, the United Nations' International Labour Organization has estimated that there are 2.78 million deaths every year due to occupational accidents and work-related diseases. In addition, there are

374 million non-fatal occupational accidents and work-related diseases, many which result in extended work absences. The human cost of this daily adversity is vast with the economic burden of poor WSH practices costing an estimated 3.94% of global gross domestic product each year.⁵

In Singapore, although incidences of occupational accidents, fatalities and diseases are much lower than the global average, the local construction industry remains a major contributor to such incidences, with the industry having the highest number of fatalities in 2017.

As part of our WSH management programmes, all of our major subsidiaries under our Energy-Related Engineering Division and Real Estate Solutions Division have obtained OHSAS 18001:2007 certification for WSH Management Systems ("WSHMS"). Our WSHMS set out WSH management system enablers, commitments, targets and responsibilities for our team, with overriding responsibility belonging to our major subsidiaries' Environmental, Health and Safety ("EHS") Teams. Our EHS Teams manage all aspects of our WSHMS which are both externally and internally audited, and

ensure WSH management performance at all workplaces and project sites under our control on a daily basis. In addition, our largest subsidiary under our Geo-Spatial Technology Division also has a WSHMS, which although not certified, adheres to the intent of OHSAS 18001:2007.

We have zero tolerance for accidents and are committed to saving lives through safe work. Our Real Estate Solutions Division under Boustead Projects is our only division with direct control over multiple project sites regionally where construction activities take place. Boustead Projects' safety slogan 'Safe Work, Save Lives' has become a daily mantra among team members and suppliers who undertake work at their project sites. Although Boustead Projects outsources construction trades to suppliers and does not directly hire any construction workers, Boustead Projects takes responsibility to ensure their health and safety at project sites and the general public's health and safety in the communities around project sites.

More information on Boustead Projects' WSHMS is available in the *Boustead Projects FY2018 Longevity Report*.

4.3.2 Continuous WSH Education & Training

No where else do we emphasise continuous education and training more than in WSH education and training, in order to immerse our team and key stakeholders in the right WSH culture and improve our WSH performance. At Boustead Projects, training programmes include a Centralised Safety & Quality Induction Training Course conducted for team members, suppliers and visitors to their project sites, and an Enhanced Safety Induction Course in partnership with external training centres to provide safety training in relation to working at heights awareness for team members and suppliers.

Boustead Projects' EHS Team, WSH professionals and project site teams have the responsibility of ensuring that suppliers conduct appropriate in-house safety training for their workers before deploying them to Boustead Projects' project sites and that such training is properly documented. Boustead Projects also has a Safety Awareness Promotion Programme that gives widespread recognition to the efforts of WSH professionals, safety supervisors, suppliers and workers in achieving WSH milestones.

OHSAS 18001 Certifications

	BIH	BC&E	BSWS	Boustead Projects	Esri Australia
OHSAS 18001 Initiation	2015	2011	2006	2006	-
OHSAS Latest Standard	Recertified under OHSAS 18001:2007 in Mar 2018	Recertified under OHSAS 18001:2007 in Aug 2017	Recertified under OHSAS 18001:2007 in Jul 2018	Recertified under OHSAS 18001:2007 in Apr 2018	Current WSHMS not certified
Other Industry-Specific WSH Standards				SS506 Part 1:2009	Current WSHMS adheres to intent of OHSAS 18001:2007 where critical processes are controlled and monitored

5. "Safety and Health at Work." United Nations, International Labour Organization, www.ilo.org/global/topics/safety-and-health-at-work/lang-en/index.htm. Accessed 28 August 2018.

Continuing our WSH performance in FY2018, we had zero fatalities and occupational disease incidents within our team and suppliers' workers across our operations globally. Our accident frequency rate ("AFR") and accident severity rate ("ASR") also compared favourably with Singapore's average AFR and ASR at the national level but was only in line with the comparable industries level for AFR.⁶ One of two accidents involving our team members was major, with our injured team member suffering a broken arm after slipping on a wet pantry floor at an administrative workplace, resulting in over two months of medical leave, a regrettable incident where corrective measures were subsequently taken to prevent future accidents of this nature.

4.3.3 bizSAFE Programme

In 2008, Boustead Projects initiated participation in Singapore's Workplace Safety & Health Council ("WSHC")'s bizSAFE Programme by becoming a bizSAFE Partner. In 2009, Boustead Projects achieved the bizSAFE Star, the highest qualification that can be attained in recognition of a corporation's WSH management programmes. In 2012, Boustead Salcon Water Solutions followed suit, achieving the bizSAFE Star.

By 2011, Boustead Projects opted to take a national leadership role in advocating and promoting excellent WSH practices in the construction industry by becoming a bizSAFE

Mentor; currently one of only nine bizSAFE Mentors in Singapore and the only one among their direct competitors.⁷ bizSAFE Mentors are corporations that have excellent WSH performance and track records, and are qualified and invited only by the WSHC to take this national leadership role. bizSAFE Mentors incorporate WSH as an integral part of their business model that benefits the wider community and also actively work with the WSHC to promote the WSH agenda on various industry and national platforms. As a bizSAFE Mentor, Boustead Projects has been one of the key contributors in helping the bizSAFE Community to expand from 10,000 corporations in 2011 to almost 30,000 corporations in 2017.⁸

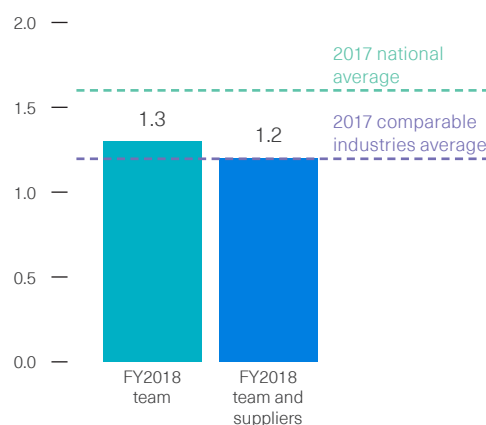
As part of Boustead Projects' WSH advocacy and promotion efforts, and uplifting the WSH practices of the construction industry as a whole, they have made it compulsory for all suppliers to be part of the bizSAFE Programme and further encourage them to strive for bizSAFE Star, the highest qualification achievable. Excellent WSH performance is priceless when all lives are safeguarded and when people everywhere go home safely to their families from their workplaces everyday.

Continuing Boustead Projects' WSH advocacy and promotion efforts in FY2018, they managed to raise 100% of their suppliers to at least bizSAFE Level 3 and 84% of their suppliers to bizSAFE Star as shown on page 48 of this report.

WSH Performance

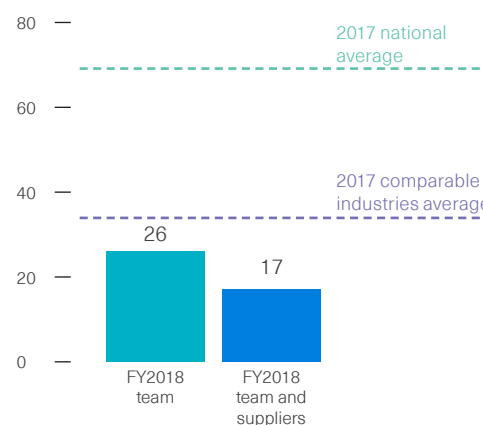
AFR

of workplace accidents per million man-hours



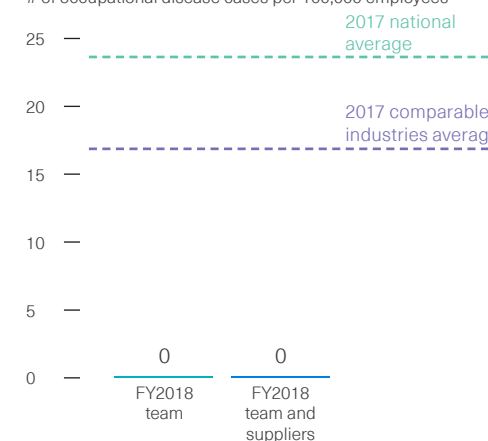
ASR

of lost man days to workplace accidents per million man-hours



Occupational disease incidence rate

of occupational disease cases per 100,000 employees



Note: Calculations are based on MOM's published statistics for 2017, with the blended weighted industries average based on Singapore's architectural & engineering, construction, legal, accounting & management services and real estate sectors.

6. "Table 1.27: Accident Frequency Rate (AFR) and Accident Severity Rate (ASR) in Selected Sectors, 2016 and 2017." *Workplace Safety and Health Report 2017*, Singapore Government, Ministry of Manpower, February 2018, page 49, www.mom.gov.sg/~media/mom/documents/safety-health/reports-stats/wsh-national-statistics/wsh-national-stats-2017.pdf?la=en. Accessed 28 August 2018.
7. "Existing bizSAFE Communities: bizSAFE Mentors." Singapore Government, Workplace Safety & Health Council, www.wshc.sg. Accessed 28 August 2018.
8. "bizSAFE Journey at a Glance.", *Shine*, Singapore Government, Workplace Safety & Health Council, February 2018, page 3, www.wshc.sg. Accessed 28 August 2018.

4.3.4 WSH Awards

Boustead Projects continues to be a regular feature at the WSH Awards, an annual awards programme hosted by the WSHC and MOM to recognise excellent WSH performance.

During FY2018 at the WSH Awards 2017 held in July 2017, Boustead Projects received a Safety & Health Award Recognition for Projects ("SHARP") for their landmark project of FY2017, GSK Asia House which today is home to GSK's headquarters for Asia.

Shortly after the end of FY2018 at the WSH Awards 2018 held in July 2018, Boustead Projects received a SHARP for their landmark project of FY2018, ALICE @ Mediapolis developed under the Boustead Development Partnership and set to become Singapore's first truly smart building in any business park.

To date, Boustead Projects' excellent WSH performance has been recognised with the highest achievements under the bizSAFE Programme and 17 awards at the WSH Awards as shown here.

4.4 SUPPLY CHAIN MANAGEMENT

We are committed to managing the impacts and risks associated with our supply chain. Supplier-related impacts and risks are identified, addressed and managed under our various management systems, Enterprise Risk Management Framework, internal controls, and external and internal audits.

Our procurement includes products and services from a network of suppliers globally based on a list of approved

suppliers for various manufacturing and fabrication services, construction equipment services, materials and trade services. In addition, our Geo-Spatial Technology Division procures Esri ArcGIS technology from our division's principal, Esri Inc. Supplier costs typically make up more than 90% of our total cost of sales. In FY2018, we distributed a total of S\$291.7 million in economic value to suppliers.

Operationally, we manage our procurement through our major subsidiaries' procurement system enablers and list of approved suppliers, which are subject to regular review as well as external and internal audits.

Potential new suppliers are evaluated on their reputation, financial health, operations, quality and EHS performance for inclusion on our major subsidiaries' list of approved suppliers. Existing suppliers are regularly evaluated on their upkeep of their holistic performance with routine engagement and inspections throughout projects. As mentioned earlier, Boustead Projects' suppliers are required to attain at least a bizSAFE Level 3 in order to qualify for Boustead Projects' list of approved suppliers. Boustead Projects also ensures that approved suppliers are inducted in their Green & Gracious Programme, which is shown on pages 50 to 51 of this report.

Violations of our holistic standards will result in appropriate disciplinary actions taken against violating suppliers including potential permanent removal from our major subsidiaries' list of approved suppliers and referral to legal authorities for serious violations that may be illegal in nature.

bizSAFE Programme

bizSAFE Star Deliver excellence in WSH management system
bizSAFE Level 4 Acquire capability in WSH management system
bizSAFE Level 3 Implement WSH risk management
bizSAFE Level 2 Acquire capability in WSH risk management
bizSAFE Level 1 Demonstrate top management commitment to WSH

84%

of Boustead Projects' suppliers achieved at least bizSAFE Star (Boustead Projects' and Boustead Salcon Water Solutions' current level)

100%

of Boustead Projects' suppliers achieved bizSAFE Level 3 or better

bizSAFE Programme & WSH Awards

Awarded by WSHC			
	bizSAFE Programme	WSH Award	SHARP Award
Total		6 awards	11 awards
2018		• BP E&C: WSH Performance (Silver) Award	• ALICE @ Mediapolis
2017			• GSK Asia House
2016			• Kuehne + Nagel Singapore Logistics Hub
2015			• MTU Asia Pacific HQ
2012	• BSWs: bizSAFE Star	• BP: WSH Performance (Silver) Award	• SDV Green Hub
2011	• BP: bizSAFE Mentor	• BP: WSH Performance (Silver) Award	• Rolls-Royce Wide Chord Fan Blade Manufacturing Facility
2010		• BP: WSH Performance (Silver) Award • BP: WSH Officer Award	• Applied Materials Building • IBM Singapore Technology Park • Singapore Aero Engine Services • The Singapore FreePort
2009	• BP: bizSAFE Star	• BP: WSH Performance (Silver) Award	• StarHub Green

SECTION 5 – CONSERVING OUR COLLECTIVE HOME – PLANET EARTH

PLANET EARTH

For all global stakeholders and all known life, Earth is our collective home and the only home we know. Nature in all forms – both organic and inorganic – is the nurturer and provider of all that is necessary to sustain life. Over the past 200 years, the world's population has grown exponentially with one billion people¹ when the Boustead Group was first established in 1828 to over seven billion people today and an expected 8.6 billion people by 2030.² This has placed tremendous resource strains on our planet's natural ecosystem.

Furthermore, close to four billion people live in urban centres and this is expected to increase to five billion people by 2030. Rapid urbanisation will lead to enormous challenges in government planning across all infrastructure, economic and environmental, social and governance ("ESG") facets. Simultaneously, climate change – driven by greenhouse gas emissions contributed by human activities and agreed upon by 97% of actively publishing climate scientists³ – continues to result in natural disasters and extreme weather events that have disrupted national economies and hurt lives, people, communities and countries.⁴

Accompanying expected rapid urbanisation, construction activities for infrastructure will continue to grow. As a responsible global corporate citizen, we plan to do our part in minimising our ecological footprint and

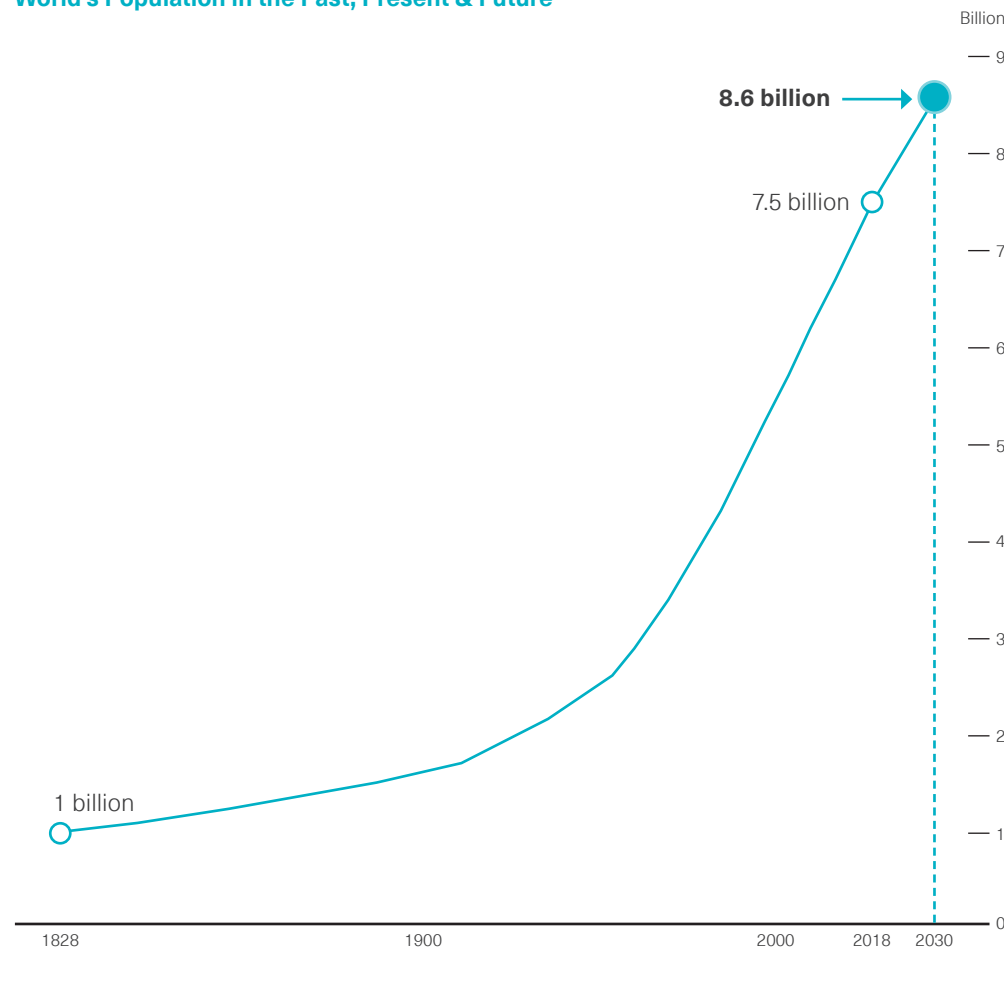
contributing to ESG initiatives that transit beyond our organisational ecosystem to our planet's natural ecosystem.

This section covers our environmental stewardship, legal and regulatory compliance, and community development, which are derived from the combined depth of all six capitals – financial, manufactured, intellectual, human, social and relationship, and natural – and ultimately deliver positive net effects for all six capitals.

5.1 ENVIRONMENTAL STEWARDSHIP

Construction activities, buildings and infrastructure exert considerable impact on the environment during their multi-decade building and infrastructure lifecycles from the embodied energy of materials and construction to the operating energy of operations and maintenance, and finally demolition at the end of buildings and infrastructure's useful lives. This also presents significant opportunities to mitigate ecological footprints of construction activities and buildings in general. Earlier, we shared on pages 21 to 29 of this report how our eco-sustainable solutions have the potential to directly influence and reduce energy loss, emissions, pollution, and energy and water consumption in some of the most energy-intensive sectors, and work towards the extremely important planetary goal to combat climate change. Under this part of environmental stewardship, we will share our processes in environmental management.

World's Population in the Past, Present & Future



1. Roser, Max and Esteban Ortiz-Ospina. "World Population Growth." Our World in Data, 2013, updated April 2017, ourworldindata.org/world-population-growth. Accessed 28 August 2018.

2. "Projected Growth of Global Population." *World Population Prospects: The 2017 Revision*, United Nations, UN Department of Economic & Social Affairs, Population Division, 2017, page 2, esa.un.org/unpd/wpp/publications/files/wpp2017_keyfindings.pdf. Accessed 28 August 2018.

3. "Scientific Consensus: Earth's Climate is Warming." National Aeronautics & Space Administration, climate.nasa.gov/scientific-consensus/. Accessed 28 August 2018.

4. "Sustainable Development Goals." United Nations, sustainabledevelopment.un.org/sdgs. Accessed 28 August 2018.

5.1.1 Environmental Management

We are highly committed to complying with all applicable environmental laws and regulations in countries where we operate. As part of our environmental management programmes, all of our major subsidiaries under our Energy-Related Engineering Division and Real Estate Solutions Division have obtained ISO 14001:2015 certification for Environmental Management Systems (“EMS”). Our EMS set out environmental management system enablers, commitments, targets and responsibilities for our team, with overriding responsibility belonging to our major subsidiaries’ Environmental, Health and Safety (“EHS”) Teams. These same teams also oversee WSH performance. Our EHS Teams manage all aspects of our EMS which are both externally and internally audited, and ensure environmental performance at all workplaces and project sites under our control on a daily basis.

We are also committed to raising environmental awareness through our adoption of green practices.

5.1.2 Green & Gracious Builder Scheme

Our Real Estate Solutions Division under Boustead Projects is a voluntary participant in the Building & Construction Authority (“BCA”)’s Green & Gracious Builder Scheme (“GGBS”), launched to promote environmental protection and gracious practices during construction activities. Having achieved a Green & Gracious Builder Award (Excellent), Boustead Projects is committed to fulfilling their responsibility to the environment and the general public in terms of addressing environmental concerns and mitigating potential inconveniences to the general public in construction activities. Boustead Projects’ Green & Gracious

Programme (“GGP”) is a subset of their EMS and sets out how they should fulfil their role as a Green & Gracious Builder.

Under the GGBS and Boustead Projects’ GGP, they periodically review and update construction processes and key performance indicators on ESG topics such as those shown here. Increasingly, there are overlaps in ESG topics, with fulfilment in one area contributing to benefits in the other areas.

Boustead Projects’ GGP includes monitoring, performing and improving on internally set targets that cover areas such as reductions in concrete and re-bar wastage, waste disposal, direct energy and water consumption from construction operations, effluents, dust, noise and vibrations. Boustead Projects’ targets are set at realistically achievable levels that are significantly better than the average performance of Singapore’s construction industry and the national level in these same topics, in which it was found that the construction industry contributed to in excess of 20% of all waste generated in Singapore in 2017. Although eventually 99% of construction waste generated and 61% of Singapore’s waste generated were recycled⁵, we believe that it is more important to reduce waste generation before the recycling phase since national resources – albeit a lower quantum – are still required for recycling activities. We also require potential new subcontractors and suppliers (together “suppliers”) to be evaluated on their reputation, financial health, operations, quality and EHS performance for inclusion on Boustead Projects’ list of approved suppliers, with approved suppliers being inducted in their GGP.

ISO 14001 Certifications

	BIH	BSWS	Boustead Projects
ISO 14001 Initiation	2015	2013	2006
ISO 14001 Latest Version	Recertified under ISO 14001:2015 in Mar 2018	Upgraded to ISO 14001:2015 in Jul 2018	Upgraded to ISO 14001:2015 in Apr 2018

Green & Gracious Builder Scheme

GGBS Level

Star
Excellent
Merit
Certified

Score

Above 90

Above 75 to 90
(Boustead Projects’ current level)

Above 60 to 75

50 to 60

Green & Gracious Programme

Environmental	Social
<ul style="list-style-type: none"> • Materials reduction, reuse and recycling • Construction energy management • Construction water and environmental management • Housekeeping and air quality management 	<ul style="list-style-type: none"> • Accessibility • General public safety • Construction noise and vibration management • Communication • Manpower management

5. “Waste Statistics and Overall Recycling.” Singapore Government, National Environment Agency, www.nea.gov.sg/our-services/waste-management/waste-statistics-and-overall-recycling. Accessed 28 August 2018.

Due care is taken to ensure that businesses, residents and visitors within communities neighbouring Boustead Projects' project sites are communicated to and not unnecessarily inconvenienced by ongoing projects. These efforts include keeping Boustead Projects' project sites clean and organised, protecting pathways and sidewalks that run along project sites, minimising dust, noise and vibrations, and putting up communications and signages where appropriate including ways to contact them should there be any major inconveniences.

During FY2018, Boustead Projects met all targets in terms of reducing concrete, re-bar wastage and waste disposal costs.

For Boustead Projects' commendable efforts and improvements under the GGBS, shortly after the end of FY2018 at the BCA Awards 2018 held in May 2018, they received the Green & Gracious Builder Award (Excellent) for overall excellent environmental, professional and sustainability practices, an

upgrade from the Green & Gracious Builder Award (Merit) attained in 2015.

5.1.3 Energy & Water Efficiency

We have worked hard to improve the energy and water efficiency of our operations globally in order to optimise the use of natural resources and mitigate our ecological footprint. Improving energy and water efficiency has also translated to lower operating costs and conversely higher profitability. Such gains have been achieved in two areas of our operations: during the construction phase of design-and-build projects and during the operational phase of multi-tenanted buildings that we have developed and continue to own and lease out.

Boustead Projects' design-and-build projects use diesel as a fuel for onsite diesel power generators, electricity drawn from the national power grid and water drawn from the national water network. Boustead Projects also collects rainwater which is treated and recycled for use in activities such as project

site cleanliness and washing of vehicles leaving project sites.

During FY2018, Boustead Projects measured their average energy and water intensity per square metre ("sq m") of constructed gross floor area ("GFA") – not including recycled water – for all significant design-and-build projects in Singapore as shown here.

Our administrative workplaces globally and multi-tenanted developments in Boustead Projects' leasehold portfolio draw on electricity from the national power grid and water from the national water network.

Our global headquarters is Edward Boustead Centre, a Green Mark Platinum-rated building with a high efficiency building envelope design and some of the highest ratings in energy and water efficiency. In terms of energy efficiency, Edward Boustead Centre uses double glazed low-emissivity glass to reduce heat flow into the building, more efficient T5 lighting, motion sensors that activate lighting at staircases and

toilets, and a signature central skywell that allows plenty of natural lighting to penetrate even central areas of the building. In terms of water efficiency, Edward Boustead Centre uses extremely efficient water fittings and has a rainwater harvesting system to recycle captured rainwater towards water-intensive horticultural and toilet flushing purposes. Edward Boustead Centre also has air handling unit condensate recycling, sky terraces and a rooftop garden to reduce heat island effects, which together with the earlier mentioned green features result in estimated carbon dioxide savings of 264 tonnes annually, equivalent to the emissions of 20,948 cars in a day.

During FY2018, we began to actively track the electricity consumption at all administrative workplaces globally to provide a baseline for comparison against our future usage. In terms of multi-tenanted developments within Boustead Projects' leasehold portfolio constructed after the launch of mandatory submission under the BCA's Green Mark Programme in 2008, there

FY2018 Energy & Water Intensity of Design-and-Build Projects in Singapore

	Energy			Water
	Diesel	Electricity	Total Energy (Diesel + Electricity)	
Total energy and water consumed for construction	360,983 litres ("L") or 13,822,195 megajoules ("MJ")	+ 39,279 kilowatt-hours ("kWh") or 141,400 MJ	= 3,878,884 kWh or 13,963,595 MJ	17,447 cubic metres ("cu m")
Average energy and water intensity	# of L/MJ per sq m of constructed GFA	# of kWh/MJ per sq m of constructed GFA	# of kWh/MJ per sq m of constructed GFA	# of cu m per sq m of constructed GFA
	5.6 L or 215.9 MJ	+ 0.6 kWh or 2.2 MJ	= 60.6 kWh or 218.1 MJ	0.3 cu m

was only one fully operational development, Edward Boustead Centre, with the only other multi-tenanted development, ALICE @ Mediapolis still under construction and expected to be fully operational only in FY2019. Boustead Projects does not track the energy and water usage at other properties within their leasehold portfolio as they are mainly single-tenanted properties and hence, energy and water usage is driven by clients' processes, which can significantly differ based on respective clients' business activities.

During FY2018, we measured our energy and water consumption for administrative workplaces globally and Edward Boustead

Centre as shown here. The energy use intensity ("EUI") of Edward Boustead Centre also compared extremely favourably with Singapore's average EUI at both the comparable buildings and national levels and is in the second best performing quartile for comparable buildings.⁶ The water use intensity of ("WUI") of Edward Boustead Centre was in line with Singapore's median WUI for comparable buildings.⁷

5.1.4 Waste Reduction

Under environmental stewardship, we believe that waste reduction should be undertaken in both big and small ways. We encourage our team to reduce paper usage and to reuse or recycle non-sensitive

paper waste where practicable. In FY2013, building on our green initiative, we adopted a paperless electronic format for annual reports and in FY2018, further phased out CD copies of annual reports altogether to reduce plastic waste as well. We have also digitised most of our previously hard copy-based records where appropriate and continue to use IT systems and software solutions to improve our data governance and productivity, which helps to reduce yet another form of waste – time waste. In fact, Boustead Projects' investments in integrated digital delivery and building information modelling ("BIM") have significantly improved digitalisation and productivity efforts, and almost eliminated paper usage while

drastically reducing potential human errors in projects where BIM has been applied. Elsewhere, our Geo-Spatial Technology Division has been running on enterprise resource planning system, SAP for more than a decade.

5.2 LEGAL & REGULATORY COMPLIANCE

We are highly committed to fully complying with applicable laws and regulations in countries where we operate. Often, these laws and regulations cross the boundaries of economic and ESG topics, covering almost all aspects of our business and are governed under the scope of different government ministries, agencies, statutory boards and regulators.

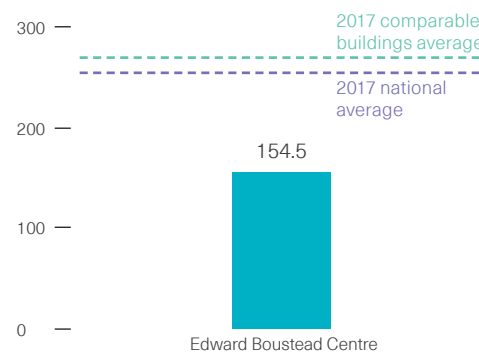
FY2018 Energy & Water Intensity of Administrative Workplaces Globally

	Administrative Workplaces	
	Energy	Water
Total energy and water consumed for operations	2,982,543 kWh or 10,736,858 MJ	9,198 cu m
Average energy and water intensity	# of kWh/MJ per employee per year	# of cu m per employee per year
	3,914.1 kWh or 14,090.4 MJ per employee	12.1 cu m

FY2018 Energy & Water Intensity of Edward Boustead Centre

Total electricity consumed
1,353,019 kWh

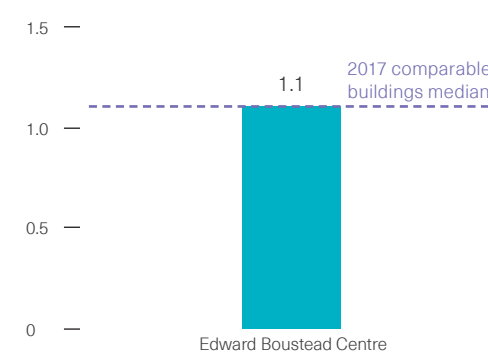
Average energy intensity
of kWh per sq m of GFA per year



Note: Estimated savings of 567,568 kWh per year, equating to 30% better than baseline based on Green Mark submission.

Total water consumed
9,654 cu m

Average water intensity
of cu m per sq m of GFA per year



Note: Estimated savings of 798 cu m per year based on Green Mark submission.

6. "EUI Trend" and "National Building Energy Benchmarks [EUI (kWh/m².yr)]." *BCA Building Energy Benchmarking Report (Statistics & Figures) 2018*, Singapore Government, Building & Construction Authority, Environmental Sustainability Group, Green Building Policy Department, 2018, pages 3 and 8, www.bca.gov.sg/bess/benchmarkingreport/benchmarkingreport.aspx. Accessed 28 August 2018.

7. "Office Building Benchmarks." Singapore Government, PUB, 2018, page 2, www.pub.gov.sg/documents/waterefficiencybenchmark_office.pdf. Accessed 28 August 2018.

In Singapore, the main government stakeholders and regulators that we regularly communicate with are shown on page 54 of this report. In other countries where we operate, we regularly communicate with government stakeholders and regulators that are similar in scope. It should be noted that the list shown does not include government stakeholders who are our Geo-Spatial Technology Division's clients as such clients include the majority of government agencies in Australia, Singapore, Malaysia and Indonesia.

Government stakeholders and regulators give us our business licences to conduct our operations globally. Full compliance with applicable laws and regulations cannot be overstated and is inherent in all system enablers. Relevant on-the-job training is provided to team members to ensure that they comprehend and meet the requirements of laws and regulations that apply to their job scopes. In addition, professional training may also be extended to specific team members in order for them to better comprehend and meet the requirements of applicable laws and regulations in high-risk economic and ESG topics. Other than government stakeholders and regulators, we may at times also have to comply with laws and regulations embedded within contractual terms set by clients and lenders, who have to ensure compliance with laws and regulations which are specific to their industries.

In FY2018, we had zero significant fines, non-monetary sanctions or cases brought against us through dispute resolution mechanisms by government stakeholders and regulators in economic and ESG facets. We also had zero substantiated complaints received from external parties and regulators or identified

leaks, thefts or losses of customer data under the customer privacy area.

5.3 COMMUNITY DEVELOPMENT

Over our long heritage, we have been committed to developing communities in countries where we operate. This is in line with our founder, Mr Edward Boustead's community-driven and philanthropic direction where he took a personal interest in the development of Singapore's local community while he was alive (1800-1888). Despite running a thriving business, he still found time to be an editor of the *Singapore Chronicle* (1824), Singapore's first newspaper, and later the co-founder and editor of *The Singapore Free Press* (1835), Singapore's second newspaper which was established to celebrate the abolishment of press censorship under the Gagging Act in 1835 and eventually merged with *The Malay Mail* and acquired by *The Straits Times* in 1952.⁸

Mr Boustead was also a founding member of the Singapore International Chamber of Commerce (1837). The Chamber was founded in response to a plea by Mr Boustead and several prominent merchants to fight an attempt by the British colonial government in India to impose port duties on Singapore, thereby protecting the three "Freedoms" set out by Singapore's founder, Sir Stamford Raffles – Freedom of Trade, Freedom of Port and Freedom of Immigration. He also insisted on "all merchants, agents, ship owners and others interested in the trade of the place, to be eligible to become members of this association," leading the Chamber to become the most inclusive organisation of its kind during that time and a truly multi-racial organisation, supporting its position as the leading force in Singapore's economy and trade for more than a century.⁹

FY2018 Legal & Regulatory Compliance Performance



Economic

ZERO

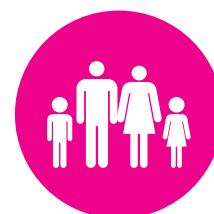
significant fines, non-monetary sanctions and cases brought against us through dispute resolution mechanisms in economic areas.



Environmental

ZERO

significant fines, non-monetary sanctions and cases brought against us through dispute resolution mechanisms in environmental areas.



Social


























ZERO

significant fines, non-monetary sanctions and cases brought against us through dispute resolution mechanisms in social areas.

8. "The Singapore Free Press." Singapore Government, National Library Board of Singapore, 15 June 2005, eresources.nlb.gov.sg/infopedia/articles/sip_88_2005-02-03.html. Accessed 28 August 2018.

9. Maclean, Roderick. *A Pattern of Change: The Singapore International Chamber of Commerce from 1837*, Singapore International Chamber of Commerce, 2000.

Government Stakeholders & Regulators

Government Stakeholder	Agency	Scope	Relevant Economic and ESG Topics
Ministry of Finance	Accounting & Corporate Regulatory Authority	Business and corporate filings	 
	Inland Revenue Authority of Singapore	Tax filings Material taxable transactions	 
Ministry of Environment & Water Resources	National Environment Agency	Environment	 
	PUB	Environment	 
Ministry of Manpower	Central Provident Fund	Employment social security savings scheme	  
	Workplace Safety & Health Council	WSH	 
Ministry of National Development	Building & Construction Authority	Built environment Construction	   
Ministry of Trade & Industry	Economic Development Board	Foreign direct investment in Singapore	  
	Enterprise Singapore	Enterprise and trade	  
	JTC Corporation	Industrial real estate and infrastructure	   
Regulators, Tripartite Committees and National Associations	SGX	Listing requirements Business and corporate filings Material transactions	   
	Singapore Institute of Directors	Corporate governance Directors	
	Tripartite Alliance for Fair & Progressive Employment Practices	Employment	  



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Mr Boustead was a philanthropist, giving generously to the construction of churches, hospitals and schools in Singapore. His contributions and support helped to complete construction of St Andrew's Cathedral (1836), Raffles Institution (1837), Cathedral of the Good Shepherd (1847) and St Joseph's Institution (1852), among other great institutions that still exist today.

One of the hallmarks of Mr Boustead's philanthropic contributions was to set aside a tidy sum of money to have the Boustead Institute (1889) constructed after his death. The Boustead Institute became a place of care and free lodging for destitute, sick and homeless sailors, who Mr Boustead was always grateful and compassionate to because they helped to build Singapore's strong trade.

We continue Mr Boustead's tradition of developing communities in countries where we operate. Over the past decade, numerous institutions have greatly benefitted from more than S\$4 million in donations to education institutions such as the National University of Singapore and leading universities regionally, non-profit organisations serving important social causes such as Yayasan Mendaki, PAP Community Foundation and Singapore Business Federation Foundation, and the blossoming cultural scene.

At times, we also undertake philanthropic fund raising through our own fund raising platforms in collaboration with our suppliers. Communities benefit directly from our donations both in monetary terms and in-kind to organisations that run community development programmes and also indirectly through the projects that we undertake for end-user clients, which provide jobs to those

communities and ESG benefits. Our efforts are centred on meaningfully deploying a portion of our organisational resources to support local communities and ESG causes.

During FY2018, we committed S\$228,000 in donations to various causes and numerous donations-in-kind through our services. Our team members also participated by giving their time to participate in some of the Boustead Group's community development programmes.

5.3.1 Geo-Spatial Technology Division Programmes

As part of the Esri global network of exclusive distributors, our Geo-Spatial Technology Division participates in various global philanthropic efforts with local implementation in our division's exclusive markets.

a) Non-Profit Organisation Programmes

The Esri Nonprofit Organisation Program is designed to provide conservation and humanitarian non-profit organisations with a heavily discounted means of acquiring Esri technology and services for organised volunteer efforts. Through the programme, our division has provided thousands of non-profit organisations with low-cost access to the world's leading geographic information system ("GIS") and location analytics platform, supporting the delivery of ESG projects that make a difference.

Armed with a science founded on the principles of land management, Esri Australia has a rich history in environmental protection. Esri Australia has helped fortify koala and turtle conservation efforts by mapping endangered species' populations to identify and protect their habitats nationwide. Partnering with the Gnaraloo

Turtle Conservation Program ("GTCP") in Western Australia, Esri Australia has assisted for over a decade in the fight to save some of the world's most at-risk sea-turtle species by dramatically improving the ability to organise, map and analyse vast amounts of data concerning the location of the turtles' primary nesting habitats. Over that time, the GTCP has used insights generated through Esri technology to protect nesting habitats through the unprecedented eradication of all feral predators. The GTCP has been able to save more than 300,000 loggerhead turtle eggs over the past eight years.

Esri Singapore also regularly donates software and services to charitable causes. In FY2016, Esri Singapore began working with Food from the Heart ("FFTH") – a Singapore registered charity – to develop a purpose-built smart mapping application that helps FFTH collect and distribute food to as many beneficiaries as they can in the most efficient manner possible. The application features a real-time, synchronised map-based view of FFTH's operations, enabling the charity to understand how to best optimise its delivery vehicles and other resources. Continuing to ride on the benefits unlocked by the application, FFTH was able to distribute S\$5.52 million worth of donated food for free to more than 35,500 beneficiaries through 266 daily food distribution points across Singapore in 2017.

b) Education Programmes

The Esri GIS for Schools Program is designed to provide eligible educational institutions with free software. Since October 2016, Esri Australia has been working in partnership with principal, Esri Inc to provide free Esri ArcGIS accounts to Australian schools where Esri Australia provides localised

services support including one educational professional dedicated to the programme on a full-time basis. The strategic intent of this programme is to promote real-world critical thinking, problem solving and data analysis in Australian classrooms using GIS and to demonstrate Esri technology's robust capabilities to future generations of data scientists and spatial technologists. To date, nearly 450 schools in Australia now utilise Esri technology under the programme.

Esri Indonesia hosts the Esri Indonesia Internship Programme, which is designed for undergraduate students who are looking for real-world geo-spatial industry experience and practical skills that allow them to jumpstart their careers after they graduate. The programme is open twice a year to all students currently enrolled in a college or university study programme, with the length of the internship varying from one week to six weeks. Running in parallel, the Esri Indonesia Graduate Programme – also known as the Spatial Heroes Programme – is designed to help fresh graduate students unleash their untapped spatial powers to solve real-world challenges. The programme provides students with hands-on geo-spatial industry experience, allowing them to creatively use Esri technology to address issues experienced by the commercial, education and government sectors. Successful applicants undergo a three-month paid training programme with Esri Indonesia, during which time they learn core skills in various organisational departments including business development, technical support and training.

Established in 2012, the Esri Young Scholar Award is a joint initiative between Esri Inc and exclusive distributors to acknowledge and reward achievements by students studying spatial science disciplines, under which



exclusive distributors nominate university students globally for excellence in relation to GIS projects. These projects include comprehensive research papers, software development and impactful maps to apps that promote conservation, disaster response, education and urban planning. In participating countries, the programme takes the form of a local competition across every university that invites students to submit entries on how they have utilised Esri technology in their university project or report to solve a community challenge. Entries submitted are assessed on creativity, real world relevancy, application of Esri technology and technical merit. Since 2016, our division has nominated winning students from Australia, Singapore, Malaysia and Indonesia who have received fully-paid trips inclusive of air fare, accommodations, conference registration and daily allowances to the annual Esri User Conference in San Diego, where they get to join thousands of GIS experts for networking, presentations and workshops, as well as to meet Esri Inc Founder & President, Jack Dangermond.

c) Start-Up & Innovation Programmes

The Esri Singapore Innovation & Jumpstart Programme supports organisations that have a strategic business model to offer services with a location component or leverage a location strategy by providing the necessary capabilities to develop sustainable smart nation solutions that address real-world challenges in Singapore. The programme consists of two tracks suitable for different stages of an organisation's growth and development: Jumpstart and Innovation. The Jumpstart track provides eligible start-ups with

three years of free ArcGIS Online services, software development tools, ready-to-use content, training and technical support, global partnership opportunities and co-marketing to allow them to innovate and add value to their operations. The Innovation track is structured to support organisations that are thriving and ready to develop new product segments by enhancing capabilities and increasing value to users by incorporating advanced geo-spatial technology.

5.3.2 Life-Saver Programmes

Beyond our contributions to non-profit, education and start-up organisations, we believe in the power of GIS to be a life-saving tool in times of crisis. Thousands of organisations use Esri technology during the four phases of disaster management: mitigation, preparedness, response and recovery. Esri technology enables these organisations to minimise the impact of disasters on lives, property and assets by maximising readiness, effective response coordination and situational awareness.

Nonetheless, disasters and extreme weather events do strike at times beyond what communities can realistically prepare for. In 2004, following a 9.0-magnitude earthquake, the Asian Tsunami hit countries surrounding the Indian Ocean, caused the deaths of over 280,000 people, displaced more than 1 million people and affected at least 5 million people, devastating local communities within its path.¹⁰ Among these local communities, Aceh Province in Indonesia faced the worst effects. Esri Indonesia donated free software and technical support to the Indonesia Government during the crisis while Boustead

Salcon Water Solutions separately donated and shipped two portable desalination plants to Aceh to aid in crisis coordination, search and rescue operations, immediate humanitarian aid operations and the long-term planning and rebuilding of infrastructure and homes for survivors of this disaster.

In 2011, the catastrophic Queensland and Brisbane Floods hit the third-most populous state in Australia, severely flooding 90 towns and displacing more than 200,000 people. Esri Australia donated free software and technical support to the Brisbane City Council ("BCC"), where a brigade of Esri Australia volunteers also worked at BCC's crisis centre around the clock for five days to develop and maintain an interactive, online flood map compiling data across Brisbane such as evacuation centres, flood peaks and road closures, providing a real-time picture of the flood and helping citizens to avoid danger. It allowed BCC, emergency response teams and the local communities to view the scope of damage and receive critical updates, playing a vital role in one of Australia's largest disaster response operations.

We continue to be ready to work with government agencies to save lives whenever disaster strikes.

5.3.3 Other Philanthropic Activities & Team Volunteerism

During FY2018, we participated in several other philanthropic activities, where our team members had the opportunity to participate with their energy and time.

Esri Singapore continued to support YMCA's 'Y SpringClean', where volunteers regularly help to clean the homes of the elderly in Singapore to give them cleaner and safer living environments. Esri Singapore team members volunteered as part of the programme. Separately, 20 team members from the Boustead Group volunteered in YMCA's 'Y Food of Love', where they contributed to the baking of goodies and distribution of goodie bags to the needy elderly in Singapore.

We also adopted a Bank Box from The Food Bank Singapore, which is currently placed at our global headquarters at Edward Boustead Centre. The Food Bank Singapore is a charity that aims to fight hunger and reduce food wastage in Singapore by acquiring donated and excess food and making them available to the needy through a network of member beneficiaries. Over several months, our team members donated non-perishable food to needy beneficiaries that would otherwise be wasted.

5.4 CONCLUSION

Although we have achieved respectable performance in material ESG topics, we recognise that we can and must do better. After we collect and report on at least two years' worth of data on material ESG topics, our Board will consider setting medium-term longevity performance targets in material ESG topics where targets have not already been set. Hand-in-hand with our stakeholders, we intend to continue our role as a responsible global corporate citizen, one which we hope to honour for many more centuries to come. Join us in this ultra-triathlon.

10. "Three Months After the Indian Ocean Earthquake-Tsunami: Photo Essay." World Health Organization, www.who.int/hac/crises/international/asia_tsunami/3months/en/. Accessed 28 August 2018.

GRI CONTENT INDEX

This GRI Content Index makes reference to this report and the *Boustead FY2018 Annual Report* ("FY2018 AR").

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omission, if applicable
GRI 101: Foundation 2016			
General Disclosures			
Organisational profile			
GRI 102: General Disclosures 2016	102-1	Name of the organisation	Front cover, pages 1, 10; FY2018 AR (front and back covers, pages 52, 82)
	102-2	Activities, brands, products and services	Pages 1, 4-5, 18-29; FY2018 AR (inside front cover, pages 1-45, 160-163)
	102-3	Location of headquarters	Page 10; FY2018 AR (back cover, pages 52, 82)
	102-4	Location of operations	Pages 19, 22-23; FY2018 AR (pages 12-13, 24-41, 160-163)
	102-5	Ownership and legal form	Page 1; FY2018 AR (pages 52, 82, 164-165)
	102-6	Markets served	Pages 1, 4-5, 18-29; FY2018 AR (pages 2-7, 12-15, 24-41, 160-163)
	102-7	Scale of the organisation	Pages 1, 4-5, 8-9, 18-38, 41; FY2018 AR (pages 2-7, 12-45, 50-51, 76-81, 152-156, 160-165)
	102-8	Information on employees and other workers	Pages 8-9, 11-17, 37, 39-48; FY2018 AR (pages 15, 18-19)
	102-9	Supply chain	Pages 9, 11, 37, 46-48, 50; FY2018 AR (pages 18-19)
	102-10	Significant changes to the organisation and its supply chain	Page 48; FY2018 AR (pages 18-19)
	102-11	Precautionary Principle or approach	Page 18
	102-12	External initiatives	Pages 6-7, 15-17, 24, 30-31, 33-37, 40-42, 46-48, 50-56
	102-13	Membership or associations	n.a.
Strategy			
	102-14	Statement from senior decision maker	Page 3
	102-15	Key impacts, risks and opportunities	Pages 14-17
Ethics and integrity			
	102-16	Values, principles, standards and norms of behaviour	Pages 2-7, 39-40; FY2018 AR (pages 8-11, 58-71)
	102-17	Mechanisms for advice and concerns about ethics	Page 40; FY2018 AR (pages 66-71)



GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omission, if applicable
GRI 101: Foundation 2016			
General Disclosures			
Governance			
	102-18	Governance structure	Pages 6-7; FY2018 AR (pages 58-71)
	102-19	Delegating authority	Page 6
	102-20	Executive-level responsibility for economic, environmental and social topics	Page 6
	102-21	Consulting stakeholders on economic, environmental and social topics	Pages 11-17
	102-22	Composition of the highest governance body and its committees	Pages 6-7; FY2018 AR (pages 58-71)
	102-23	Chair of the highest governance body	Pages 6-7; FY2018 AR (page 61)
	102-24	Nominating and selecting the highest governance body	Pages 6-7; FY2018 AR (pages 58-63)
	102-25	Conflicts of interest	Pages 6-7; FY2018 AR (pages 58-71)
	102-26	Role of highest governance body in setting purpose, values and strategy	Pages 6-7; FY2018 AR (pages 58-60)
	102-27	Collective knowledge of highest governance body	Pages 6-7; FY2018 AR (pages 46-47, 58-63)
	102-28	Evaluating the highest governance body's performance	Pages 6-7; FY2018 AR (pages 58-71)
	102-29	Identifying and managing economic, environmental and social impacts	Pages 6-7, 11-17; FY2018 AR (pages 58-60, 66-68)
	102-30	Effectiveness of risk management processes	Pages 6-7; FY2018 AR (pages 58-60, 66-68)
	102-31	Review of economic, environmental and social topics	Pages 6-7; FY2018 AR (pages 58-60, 66-68)
	102-32	Highest governance body's role in sustainability reporting	Pages 6-7; FY2018 AR (pages 58-60)
	102-33	Communicating critical concerns	Pages 6-7, 10, 40; FY2018 AR (pages 66-71)
	102-34	Nature and total number of critical concerns	FY2018 AR (pages 66-71)
	102-35	Remuneration policies	Pages 41-45; FY2018 AR (pages 64-66)
	102-36	Process for determining remuneration	Pages 41-45; FY2018 AR (pages 64-66)
	102-37	Stakeholders' involvement in remuneration	Pages 41-45; FY2018 AR (pages 64-66)
	102-38	Annual total compensation ratio	n.a.
	102-39	Percentage increase in annual total compensation ratio	n.a.

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omission, if applicable
GRI 101: Foundation 2016			
General Disclosures			
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	102-40	List of stakeholder groups	Pages 11-17
	102-41	Collective bargaining agreements	n.a.
	102-42	Identifying and selecting stakeholders	Pages 11-17
	102-43	Approach to stakeholder engagement	Pages 11-17
	102-44	Key topics and concerns raised	Pages 11-17
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	102-45	Entities included in the consolidated financial statements	FY2018 AR (pages 84-86, 115-123)
	102-46	Defining report content and topic boundaries	Pages 10-17
	102-47	List of material topics	Pages 11-17
	102-48	Restatements of information	Page 10
	102-49	Changes in reporting	Page 10
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	102-51	Date of most recent report	Page 10
	102-52	Reporting cycle	Page 10
	102-53	Contact points for questions regarding the report	Page 10
	102-54	Claims of reporting in accordance with GRI Standards	Page 10
	102-55	GRI content index	Pages 57-62
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Eco-sustainable solutions			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 21-29
	103-2	The management approach and its components	Pages 21-29
	103-3	Evaluation of the management approach	Pages 21-29
GRI Standard not available	Not applicable	Qualification and quantification of eco-sustainable solutions	Pages 21, 24-29

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omission, if applicable
GRI 101: Foundation 2016			
Topic-Specific Standards			
Quality and transformation			
GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 30-37
	103-2	The management approach and its components	Pages 30-37
	103-3	Evaluation of the management approach	Pages 30-37
GRI Standard not available	Not applicable	Qualification and quantification of quality and transformation initiatives	Pages 31-36
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 37-38
	103-2	The management approach and its components	Pages 37-38
	103-3	Evaluation of the management approach	Pages 37-38
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Pages 37-38
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 39-40
	103-2	The management approach and its components	Pages 39-40
	103-3	Evaluation of the management approach	Pages 39-40
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 40
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 41-45
	103-2	The management approach and its components	Pages 41-45
	103-3	Evaluation of the management approach	Pages 41-45
GRI 401: Employment 2016	401-1	New employee hires and turnover	Pages 42-43
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	404-3	Percentage of employees receiving regular performance and career development reviews	Pages 43-44

GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omission, if applicable
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 43, 45
	103-2	The management approach and its components	Pages 43, 45
	103-3	Evaluation of the management approach	Pages 43, 45
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 44-48
	103-2	The management approach and its components	Pages 44-48
	103-3	Evaluation of the management approach	Pages 44-48
GRI 403: Occupational Health and Safety 2016	403-2	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	Pages 45, 47
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	103-2	The management approach and its components	Pages 49-53
	103-3	Evaluation of the management approach	Pages 49-53
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GRI 303: Water 2016	303-1	Water withdrawal by source	Pages 51-52
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GRI Standard	Disclosure Number	Disclosure Title	Page reference and reasons for omission, if applicable
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Topic-Specific Standards			
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 52-53
	103-2	The management approach and its components	Pages 52-53
	103-3	Evaluation of the management approach	Pages 52-53
GRI 419: Socioeconomic Compliance 2016	419-1	Non-compliance with laws and regulations in the social and economic area	Page 53
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GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	Pages 53, 55-56
	103-2	The management approach and its components	Pages 53, 55-56
	103-3	Evaluation of the management approach	Pages 53, 55-56
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ACKNOWLEDGEMENTS

This inaugural ***Boustead FY2018 Longevity Report*** would not be possible without the efforts of thousands of Boustead Men and Women who strived to deliver sustainable value and progress to multiple generations of key stakeholders and make a positive impact economically, environmentally and socially on the world over the past 190 years. We continue to live out the Boustead Group's mission and vision for key stakeholders and in memory of our founder, Mr Edward Boustead and our fellow team members who have passed on or retired. We are grateful to our team members today, who are still running this ultra-triathlon for us.

Certain infographic elements contained in “Nine Technologies of Industry 4.0” on page 33, “Industry 4.0 Future Feature: ALICE” on page 35 and “Industry 4.0 Future Feature: Smart World” on page 36 of this report are designed by Freepik.

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