



**THAKRAL**  
CORPORATION LTD

# ADAPTING TO CHANGE

SUSTAINABILITY REPORT 2021



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# ABOUT THIS REPORT

This is the fifth consecutive Sustainability Report (“SR”) published annually by Thakral Corporation Ltd (the “Company” and together with its subsidiaries and associated companies, the “Group”). It covers the sustainability performance of our operations for the financial year 2021 (“FY2021”), from 1 January 2021 to 31 December 2021.

This report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards – Core Option. GRI Standards allow organisations to report on their sustainability impacts consistently while ensuring comparability and transparency. Besides the GRI Standards, this is also the inaugural report that has been developed in accordance with the Sustainability Accounting Standards Board (“SASB”) Standards which facilitate the identification, measurement and management of subset ESG topics that most directly impact long-term enterprise value creation. Furthermore, this report also complies with the primary components set out in the Singapore Exchange Securities Trading Limited’s (“SGX-ST”) Listing Rules 711A and 711B on a “comply or explain” basis. For the full list of GRI and SASB references used in this report, refer to the GRI and SASB Content Index at the end of this report.

Our FY2021 SR outlines key sustainable strategies and initiatives adopted by the Group to enhance its value across the Economic, Environmental, Social and Governance aspects. We are committed to creating shared values for our stakeholders including our employees, investors, customers, business partners, suppliers and contractors, national agencies and communities where the Group operates. This is aligned with our belief that the Group’s success and social progress are interdependent.

All sustainability data, charts and initiatives cover the reporting period of FY2021 unless otherwise stated. While the Group has not sought independent assurance of information that has been provided in this report, the Group is dedicated to ensuring that all disclosed data is accurate and compliant with the relevant laws and regulations.

## CONTACT US

We strive toward improving our sustainability practices and welcome feedback from all stakeholders on this report. Please kindly submit all feedback to [enquiries@thakralcorp.com.sg](mailto:enquiries@thakralcorp.com.sg).

Date: 27 May 2022

# BUSINESS IN BRIEF

## ABOUT THAKRAL CORPORATION LTD

Thakral Corporation Ltd is listed on the SGX Mainboard since December 1995. The Group's core business today comprises a growing real estate investment portfolio in Australia, Japan and Singapore. Its investments in Australia include the development and management of over-50s lifestyle resorts under the GemLife brand, a joint venture with the Puljich family. Its Japanese investment portfolio comprises landmark commercial buildings and business hotels in Osaka, the country's second-largest city. The Group also makes strategic investments in the digital economy, especially those in the blockchain and fintech space.

The Group's other investments include the management and marketing of leading beauty, fragrance and lifestyle brands in China, Southeast Asia and India. It also operates an e-commerce retail platform for at-home beauty devices in China under a joint venture with UK-based CurrentBody.com Limited, the leading global at-home beauty device retailer.

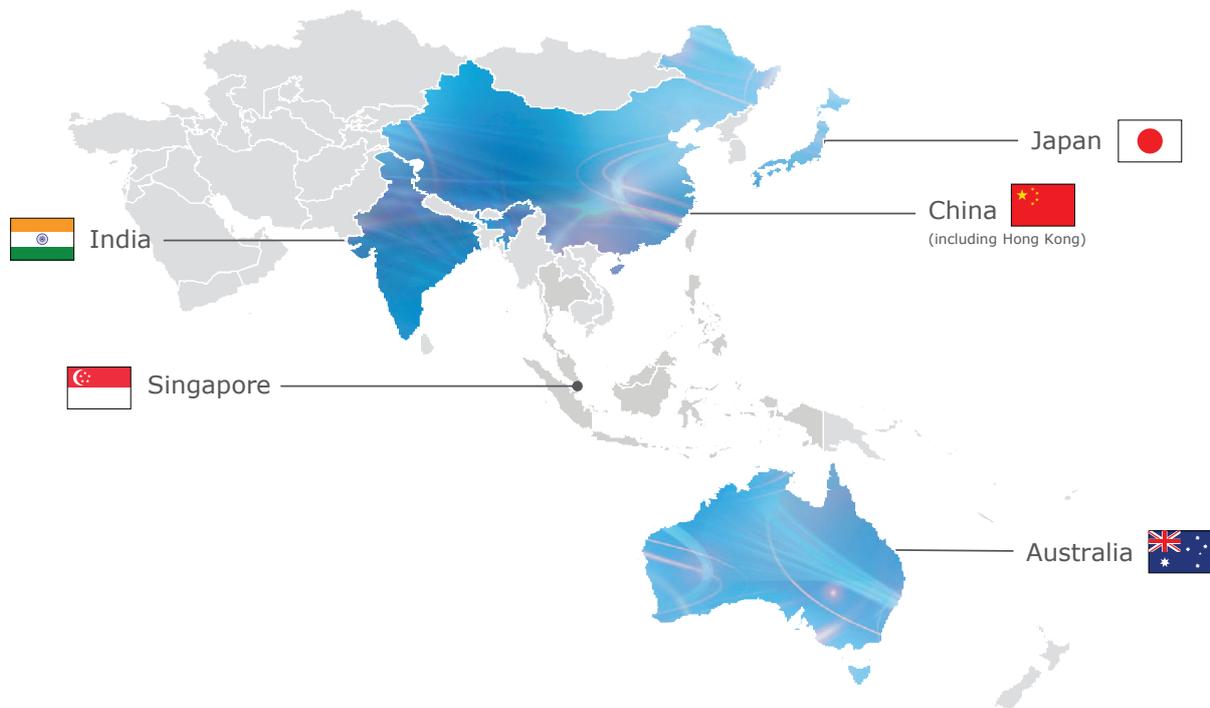


Figure 1: Thakral's Core Businesses covered in SR2021

# BUSINESS IN BRIEF

## AUSTRALIA

- **Thakral Capital Australia Pty Ltd**  
Brisbane and Sydney, Australia
- **GemLife Group**  
Australia
- **Thakral Capital Holdings Pte Ltd**  
Singapore

The Group's businesses in Australia are at the same level as its Japanese investments in terms of net assets but lead in profitability, followed by Japan. It participates in higher-yielding, niche high-end property projects in gateway cities such as Sydney, Melbourne and Brisbane and has a joint venture in the over-50s lifestyle resorts sector.

Thakral Capital Holdings Pte Ltd ("TCH"), the holding company of the Group's Investment Division in Australia, was incorporated in 2009 and the TCH group started operations in Australia as Thakral Capital Australia Pty Ltd ("TCAP") in early 2011.

TCAP operates as a capital partner for real estate developers and provides value-added services including originating, packaging and managing investment projects. It has been the financial backer and investment partner for a slew of major apartment and townhouse developments in Australia since 2011, investing and committing over A\$533 million of capital into projects with an end value surpassing A\$5.9 billion. It has to date successfully completed 20 projects, with another 10 in the pipeline and 13 under construction.

The Group's joint venture with the Puljich family, marketed under the GemLife brand, is now one of Australia's most respected brands in the over-50s resort-style living sector.

To date, GemLife has more than 2,900 homes across the eastern seaboard in various development stages, with 950 homes occupied. It is looking to add a few more sites in the coming years to bring its pipeline to over 6,500 homes.

The Group's diversification into the over-50s resort-style living sector is expected to provide sustainable returns in a growing sector in Australia.



GEMLIFE BRIBIE ISLAND – FIRST FULLY COMPLETED RESORT WITH A TOTAL OF 404 HOUSES, 2 YEARS AHEAD OF SCHEDULE!

# BUSINESS IN BRIEF

## JAPAN

- **Thakral Japan Properties Pte Ltd**  
Singapore
- **TJP Pte Ltd**  
Singapore
- **Thakral Umeda Properties Pte Ltd**  
Singapore

The Group has expanded its real estate investment portfolio to include properties in Japan and Singapore in recent years. Its Japanese investment portfolio is structured through its pooled investment subsidiaries, Thakral Japan Properties Pte Ltd, TJP Pte Ltd and Thakral Umeda Properties Pte Ltd. The portfolio has grown significantly since its establishment in 2014 and now comprises six commercial buildings – Yotsubashi Nakano Building, Yotsubashi East Building, Itachibori Square, Utsubo East Building, Yotsubashi Grand and Umeda Pacific Building; and three business hotels – Best Western Osaka Tsukamoto Hotel, R Hotels Inn Osaka Kita Umeda and Hotel WBF Namba Motomachi.

In Q3 2021, the Group divested the Riverpoint Kitahama Building at a net gain of about S\$2.5 million against its acquisition cost as part of its strategy to maximise returns by unlocking the value of investment properties at an opportune time. In the same quarter, it completed the acquisition of the remaining leasehold land of approximately 435.03 sqm of the Itachibori Square Building in Osaka, Japan. With the acquisition, the Group has full ownership of both the building and the land, and will no longer be subject to annual ground rent payment.

Notwithstanding the market uncertainties and challenges brought about globally by the COVID-19 pandemic, the Group looks forward to continuing to capitalise on the growing tenant demand in Osaka together with rising real estate values brought about by the limited supply of quality assets and the country's low-interest rates. While exploring options for alternate uses to boost long-term returns from its hotel investments, the Group may recycle some of its capital through the sale of some of its properties to realise profits whilst continuing its search for reinvesting in niche properties.



ITACHIBORI SQUARE BUILDING, CORNER PROPERTY OFF YOTSUBASHI SUJI, HONMACHI

# BUSINESS IN BRIEF

## SINGAPORE

- **Thakral Realty (S) Pte Ltd**  
Singapore

The Group's office property at The Riverwalk, Singapore continues to provide a stable source of recurring rental income for the Group. In FY2021, the Group recorded an unrealised valuation gain of S\$1 million to pre-COVID levels for this office property.



THE RIVERWALK OFFICE UNIT

# BUSINESS IN BRIEF

## CHINA, HONG KONG AND OTHERS

- **Thakral China Ltd**
- **Thakral Beauty (Shanghai) Ltd**
- **CBT At-Home Beauty (Shanghai) Ltd**  
Shanghai, People's Republic of China
- **Thakral Corporation (HK) Limited**  
Hong Kong
- **CBT At-Home Beauty Holdings Pte Ltd**  
Singapore and Hong Kong
- **Thakral Brothers Ltd**  
Osaka, Japan
- **Singapore Sourcing & Technology Pvt Ltd**  
India



CURRENTBODY THAKRAL AT-HOME BEAUTY DEVICES



JOHN MASTERS ORGANICS

The geographic footprint of the Group's brand management and marketing businesses is centered in Greater China including Hong Kong, India, Indonesia, the Philippines, Singapore and Thailand.

In China and Hong Kong, the Group focuses on the management and marketing of leading premium beauty, fragrance, and lifestyle brands, which display solid underlying growth as Asian consumers continue to enhance their lifestyle, including upgrading what, where and how they buy. It also continues to support the sourcing needs of Asian and global wholesalers and retailers, including those engaged in cross-border e-commerce, bringing new brands and products from Asia, in particular from Japan, as well as from Europe and other regions to consumers.

Creating a portfolio of brands with a unique and differentiated positioning in their respective market segment, brands distributed by the Group include at-home beauty device brands Panasonic, Philips, CurrentBody Skin, Clarisonic, Nuface and T3, skin and hair care brand John Masters Organics, fragrance brands Maison Margiela, Ralph Lauren, Viktor & Rolf, Diesel and Cacharel as well as lifestyle brands such as DJI.

For DJI, the Group's Hong Kong subsidiary has been appointed as an exclusive distributor for South Asia, covering seven territories including India, covering commercial products in addition to the consumer range.

All brands are managed across a range of online and traditional retail channels by the Group's on-the-ground brand management, sales, marketing, e-commerce and operational support team.

The Group also operates an e-commerce retail business for at-home beauty devices in China under a joint venture with UK-based CurrentBody.com Limited, the leading global at-home beauty device retailer.

The Group has also made strategic minority investments in several digital start-ups. These include Intrepid, a South-East Asia focused e-commerce enabler, Skylark, an India-based drone management software and services company, Fraction, a Hong Kong and Thailand-based fintech one-stop, full-service fractional ownership blockchain platform that enables trading, investment and secure ownership of fractions of any real-world asset, with an initial focus on real estate, and InvestaX, a Singapore based fintech which is a MAS-licensed investment and trading platform for digital securities and security tokens of global private markets deals.

In addition, the Group's interior furnishing and building materials business supplies a broad range of high-quality, competitively priced interior decoration solutions to developers, designers and contractors as well as consumers in the property development and homeownership markets in Canada, USA, Australia and India.

# BUSINESS IN BRIEF

## 2021 KEY HIGHLIGHTS

### Recognition & Award

Thakral was announced as the Runner-up for the title of “The Most Transparent Company Award” (MTCA) under the Consumer Discretionary category under the SIAS Investors’ Choice Awards (ICA) 2021 which recognises excellence in companies adopting corporate governance practices with rigour. This award acknowledges the Group’s outstanding efforts in improving transparency within its business.

### Australia

GemLife completed the development of all 404 homes in Bribie Island, more than 2 years ahead of its schedule.

### Japan

In Q3 FY2021, the Riverpoint Kitahama Building in Osaka was sold with a net gain of approximately S\$2.5 million as compared to the original acquisition cost.

Thakral completed the acquisition of the remaining leasehold land of approximately 435.03 sqm of the Itachibori Square Building in Osaka, Japan, in the same quarter. The Group has obtained full ownership of the building and the land, which means the Group is no longer subjected to annual ground rent payment through this acquisition.

### China and Hong Kong

DJI appointed the Group’s Hong Kong subsidiary as an exclusive distributor for South Asia – covering seven territories including India, covering commercial products in addition to the consumer range.

Thakral’s China joint venture with CurrentBody.com Limited achieved breakeven on strong top-line growth in FY2021 – a year ahead of schedule.



## NEW INVESTMENTS

<p>Fraction</p>	<p>In line with our vision to identify new areas of growth, the Group is also exploring digital opportunities in real estate.</p> <p>Tokenisation is expected to change real estate investing by providing greater access to a wider range of property assets at a fraction of the investment typically required, expanding the depth of the capital markets and delivering further liquidity.</p> <p>The Group, in order to participate in this space and enhance our understanding of FinTech/DeFi, made an initial investment in Fraction, a Hong Kong and Thailand-based fintech start-up which leverages blockchain technologies to enable digital fractional ownership of assets with an initial focus on real estate.</p>
<p>W Capital Markets Pte Ltd</p>	<p>The Group also took a stake in W Capital Markets Pte Ltd, a corporate finance firm with a Capital Markets Services licence as an accredited Mainboard IPO issue manager and an authorised Catalyst Full Sponsor by the Singapore Exchange. This will give us access to deal flow from the firm’s investment pipeline which should assist to deliver strong returns in the long term.</p>

# SUSTAINABILITY @ THAKRAL

## SUSTAINABILITY BOARD STATEMENT

Dear Stakeholders,

The Board of Directors of the Company is pleased to present the Sustainability Report for the financial year ended 31 December 2021 ("FY2021"). We are committed to providing an accurate and transparent view of the Group's business performance through the sharing of our policies, practices and reporting structure relating to our identified material sustainability areas.

In 2019, the United Nations established the Decade of Action, an ambitious global effort that calls for accelerating sustainable solutions to all the world's biggest challenges including issues relating to poverty, gender, climate change and inequality as well as closing the finance gap. The Group recognises the pertinence of sustainability matters to the success and growth of our business operations. Through the publication of this report, the Group hopes to receive your continuous trust and support in our journey to integrate sustainability into our business strategy and create long-term value for all our stakeholders.

## MAINTAINING ECONOMIC GROWTH AND SUSTAINABILITY

The Group delivered a robust economic performance in FY2021 despite the prolonged pandemic challenges. The Group's earlier strategies have enabled it to grow both revenue and profits.

In FY2021, the Group achieved a net profit of S\$28.1 million – a 73% increase from the recorded net profit of S\$16.2 million in the previous year. A second interim dividend of 2 cents per share was declared to reward shareholders – bringing the total dividend to 4 cents for FY2021. The Group is committed to striking a balance between financial growth and sustainable ESG performance while upholding corporate accountability and transparency throughout our business.

## PROGRESSING TOWARDS A SUSTAINABLE FUTURE

The Group is fully compliant with applicable environmental laws and regulations throughout its operations. In FY2021, there were no incidences of regulatory non-compliance with environmental laws and regulations.

Our businesses in Australia achieved energy efficiency and green ratings which have encouraged our partners to adhere to green standards. GemLife consistently seeks to reduce environmental impact on the community through designing and incorporating eco-friendly materials. In Q3 2021, an ecologically friendly concrete slab system was utilised in our GemLife Palmwoods resort as part of a pilot project in the pursuit of zero waste.

## DEVELOPING A HIGHLY CAPABLE WORKFORCE

Apart from environmental efforts, the Group also emphasises building and growing employees' capabilities as it contributes to enhancing our brand profile. To support our employees' professional development and occupational needs, we provide full support to upgrade their skills and increase productivity.

Our operations in China and Hong Kong prioritise on-the-job learning and targeted internal workshops due to the fast-evolving nature of our work. The objectives are to advance our team's sales, marketing and management skills and enhance their ability to work with our brand and channel partners.



**Moving forward,  
we will continue  
building a robust  
and sustainable  
business that  
excels not only  
performance-wise  
but also  
emphasises  
sustainability  
in our business  
operations**



**– MR. NATARAJAN SUBRAMANIAM**  
Independent Non-Executive Chairman  
and Lead Independent Director

# SUSTAINABILITY @ THAKRAL

## CONTRIBUTING TO THE BETTERMENT OF COMMUNITIES

Going beyond the workplace, the Group is also committed to supporting social and community causes.

Since 2016, GemLife has supported many national, state and local organisations and events through sponsorships and fundraisers in Australia. This has amounted to a total of over A\$200,000 worth of contributions to the community.

Other than continuing its ongoing support for providing milk formula supply to needy families in Singapore, the Group also enhanced its donations during the pandemic to charitable organisations to provide support to the communities in need. Details of these activities have been shared under the COVID-19 Response and Empowering Local Communities sections of this report.

## ADAPTING TO THE CHANGING ENVIRONMENT

Globally, the Group has been fully compliant with local laws and regulations regarding safe-distancing measures and lockdown protocols during the pandemic.

Our offices continue to operate in compliance with their locations' respective authorities' legal requirements, including office closures, work-from-home arrangements and safe management measures. These continue to protect our key stakeholders, especially our employees. Governments worldwide extended existing schemes, such as the working capital support from the Singapore Government Enterprise Financing Scheme.

## ADVANCING TOWARDS A BRIGHTER TOMORROW

Despite the challenges from the pandemic and the worldwide disruptions it triggered in FY2021, the Group has achieved above-satisfactory performance.

Moving forward, we will continue building a robust and sustainable business that excels not only performance-wise but also emphasises sustainability in our business operations. We will continue to incorporate sustainability matters within our strategies and ensure that key ESG topics are managed accordingly. The Group aspires to address emerging ESG risks and opportunities through implementing exercises such as reviewing materiality assessment and engaging with our stakeholders to gain meaningful insight. Through such exercises and quality disclosures of central sustainability areas, our stakeholders will be able to witness their contributions to the Group's sustainability performance and growth.

The Group remains steadfast in generating value for our shareholders through a diversified portfolio that emphasises sustainable growth across all our operations. This is reflected in our pursuit of new growth trajectories within the innovation and technology industry, specifically in South Asia, India and Hong Kong; seizing market opportunities in the drone technology and real estate assets monetisation through a blockchain-powered platform. On top of that, the Group is currently exploring potential expansion and growth opportunities including a possible merger between GemLife and Living Gems, a company owned by the Puljich family operating a similar business. Currently, discussions are being held at an advanced stage but an agreement or understanding has yet to be reached. Nonetheless, a merger between the two companies could potentially propel GemLife, together with Living Gems, to be one of the largest land lease operators in Australia. This is in line with GemLife's strategic objective to grow to more than 10,000 land lease homes across some 40 locations, including seeking opportunities for sites outside of Queensland, where the majority of its projects are located.

Our passion for driving business performance and integrating sustainability within our operations will see us towards a better future.

# SUSTAINABILITY @ THAKRAL

## COVID-19 RESPONSE

The Group has remained agile in responding to the ever-evolving COVID-19 situation where we have aligned with the regulations and restrictions by governments in the locations in which we operate. In protecting the safety and health of our employees, the Group has maintained our existing safe management procedures as well as offered assorted working arrangements such as work-from-home and flexi hours – in line with government requirements and recommendations.

GemLife introduced a motorhome travel initiative that was launched during the pandemic called “Explore by GemLife” to encourage tourism within Australia. The initiative recognises residents’ desire for travel, adventure and exploration, thus creating a ground-breaking new offering to its growing number of lifestyle resorts. Since its inception, the initiative has garnered attention and continues to be a huge hit among homeowners at the various resorts.

The Group has also continued to support COVID-related programmes through our Corporate Social Responsibility (CSR) donations. In FY2021, we continued collaborating closely with the local community to bring a positive impact during the prolonged pandemic. In efforts to combat COVID-19 infections, the Group donated face masks to The Hong Kong Buddhist Association and oxygen concentrators and personal protective equipment to India through United Sikhs and Mata Kaulan Trust respectively.

In addition, the Group contributed to Grocery Support in the form of donations to assist approximately 200 isolated seniors and families in need, situated in the North-East district of Singapore during the COVID-19 Phase 2 Heightened Alert.

Alongside this, the Group has enhanced donations to charitable organisations to provide support to communities in need, including caregivers during the pandemic. These programmes include the 2021 UOB Global Heartbeat Virtual Run/Walk as well as multiple initiatives coordinated by the Malay Youth Literary Association (“4PM”) and Let’s Care for Caregivers by Sun-Dac.



LAUNCH OF THE 4PM RAMADAN-ON-WHEELS ON 3 APRIL 2021 (PHOTO: 4PM)

# SUSTAINABILITY @ THAKRAL

## 2021 KEY ESG HIGHLIGHTS

ESG TOPIC	LONG TERM TARGET	KEY ACHIEVEMENTS IN FY2021
<p>GRI 201 Economic Performance</p> 	<p>The Group strives to deliver positive and sustainable returns to its shareholders over the long term.</p> <p>The Group's business model places emphasis on net profit and IRR returns to enable the delivery of sustainable long-term value to its shareholders and reward its shareholders by way of consistent dividends.</p>	<p>Earned Revenue: SGD 127.8 million.</p> <p>The Group delivered an outstanding performance in FY2021 – made possible by our Group's comprehensive strategies, solid fundamentals and strong teamwork.</p> <p>In FY2021, the total dividend to shareholders was 4 cents – up from 3 cents paid for FY2020.</p>
<p>GRI 202 Market Presence</p> 	<p>The Group aims to provide equal opportunity and at least maintain the percentage of senior management hired from local communities.</p> <p>The continuing effort to include local community members in the management team can increase the economic benefit to the local community and improve an organisation's ability to understand and cater to local needs.</p>	<p>81% of senior management were hired from local communities, with both Australia and Hong Kong at 100%.</p>
<p>GRI 307 Environmental Compliance</p> 	<p>The Group aims to maintain its existing level of zero significant monetary and non-monetary sanctions record through the continual monitoring and adherence to environmental laws and regulations.</p> <p>With a strong compliance record, the Group could benefit from an enhanced ability to expand its operations or gain permits in the countries where it operates.</p>	<p>The Group continued to maintain its zero "significant monetary and non-monetary sanctions" record for non-compliance with environmental laws, and/or regulations.</p>
<p>GRI 401 Employment</p> 	<p>The Group will continue to manage the new hire rate in the context of its business needs in current market conditions.</p> <p>The Group will manage employee turnover in the context of a tight and competitive talent market in China.</p> <p>The Group shall maintain existing benefits in accordance with applicable legislation and provide flexibility to staff during the pandemic period to ensure they are able to adjust and manage through this challenging time.</p>	<p>The Group has a total of 251 employees – 116 male and 135 female employees.</p> <p>New Hire Rate: 36% Turnover Rate: 27%</p> <p>The Group is disclosing information about its employment benefits with coverage of our operations in Australia and China, including Hong Kong.</p>

# SUSTAINABILITY @ THAKRAL

ESG TOPIC	LONG TERM TARGET	KEY ACHIEVEMENTS IN FY2021
<p>SASB Labour Practices</p> 	<p>In addition to continuous compliance with labour laws and requirements, the Group aims to remunerate employees fairly and appropriately in recognition of their value and contribution to the Group.</p>	<p>All our employees in China are earning above the minimum wage as prescribed by the government.</p>
<p>SASB Workforce Diversity and Inclusion</p> 	<p>The Group aims to create an inclusive working environment where our employees feel safe and valued by providing fair and equal opportunities regardless of race, age, gender, religion or nationality.</p>	<p>The Group observed slight variations between the percentage of males and females between management and non-management employees.</p> <p>The Group acknowledges the importance of gender diversity and that there is room for improvement in the development of female managers.</p>
<p>GRI 404 Training and Education</p> 	<p>The Group shall continue to allocate resources for the training and development of employees, aiming to maintain the average of 17 hours of training per employee.</p> <p>The Group aspires to invest a greater amount of time and resources to ensure that all its employees become highly skilled and well equipped to adapt to the changing business landscape and perform their responsibilities efficiently.</p>	<p>The Group recorded an average of 16.63 hours of training per employee – which is nearly twice the number reported in FY2020.</p>



# SUSTAINABILITY @ THAKRAL

ESG TOPIC	LONG TERM TARGET	KEY ACHIEVEMENTS IN FY2021
<p>GRI 417 Marketing and Labeling</p> 	<p>The Group aims to maintain zero incidents of non-compliance concerning product and service information and labeling.</p> <p>The Group ensures proper marketing and labeling of the products it markets to provide consumers and homeowners with accurate information about their content. This enables consumers and homeowners to make informed choices and aids the Group in building trust with its customers.</p>	<p>The Group continues to maintain zero incidents of non-compliance concerning product and services information and labeling.</p>
<p>GRI 418 Customer Privacy</p> 	<p>The Group will continue to enhance its governance and accountability processes to safeguard its customers' personal data in working towards maintaining its target of zero incidents of complaints and personal data breaches. Maintaining a clean record in the safeguarding of customer data engenders their confidence in this respect in their ongoing dealings with the Group.</p>	<p>The Group continues to maintain its zero complaints record regarding customer privacy breaches or loss of customer data recorded.</p>
<p>SASB Data Security</p> 	<p>The Group believes that the protection and proper use of corporate and personal data influence our ability to conduct business with utmost integrity, forge trust and abide by regulatory requirements. We strive to fortify our governance and accountability processes to protect our organisational and customers' personal data.</p> <p>As part of our ongoing process, we ensure that our data protection policy is reviewed regularly to meet the latest data protection laws, as well as to uphold good standards of customer privacy and cyber security measures.</p>	<p>There were zero incidents of any data breach including occurrences involving personally identifiable information (PII).</p>

# SUSTAINABILITY @ THAKRAL

## SUSTAINABILITY STRATEGY

The Group has formed its Sustainability Strategy around the concept of creating value for all stakeholders and this is reflected in the Group's Sustainability Policy as stated below:



Figure 2: Thakral's Sustainability Policy

Our Sustainability Approach encourages the amalgamation of sustainability across the business value chain through the establishment of relevant policies, programmes and operating procedures. This acts as a guidepost for Management to make informed decisions, thus ensuring that our practices across all business operations are aligned with sustainable business practices. Moreover, for our employees, the Group's Sustainability Approach is continuously reinforced through the setup of training programmes to ensure that roles and responsibilities are clearly defined and understood.

The Group implements a risk-based approach involving periodic review of policies and refreshing our response to breach incidents. The Group remains committed to integrating best sustainable practices into our business operations to achieve our sustainability goals. We strongly believe that consistent incorporation of positive sustainable practices in our workplaces as well as business processes fosters trust and ensures transparency and sustainable growth for our stakeholders.

Aside from committing to sustainability within our business, the Group strives to support local economies, in line with it being one of our long-term goals. We consistently seek to facilitate the growth of domestic economies where our business operations are located and cultivate a conducive working environment for our employees to reach their full potential. To reduce our environmental impact, the Group has executed critical measures as part of our precautionary approach.

The Group is dedicated to being a responsible corporate citizen through the constant incorporation of sustainability within our business operations. Our Sustainability Approach ensures that the Group's key stakeholders' needs and concerns are considered during the development and execution of our business strategies.

# SUSTAINABILITY @ THAKRAL

## SUSTAINABILITY GOVERNANCE

The Management has established a Sustainability Working Group (“SWG”) to manage sustainability measures across our operations – this was initiated with the support of the Board as well as an external sustainability consultancy firm. The SWG is responsible for assessing the progress that the Group has made in terms of its sustainability goals and engages with relevant stakeholders to ensure that the Group meets its sustainability targets. Experienced SWG members who have a full grasp of the Group’s businesses, systems and processes across the region are involved in exercising comprehensive reviews of our sustainability progress and performance.

Leveraging our Sustainability Approach as a guideline, the SWG meets on a regular basis to initiate, run and monitor practices and initiatives that reinforce the effective integration of ESG programmes into our business operations. This will also ensure that the Group’s corporate objectives are met in the long run.

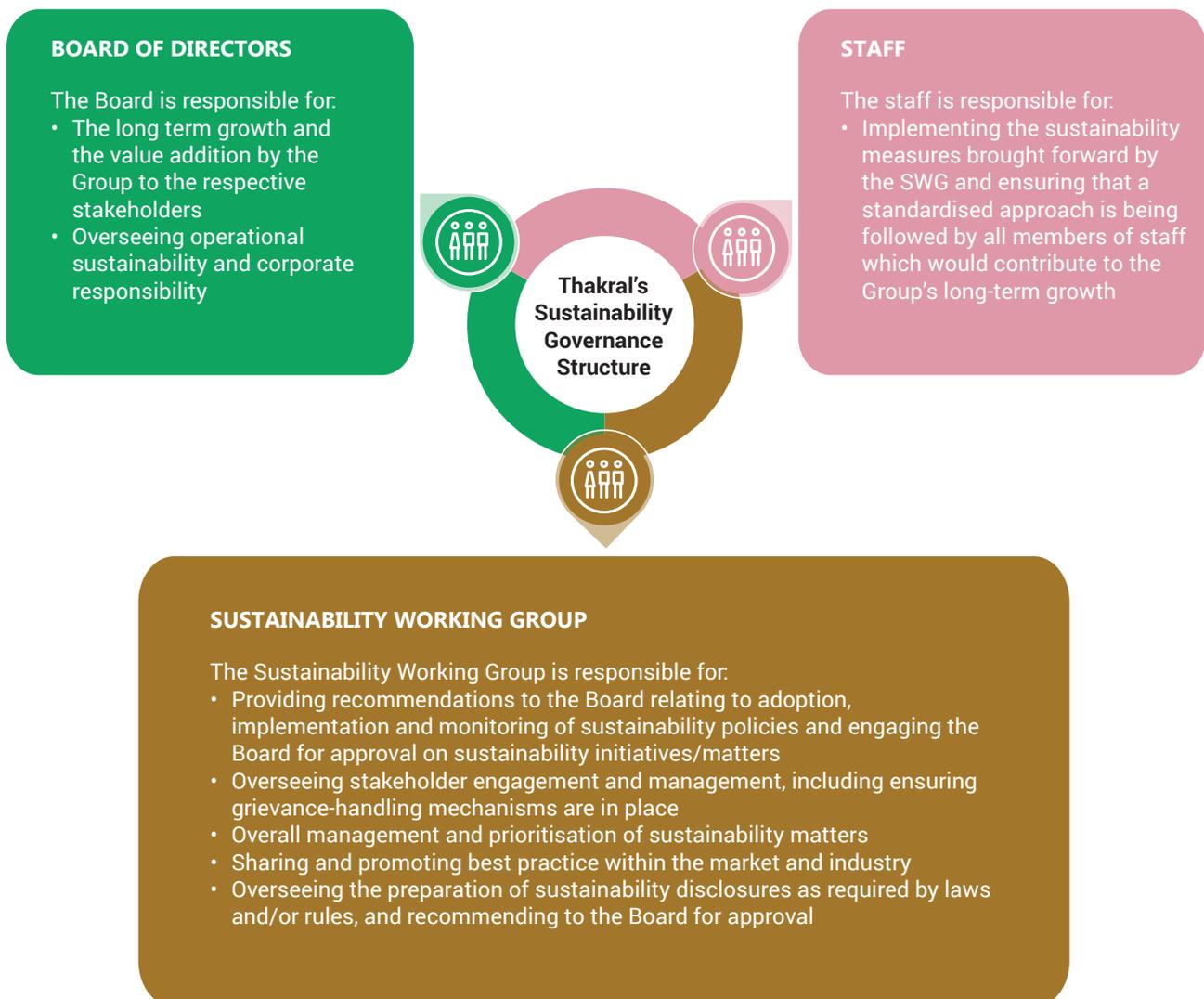


Figure 3: Thakral's Sustainability Governance Structure

# SUSTAINABILITY @ THAKRAL

## STAKEHOLDER ENGAGEMENT

Through frequent engagement with its stakeholders over the years, the Group has built a strong relationship and improved its understanding of current and emerging industry trends. The Group prioritises being receptive to the firm's entire stakeholder spectrum. As the Group's materiality, stakeholder mapping and prioritisation evolve with changing times, especially in 2021 with the effects of the COVID-19 global pandemic, the Group focuses on re-aligning its strategies on the most pertinent and material issues identified by the internal and external stakeholders.

In FY2021, the Group engaged both internal and external stakeholder groups. Internal stakeholders include the senior management, investors and employees. On the other hand, external stakeholders include regulators, suppliers, customers and business associates (i.e. bankers and external auditors).

The following table covers a list of key stakeholder groups, various methods of engagement, key issues raised, and how the Group responded to them in FY2021:

Stakeholder Group	Mode of Engagement	Frequency	Areas of Concern	How We Responded
Investors 	<ul style="list-style-type: none"> <li>General Meetings</li> <li>Press Releases</li> <li>Public Conferences and Events</li> <li>Publications</li> <li>Email/Phone Enquiries and Feedback</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Half-yearly</li> <li>Ad Hoc</li> </ul>	<ul style="list-style-type: none"> <li>Higher financial returns</li> <li>Property management</li> <li>The trend of premium beauty, fragrance and lifestyle categories</li> <li>Quality half-yearly and ad hoc press releases</li> <li>Relevant company announcements</li> </ul>	<ul style="list-style-type: none"> <li>By forging strong ties with its shareholders and investors by rewarding them with positive returns through systematic corporate governance practices</li> <li>By being transparent with its shareholders and investors through the publication of annual reports and sustainability reports on an annual basis</li> <li>By communicating with them on a regular basis</li> </ul>
Regulators 	<ul style="list-style-type: none"> <li>Surveys</li> <li>Electronic Communications</li> <li>Regulatory Submissions</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Half-yearly</li> <li>Ad Hoc</li> </ul>	<ul style="list-style-type: none"> <li>High standards of corporate governance</li> <li>Regulatory compliance</li> </ul>	<ul style="list-style-type: none"> <li>By being highly committed to regulatory compliance</li> <li>By ensuring the Group is complying with all relevant existing regulatory requirements</li> </ul>
Customers 	<ul style="list-style-type: none"> <li>Customer Feedback</li> <li>Management Summit</li> <li>Trade Shows and Product Launches</li> </ul>	<ul style="list-style-type: none"> <li>Frequent and ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Market presence of the brand</li> <li>Customer health and safety</li> <li>Security of properties</li> </ul>	<ul style="list-style-type: none"> <li>By ensuring customers are satisfied</li> <li>By ensuring customers' needs are always catered effectively through operational sustainability and high-quality business practices.</li> </ul>
Suppliers 	<ul style="list-style-type: none"> <li>Feedback via Email/Phone Call/ Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Frequent and ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Procurement practices</li> <li>Market practices</li> <li>Customer health and safety</li> </ul>	<ul style="list-style-type: none"> <li>By forming longstanding relationships with suppliers through effective communication between the Group and its suppliers</li> </ul>

Figure 4: List of stakeholder groups in FY2021

# SUSTAINABILITY @ THAKRAL

Stakeholder Group	Mode of Engagement	Frequency	Areas of Concern	How We Responded
Employees 	<ul style="list-style-type: none"> <li>Performance Appraisal/Training</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Ad Hoc</li> </ul>	<ul style="list-style-type: none"> <li>Competency development</li> <li>Performance management</li> <li>Fair employment practices</li> </ul>	<ul style="list-style-type: none"> <li>By being committed to developing and supporting employees via relevant training programs</li> </ul>
Community 	<ul style="list-style-type: none"> <li>Various Communications</li> </ul>	<ul style="list-style-type: none"> <li>Regular and ongoing</li> <li>Ad Hoc</li> </ul>	<ul style="list-style-type: none"> <li>Eco-friendly development</li> <li>Electricity consumption</li> <li>Compliance with local requirements on environment</li> </ul>	<ul style="list-style-type: none"> <li>By being committed to enhancing the living standards and health of the local communities through incorporating sustainability measures in its business model and being more environmentally conscious</li> <li>By being committed to supporting worthy social and community causes for the environments it operates in to contribute back to society and helping those in need in the local community</li> </ul>
Top Management 	<ul style="list-style-type: none"> <li>Board and its Sub-committees Meetings</li> <li>Regular Discussions</li> </ul>	<ul style="list-style-type: none"> <li>Half-yearly/ Ad Hoc</li> <li>Regular and ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Indirect economic impacts</li> </ul>	<ul style="list-style-type: none"> <li>By being highly committed to delivering strong results and enhancing its business performance with sustainable business measures in place</li> </ul>

Figure 4: List of stakeholder groups in FY2021 (cont'd)

In light of the ongoing global pandemic, our recent Annual General Meeting (“AGM”) with our shareholders was again held virtually. With the use of innovative technology, the meeting this year continued to be fully interactive, providing shareholders with the functionality to ask questions and vote live, which made the AGM more effective and enhanced shareholder engagement.

# SUSTAINABILITY @ THAKRAL

## MATERIALITY ASSESSMENT

In 2021, the Group continued to conduct its annual materiality assessment and stakeholder engagement exercise facilitated by an external consultant to identify Environmental, Social, and Governance (“ESG”) topics that are material to our business. Through regular engagement of our stakeholders, we keep abreast of their concerns and ensure that our sustainability strategy and initiatives are effective at addressing them.

The Group is committed to a holistic view of matters that are material to our stakeholders. In light of this, we have engaged our internal stakeholders, namely, the Board of Directors, senior and middle management, and a major shareholder, as well as external stakeholders such as business partners, customers, suppliers, regulators and business associates. The objective is to review and reassess the relevance of material ESG topics. This report implements the double materiality concept where the Group is reporting in accordance with the GRI Standards and the SASB Standards.

This year, our reporting scope expanded to include a new disclosure under GRI 401: Employment – *GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees*. On top of GRI disclosures, we also introduced SASB Standards into our sustainability reporting scope. Under the SASB Standards, we identified three material ESG topics that were important in our business – *Data Security, Labour Practices and Workforce Diversity*.

The table below outlines the material ESG topics and its scope and boundary for 2021:

Material Aspect	Aspect Boundary	Scope of Indicators		
		At Group Level	Investment <sup>1</sup>	Lifestyle <sup>2</sup>
GRI 201: Economic Performance 	Within the organisation	✓	Not in scope	Not in scope
GRI 202: Market Presence 	Within the organisation	Not in scope	✓	✓
GRI 307: Environmental Compliance 	Within the organisation	Not in scope	✓	Not in scope
GRI 401: Employment  +	Within the organisation	✓	✓	✓
GRI 404: Training and Education 	Within the organisation	Not in scope	Not in scope	✓

Figure 5: List of material ESG topics in FY2021

# SUSTAINABILITY @ THAKRAL

Material Aspect	Aspect Boundary	Scope of Indicators		
		At Group Level	Investment <sup>1</sup>	Lifestyle <sup>2</sup>
GRI 417: Marketing and Labeling 	Within the organisation	Not in scope	✓	✓
GRI 418: Customer Privacy 	Within the organisation	✓	✓	✓
SASB Data Security  +	Within the organisation	✓	✓	✓
SASB Labour Practices  +	Within the organisation	Not in scope	Not in scope	✓
SASB Workforce Diversity  +	Within the organisation	Not in scope	✓	✓

+ denotes the new disclosure added in FY2021

+ denotes the new topic added in FY2021

<sup>1</sup> Investment mainly refers to the businesses in Australia

<sup>2</sup> Lifestyle mainly refers to the businesses in China and Hong Kong

Figure 5: List of material ESG topics in FY2021 (cont'd)



# DELIVERING SUSTAINABLE ECONOMIC GROWTH

## ECONOMIC PERFORMANCE

GRI 201-1

The Group has delivered an outstanding performance in FY2021 – capitalising on its comprehensive strategies, solid fundamentals and strong teamwork to drive growth and boost earnings that surpassed our pre-COVID levels. We managed to achieve a net profit of S\$28.1 million, an increase of 73% compared to FY2020. This was on the back of consolidated revenue of S\$127.8 million for the year – a 42% increase in comparison to FY2020. Earnings before Interest, Forex and Tax were also up by 71% to S\$37.7 million for the year compared to S\$22 million in FY2020.

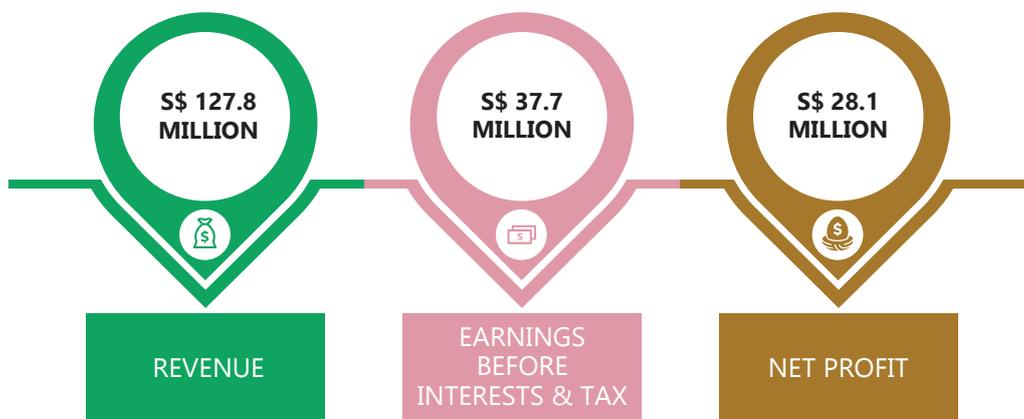


Figure 6: Thakral's FY2021 Economic Performance

Please refer to the relevant sections of our Annual Report 2021 for a detailed breakdown of the Group's FY2021 financial results.

The Group aims to maintain a prudent capital structure and reviews its cash flows, liquidity and debt maturities actively on an ongoing basis. Product sales revenue along with fees, rental and other income from its various real estate-related investments are the principal sources of the Group's operating cashflows. Apart from recycling cash released from maturity and sale/sell-down of investments, the Group also relies on bank facilities, investor funding as well as some vendor credit to support its funding requirements.

The Group continues to maintain a resilient and sustainable business model despite the challenges faced during the year, with the pandemic triggering major disruptions worldwide. We strive to provide long-term positive and sustainable returns to all shareholders, thus rewarding them with consistent dividends.

The Group's ability to pay dividends to shareholders even amid the difficulties brought on by the pandemic is a firm testimony of the strength and success of our strategies. This has allowed us to benefit from market opportunities and report creditable shareholder returns.

# DELIVERING SUSTAINABLE ECONOMIC GROWTH

## MARKET PRESENCE

GRI 202-2

The Group firmly believes that our edge resides in the diversity of our leaders as it provides opportunities for the Group to tap on market potential through our enhanced understanding of the area. The global nature of our business encourages diversity in leadership positions – exemplified through the appropriate composition of global and local appointments.

In 2021, the Group has maintained the reporting scope which includes our businesses in China, Hong Kong and Australia, as these locations are where our substantial operations currently reside. This disclosure excludes information about our smaller locally registered companies in other geographies.

Senior Management <sup>3</sup> at Significant Location	Mainland China	Hong Kong	Australia	Overall
Number of senior management at significant locations of operation	5	2	9	16
Number of senior management at significant locations of operation hired from the local <sup>4</sup> community	2	2	9	13
Percentage of senior management at significant locations of operation hired from the local community	40%	100%	100%	81%

<sup>3</sup> Senior management team is defined to include (i) Director & Deputy Director level (ii) CEO, COO & CFO (iii) select general manager level positions and above (iv) senior vice president (v) financial controllers

<sup>4</sup> Local is defined as employees who are citizens or have obtained long term residency and exclude those on employment permits

Figure 7: Thakral's FY2021 Senior Management at Significant Locations

The Group constantly strives to provide equal opportunity including maintaining the hiring rate of senior management among the locals. Apart from maximising the local community's economic benefit, the Group understands that our efforts to incorporate local community members into managerial positions can also enhance our capability of recognising and fulfilling local needs – which then creates favourable outcomes for all associated parties.

# DELIVERING SUSTAINABLE ECONOMIC GROWTH

## CORPORATE GOVERNANCE

The Group is committed to ensuring all its reporting exemplifies transparency, integrity, accountability and good governance by complying with stringent good governance standards. This is aligned with our goal to continue developing our business and enhance value creation for our stakeholders.

The Group's FY2021 Annual Report provides further details regarding its corporate governance practices and guidance from the principles and provisions of the 2018 Code of Corporate Governance (the "Code"). Different corporate policies, Board matters and terms of reference for the Board Committees aligned with the Code, were also used as guidance. The Board is dedicated to ensuring high standards of corporate governance are adopted throughout the Group. In FY2021, the Group boasts zero incidences of regulatory non-compliance with environmental laws, and/or regulations and it strives to maintain this achievement.

The Group is gratified that its efforts in applying good corporate governance and transparency practices were recognised through its selection as Runner-up for the title of "The Most Transparent Company Award" for the Consumer Discretionary category under the SIAS Investors' Choice Awards 2021 which recognises excellence in companies adopting corporate governance practices with rigour.

We maintain our commitment to business transformation, good governance and transparency to continuously deliver exceptional value to our shareholders.

## CORPORATE POLICIES

The Group believes that the cultivation and management of a supportive culture are key factors affecting the organisation's ethical business conduct and ethics. To protect the Group's and stakeholders' reputation and interests, employees are required to adhere to guidelines stated in the Code of Conduct and Ethics.

The Group's Code of Conduct and Ethics, Code of Best Practice on Security Transactions, Whistle Blowing and Personal Data Protection policies provide detailed guidance on issues such as:

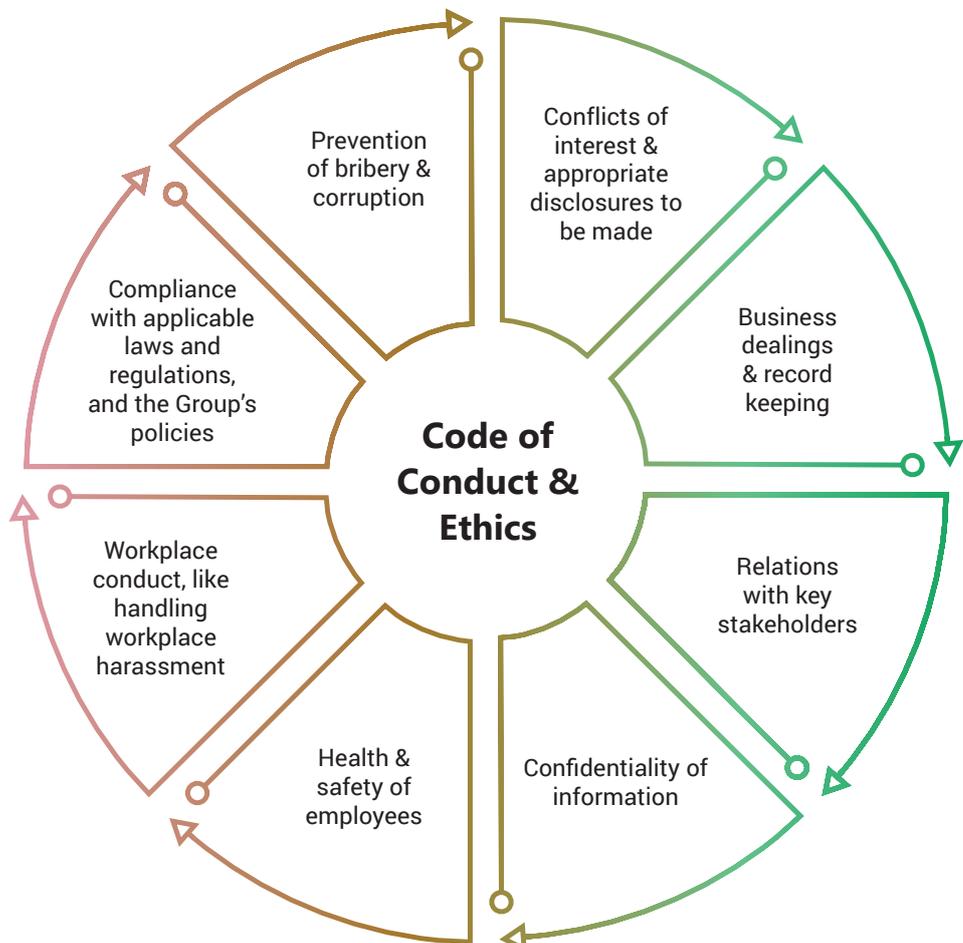


Figure 8: Thakral's Code of Conduct and Ethics

# MINIMISING ENVIRONMENTAL IMPACT

## PUSHING FOR SUSTAINABLE PRACTICES IN AUSTRALIA

Aligning to Thakral's commitment to business sustainability, the Group emphasises the need to embed environmental consciousness and practices in all our business strategies. The Management continues to strive for excellence in driving environmental practices across the region. This includes constant improvements in energy usage efficiencies for its day-to-day business operations.

In line with the Group's environmental commitment, GemLife continues to incorporate renewable energy and natural water treatment technologies in the development of its housing resorts in Australia. GemLife and the Group believe in safeguarding the environment and hence have invested in the implementation of technologies beneficial to the environment in our business operations and developments.

All GemLife homes are six-star energy rated and feature a host of eco-friendly standard inclusions, providing a good start for living sustainably. Every GemLife home and clubhouse is fitted with a 3kW solar Photovoltaic (PV) system on the roofs as a standard inclusion to power the entire site. The electricity generated by the PV system is delivered directly to the homes for electrical needs. Any excess electricity is exported to the shared electricity grid where it can be drawn at night during low electricity generation.



GEMLIFE BRIBIE ISLAND – HOUSES FITTED WITH SOLAR PANEL

Solar energy is one of the best alternative energy sources to fossil fuels. With the extensive implementation of rooftop PV systems across all GemLife homes, our greenhouse gas emissions will see a significant reduction, making it a big step towards lowering our carbon footprint.

# MINIMISING ENVIRONMENTAL IMPACT



GEMLIFE BRIBIE ISLAND'S DUX LAKE – PHASE 2 OF THE WETLAND PRESERVATION PROJECT

As part of GemLife’s effort to preserve the wetland in Dux Lake in Bribie Island, the lake is filled with an innovative floating man-made raft that houses hundreds of native wetland plants. Collectively, these plants form a biological Floating Water Treatment System (“FWTS”). FWTS fosters natural vegetation rehabilitation and provides a food source and refuge for fish for a biologically diverse and healthy ecosystem.

A fertigation system also works in conjunction with FWTS to maintain and monitor the plants’ condition. It replaces traditional fertilisation practices which release significant amounts of liquid or granular fertiliser several times a year.

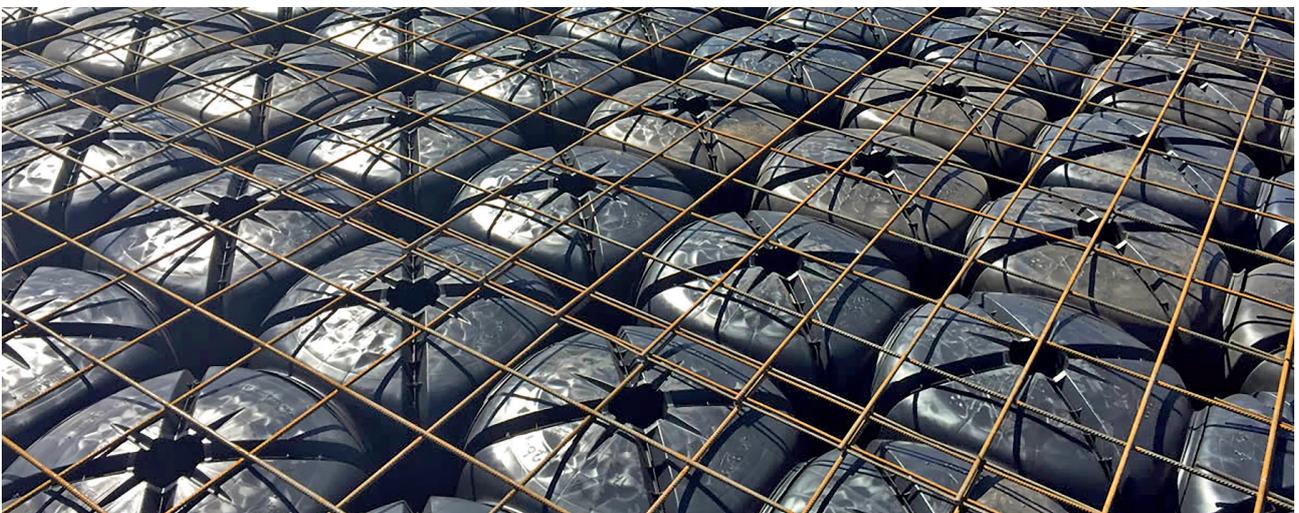
These two systems have ensured a healthy and vibrant wetland on Bribie Island, preserving the natural habitat and biodiversity. The innovation has also reduced energy, water consumption and maintenance efforts. GemLife is carrying out phase 2 of the wetland preservation project in the future by expanding FWTS into other areas of Dux Lake.

The Group continues to seek new practices and innovations to implement in its development for environmental sustainability.

## CONTINUOUS EFFORTS TOWARDS PURSUIT OF ZERO PRODUCT WASTAGE

GemLife commenced a trial of a new ecologically friendly concrete slab system in Q3 2021 at our GemLife Palmwoods resort, located in the Sunshine Coast hinterland.

The eco-friendly system, also known as the ‘slab voiding’ system by Cupolex, is made from 100 percent recycled materials including car bumpers and battery casings. This is not only good for the environment but has the added benefit of producing less wastage on-site than the traditional polystyrene waffle pod blocks. Furthermore, it facilitates the reduction of construction time and is cost-saving. The ecologically friendly system was tested for the first time during the construction of the GemLife Palmwoods resort managers’ residence.



CUPOLEX SYSTEM - NEW ECOLOGICALLY FRIENDLY CONCRETE SLAB SYSTEM

# MINIMISING ENVIRONMENTAL IMPACT

GemLife Manager of Commercial Construction Matt Bretherton said that the new system promised to be an excellent alternative to the polystyrene blocks currently used in GemLife's concrete slabs.

**“In addition to being an eco-friendly product, the Cupolex system results in zero product wastage. As the system is precisely engineered, concrete and reinforcing steel quantities can be accurately determined and wastage of these products is also minimised.”**

## **How it works**

Manufactured in Australia, the Cupolex system uses intelligent design to create exceptionally strong foundations comprised primarily of dome-like structures that sit within the concrete slab. Each plastic dome measures 59cm by 59cm in width and between 20cm and 35cm in height and interlocks to form the slab's substructure. The system is able to insulate the building's slab during both winter and summer as a result of the structures' air spaces.

Besides that, the system reduces site traffic as the domes are stackable and can be packed into a much smaller space than polystyrene blocks. This means fewer trucks are needed for delivery hence enabling some reduction in our carbon footprint.



# MINIMISING ENVIRONMENTAL IMPACT

## ENVIRONMENTAL COMPLIANCE

GRI 307-1

The Group is dedicated to complying with environmental laws and utilising renewable energy. This is part of our efforts to reduce the negative environmental impacts of our business operations as well as to sustain long-term financial growth.

Regarding our businesses in Australia, there are many opportunities for solar rebates that would push the Group into an advantageous position to improve our operational aspect of said business. Within GemLife, an environmental condition review is performed for every unique project where it considers the impact of the project's development on the prevailing land, nature or wildlife. Furthermore, submissions to obtain development approval from local councils are conducted prior to commencing site work.

The Group also continuously explores various avenues to incorporate renewable energy in developments. This is reflected in GemLife's residential projects where solar panels are installed to minimise the environmental impact on nature and the community, as well as to reduce electricity costs in the long run.

Constant monitoring and review are conducted to ensure that targets are achieved. External reviews of construction projects are carried out to verify that they are completed in compliance with the approved development application. These exercises help to assure that the construction projects are safe and adhere to local building legislation while protecting the environment.

We are pleased to report that there were no breaches of environmental laws or regulations identified during FY2021.

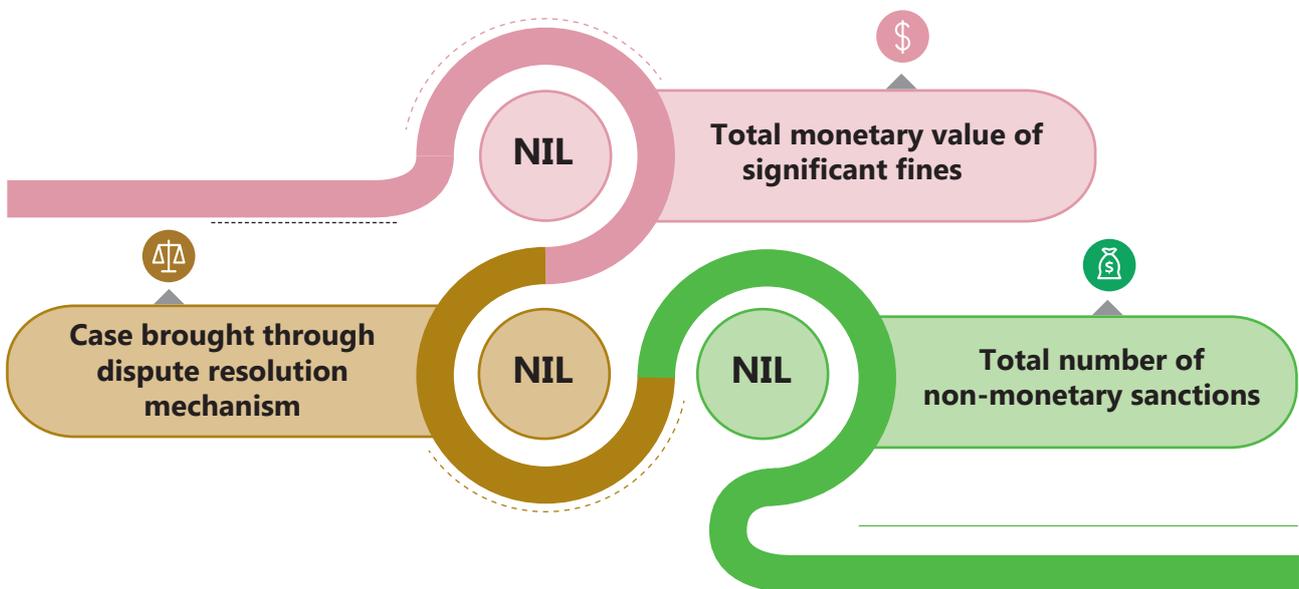


Figure 9: Thakral's FY2021 Performance for Environmental Compliance

# STRENGTHENING OUR HUMAN CAPITAL

## EMPLOYMENT

GRI 401-1

The Group appreciates having workforce diversity – celebrating the similarities and differences among employees that shape our business today. We recognise that intricate multifaceted business challenges are effectively managed through diverse thought processes, perspectives and ideas. The Group oversees and enhances its internal diversity and inclusion practices to gain a competitive advantage.

As of 31 December 2021, the Group including GemLife, an associated company, had a total of 251 employees.

The figure below shows the breakdown of the Group’s workforce by geographical location, gender and age.

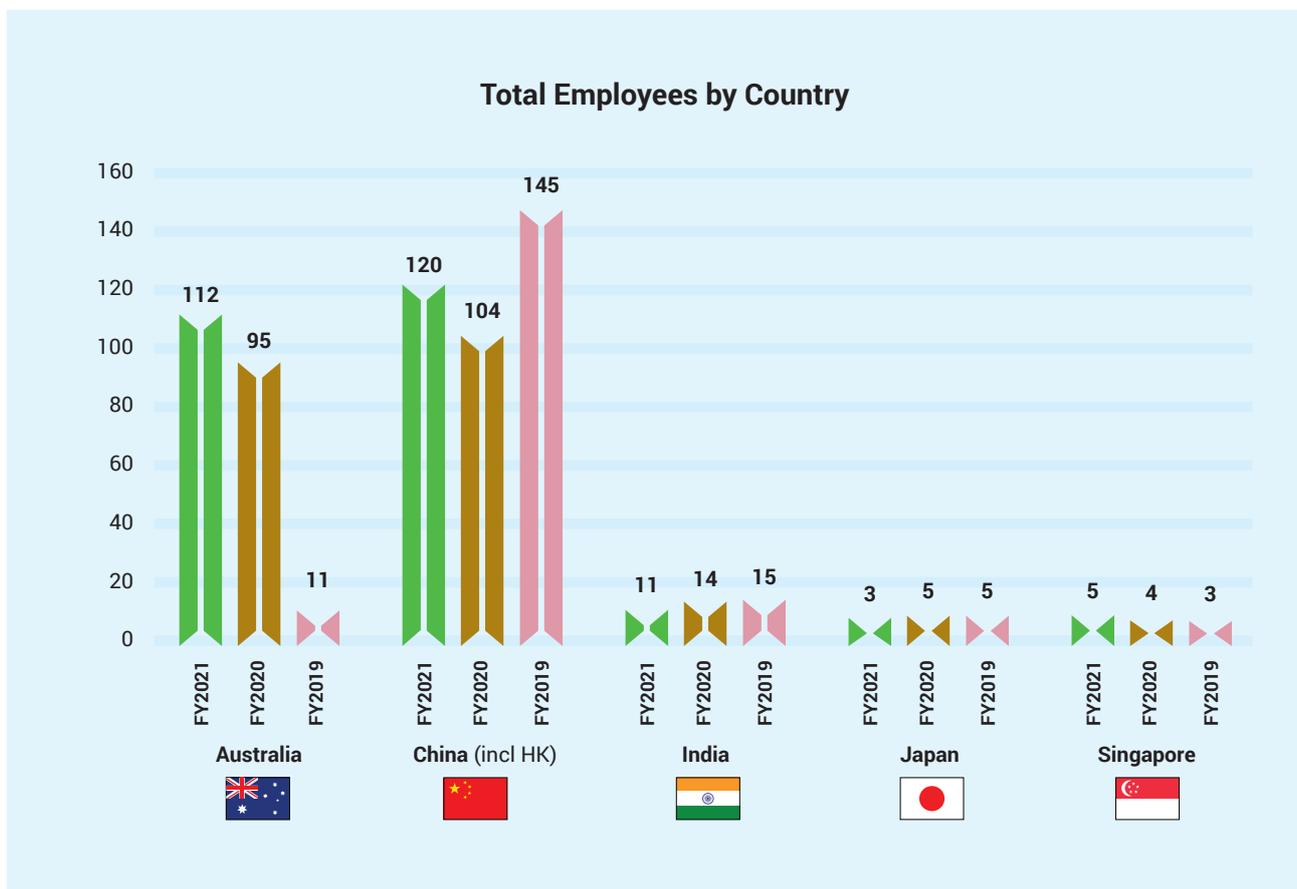


Figure 10: Thakral's FY2021 Employee Breakdown

# STRENGTHENING OUR HUMAN CAPITAL

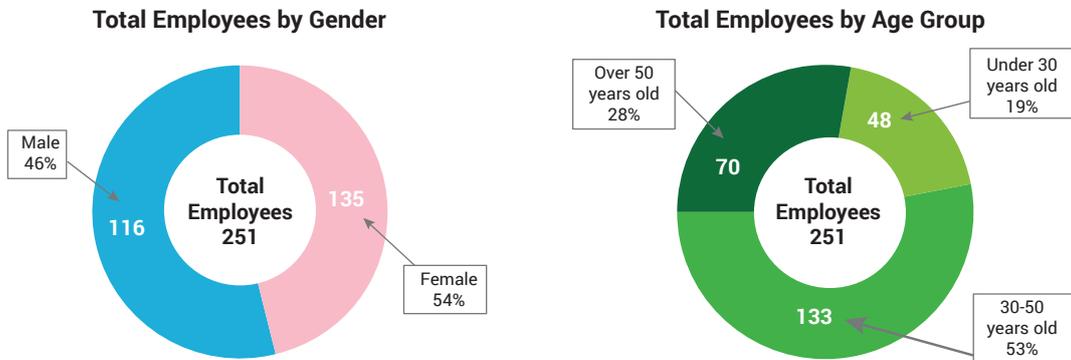


Figure 10: Thakral's FY2021 Employee Breakdown (cont'd)

At Thakral, we believe that our employees are the drivers of the Group's success. The Group makes continuous efforts to provide a conducive and safe working environment, together with opportunities for career and personal development. The Group's recruitment process adheres to strict guidelines including zero discrimination against individuals with respect to their race, age, gender, religion and nationality. Aside from ensuring a fair and just recruitment process, all employees are paid at or above the applicable prescribed minimum wages.

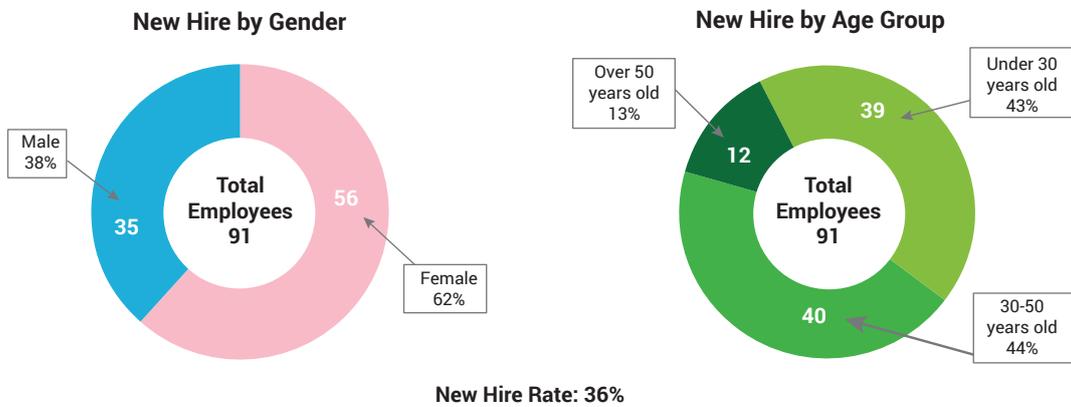


Figure 11: Thakral's FY2021 New Hire Statistics

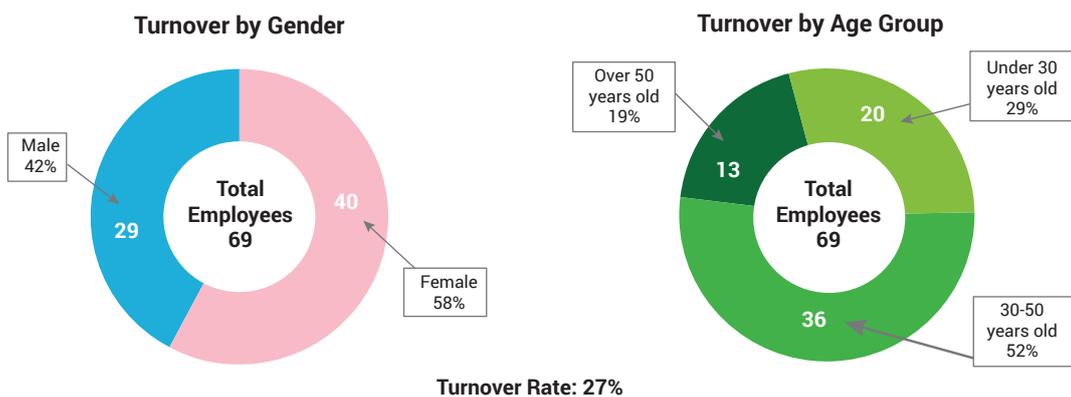
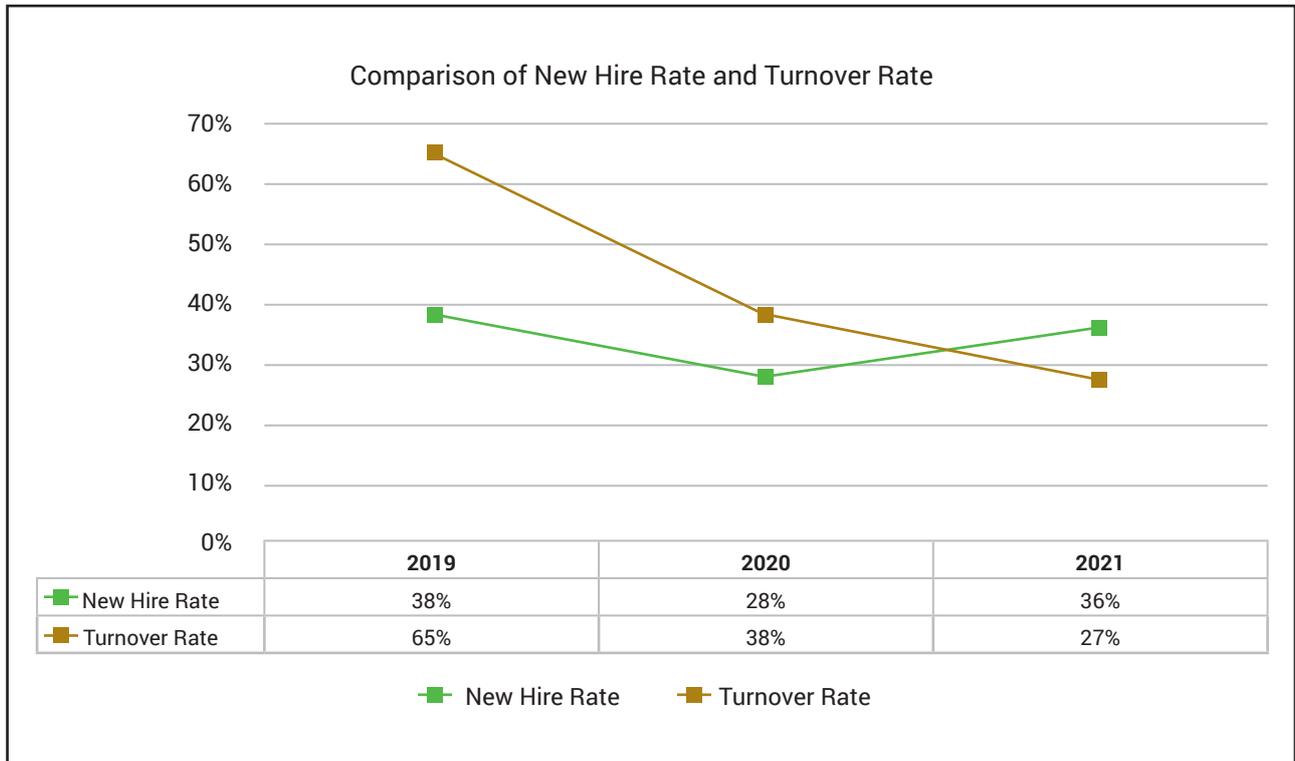


Figure 12: Thakral's FY2021 Turnover Statistics

# STRENGTHENING OUR HUMAN CAPITAL



*Figure 13: Comparison of New Hire Rate and Turnover Rate*

As we go forward, the Group seeks to continue providing fair and equal employment opportunities regardless of race, age, gender, religion or nationality. We will seek to maintain business resilience through continuous management of our manpower requirements as well as employee turnover.

# STRENGTHENING OUR HUMAN CAPITAL

## EMPLOYEE BENEFITS AND LABOUR PRACTICES

GRI 401-2 / SASB Labour Practices

In FY2021, the Group is reporting GRI 401-2 concerning benefits provided to full-time employees covering our Australia and China (including Hong Kong) businesses. In order to attract and retain talent, we offer attractive fringe benefits to our employees. Our compensation package includes life, personal accident and healthcare insurance for hospitalisation and outpatient services along with parental leave and retirement provisions according to local employment legislation. For our employees in Australia, their healthcare is covered through the government's Medicare system, known as Australia's universal healthcare scheme which offers access to a wide range of health and hospital services to eligible participants. Meanwhile, for our employees in China and Hong Kong, coverage for disability and invalidity is included in the Employee Compensation Policy under the Employment Ordinance.

Our investment business in Australia also rewards employees' performance through stock ownership under an employee share option scheme. Both full-time and part-time employees, subject to performance review, are entitled to participate in this scheme.

To provide a competitive remuneration structure, we regularly review our compensation policies to ensure that we are aligned to market requirements as well as examining internal factors in efforts to retain qualified employees. We seek to cultivate a positive organisational culture that nurtures our talent while recognising their contribution to the Group's success.

In FY2021, the Group's business in China is disclosing our labour practices according to the Sustainability Accounting Standards Board (SASB) to provide transparency on our operations. We are pleased to share that all our employees in China are earning above the minimum wage as prescribed by the government.

The figure below shows the details of our labour practices for the business mentioned above.

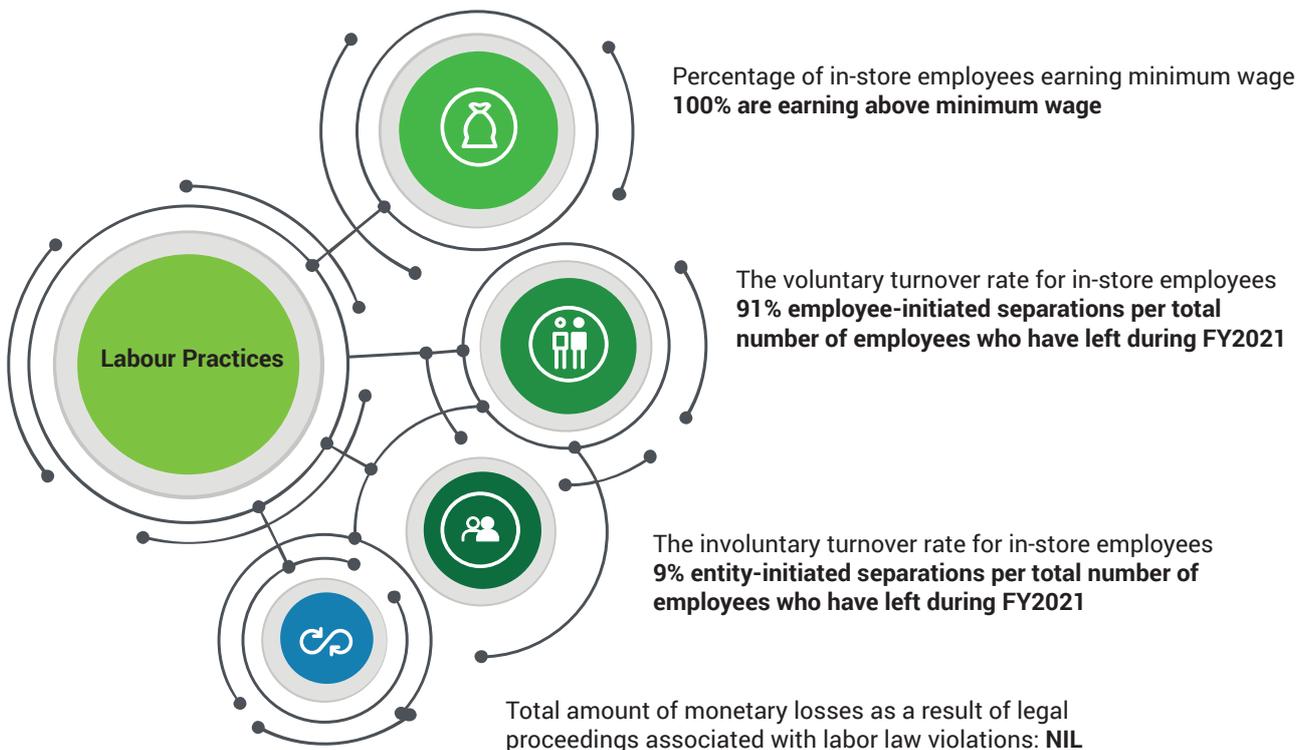


Figure 14: Thakral's FY2021 Labour Practices Data for China and Hong Kong Business

# STRENGTHENING OUR HUMAN CAPITAL

## TRAINING AND EDUCATION

GRI 404-1 / GRI 404-2

The success of a sustainable business is centred around the Group's workforce capabilities. Along with this is the cultivation of a conducive working environment where learning is encouraged thus, offering room for employees to grow, improve productivity and thrive in their careers. We strongly believe that personal development and upskilling are crucial to maintaining operational efficiency and standards as well as keeping abreast of industry trends.

Similar to our disclosure since FY2019, for FY2021, the Group is reporting training and education details for our businesses in China and Hong Kong.

The figure below shows the breakdown of the training hours for the business mentioned above.

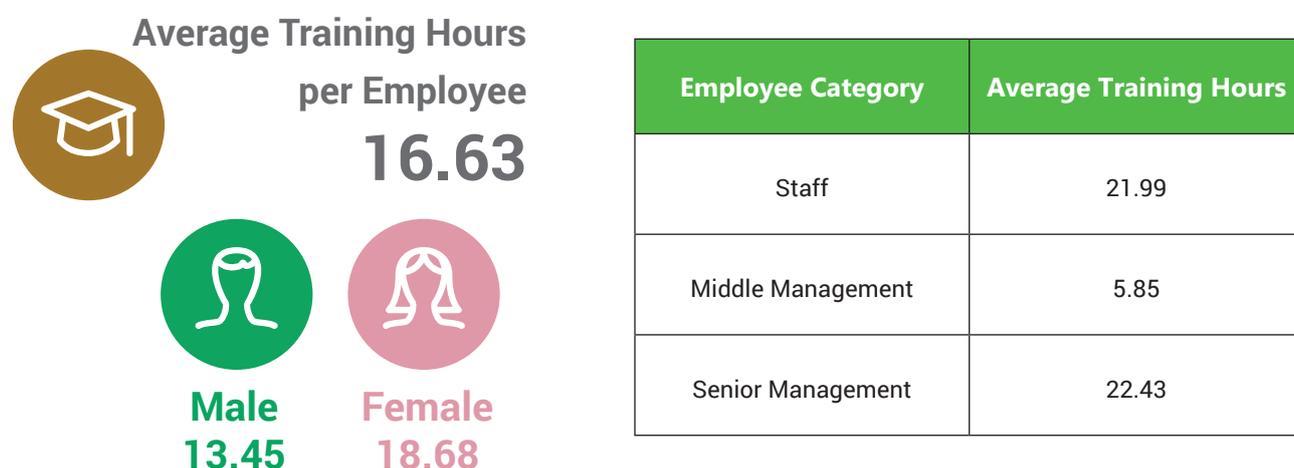


Figure 15: Thakral's FY2021 Performance for Training and Education

As compared to the data collected in our previous financial year, we recorded a total of 1,996 training hours in FY2021 – nearly double the amount in FY2020, with an increase in the average training hours per employee from 8.74 to 16.63.

Business Categories	Brand & Product	Finance & Accounting	New Employee Orientation	Regulatory Affairs	Others	Total
No. of Training Hours	1,480.5	48	440.0	24.0	3.5	1,996
Percentage of Training Hours	74.2%	2.4%	22.0%	1.2%	0.2%	100%

Figure 16: Thakral's FY2021 Performance for Training and Education by Business Category

# STRENGTHENING OUR HUMAN CAPITAL

As per Figure 16, the majority of the training was attended by employees from the Brand & Product related functions and topics, followed by New Employee Orientation, which consists of a number of sessions spread over a period of time and designed to give new joiners a welcome and productive start, also forms a significant part.

Given the fast-changing and hands-on nature of our operations in China and Hong Kong, our main focus is on-the-job learning and targeted internal workshops. Additionally, we provide both full and partial financial support for select employees to complete professional development courses to facilitate their career progression.

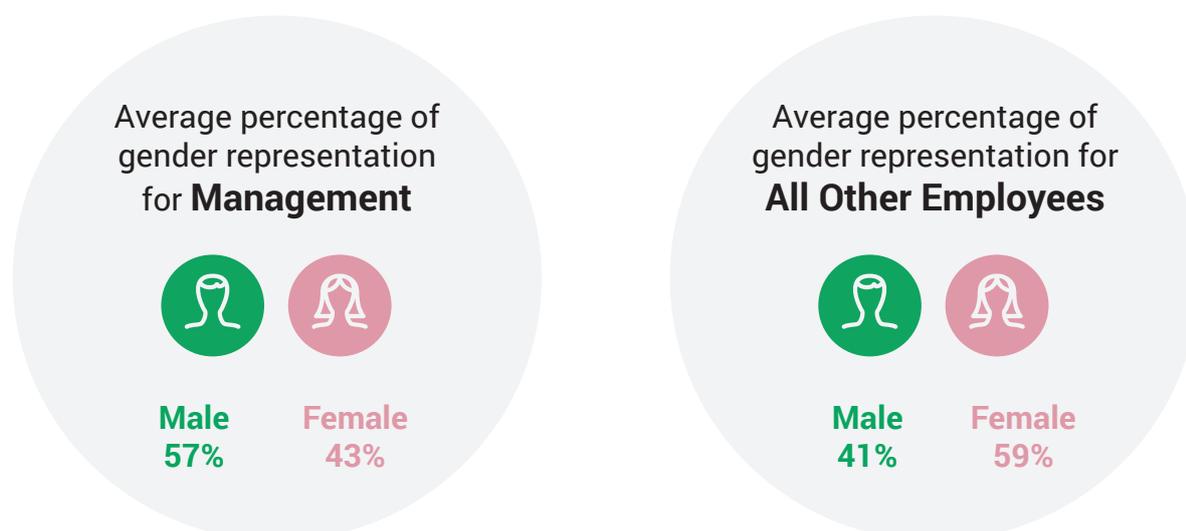
The Group aspires to invest in all our employees to ensure that they are well-equipped with the necessary skills to solve complex business challenges and advance in their careers. We evaluate our overall training approach annually and make updates for the following year based on business requirements. We also review relevant training needs when we take on a new brand for distribution. This is achieved through ongoing check-ins with functional leaders and 'trainees' with assistance from the Human Resource department, where outcomes and concerns are collated and discussed during leadership meetings.

## WORKFORCE DIVERSITY AND INCLUSION

SASB Workforce Diversity and Inclusion

In FY2021, the Group's businesses in Australia, China and Hong Kong are detailing our workforce diversity according to the Sustainability Accounting Standards Board (SASB).

The figure below shows the breakdown of our workforce diversity for the businesses mentioned above.



No. of Employees	Gender		Total
	Male	Female	
Management <sup>5</sup>	32	24	56
All Other Employees (Excluding Management)	72	104	176

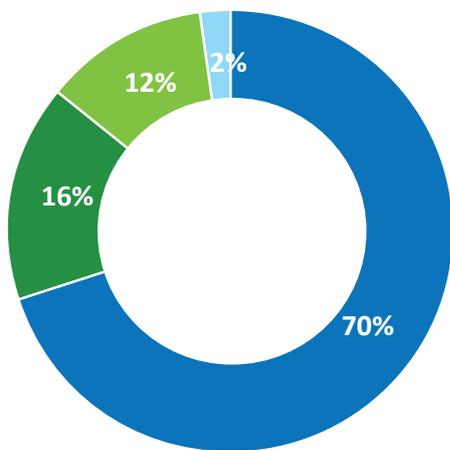
<sup>5</sup> Management is defined as the Senior and Middle Management of Thakral's business

Figure 17: Thakral's FY2021 Workforce Gender Representation

# STRENGTHENING OUR HUMAN CAPITAL

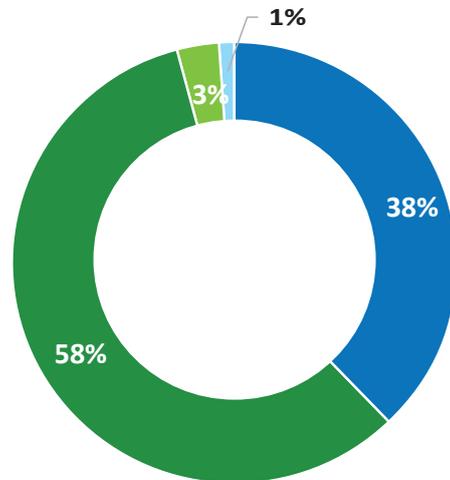
The Group observed that collectively, there were slight variations between the percentage of males and females between management and non-management employees. The Group acknowledges the importance of gender diversity and that there is room for improvement in the development of female managers.

Average Percentage of Racial/Ethnic Group Representation for Management



■ Chinese ■ Australian ■ Indian ■ Others

Average Percentage of Racial/Ethnic Group Representation for All Other Employees



■ Chinese ■ Australian ■ Indian ■ Others

**Total amount of monetary losses as a result of legal proceedings associated with employment discrimination, in reporting currency: **NIL****

Figure 18: Thakral's FY2021 Workforce Racial/Ethnic Group Representation

With regards to the racial and ethnic group representation within the workforce, the majority of management is represented by Chinese (70%), Australian (16%), Indian (12%) and Others (2%), reflecting our relative team size across different locations. Meanwhile, most of all other employees excluding management are represented by Australian (58%), Chinese (38%), Indian (3%) and Others (1%).

The Group would like to note that our Australian business does not collect data regarding race and ethnicity as it is considered inappropriate to classify employees in that manner. Hence, all employees are considered Australian in relation to this exercise.

# SUPPORTING RESPONSIBLE BUSINESS PRACTICES

The Group firmly believes that delivering accurate and transparent information to its customers is a vital element of being a responsible business.

Delivering what we communicate is key to keeping our commitments to our homeowners and consumers as part of our responsible business practices. This indirectly generates awareness and contributes to our reputation as a responsible and trustworthy organisation.

Other than ensuring the dissemination of accurate and transparent information to its customers, the Group believes that the protection and proper use of corporate and personal data influence our ability to conduct business with utmost integrity, forge trust and abide by regulatory requirements. We, therefore, strive to fortify our governance and accountability processes (including working with 3rd party online platforms) to protect our organisational and customers' personal data.

## MARKETING AND LABELING

GRI 417-2

The Group remains committed to being fully compliant with all advertising and labeling rules and regulations in its respective countries.

In Australia, we work to ensure accuracy and transparency of information in our communication to homeowners through our advertising, promotion and sales materials and activities, social media channels, videos and website. This is essential in ensuring we deliver what we promised.

For our beauty, fragrance and lifestyle business, we work with brand owners that have proper product labeling and accurate information (such as ingredients and instructions on usage) that are compliant with the respective rules and regulations for its products to help consumers make informed choices. As part of this process, we make an effort to provide regular feedback to brand owners to ensure that they remain compliant.

We are pleased to report that there have been zero incidents of non-compliance regarding product and service information and labeling during FY2021, which the Group aims to maintain.

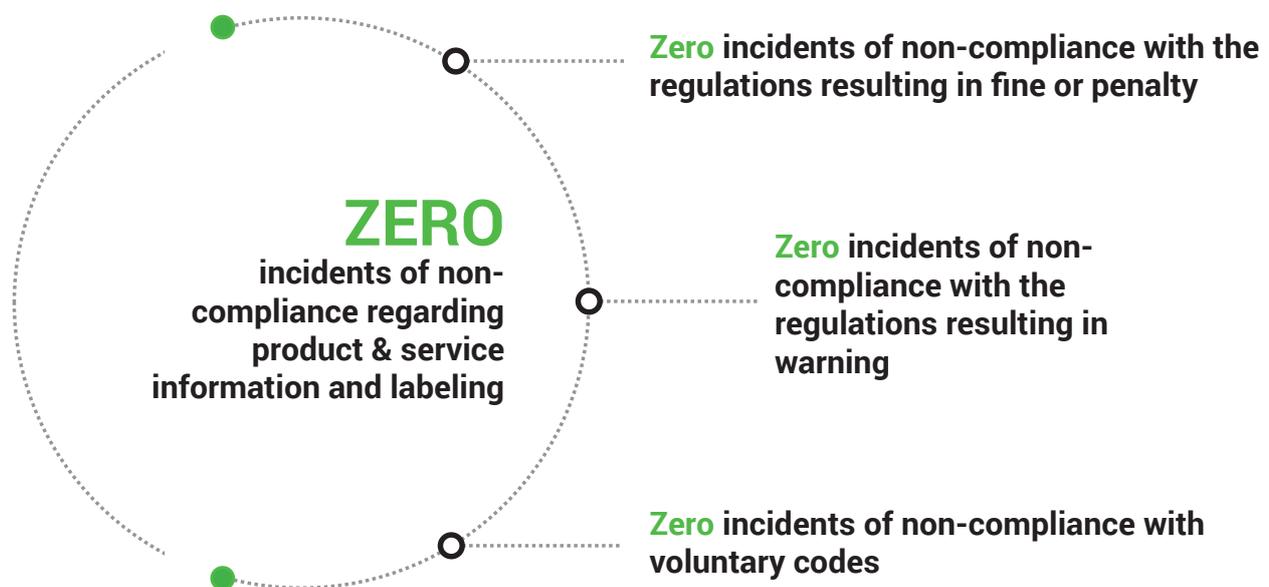


Figure 19: Thakral's FY2021 Performance for Marketing and Labeling

# SUPPORTING RESPONSIBLE BUSINESS PRACTICES

## CUSTOMER PRIVACY AND DATA SECURITY

GRI 418-1/ SASB Data Security

The Group believes that the protection and proper use of corporate and personal data influence our ability to conduct business with utmost integrity, forge trust and abide by regulatory requirements. One such policy that the Group observes is the Personal Data Protection Policy in Singapore which serves as a guideline for employees to instil awareness while facilitating compliance with applicable data protection laws. The policy is reviewed annually and whenever changes are made to Singapore's Personal Data Protection Act.

In efforts to implement effective record management as prescribed by Singapore law, the Group continuously ensures that our data collection procedures and documentation adhere to the Advisory Guidelines in relation to National Registration Identification Card (NRIC) and Other National Identification Numbers used by Singapore's Personal Data Protection Commission.

In Australia, as the financial legislation frequently requires specific information to be recorded and retained by businesses, the Group has improved the controls to safeguard customers' personal data. This is also considering the innovation that comes from big data and the heightening threat to data security.

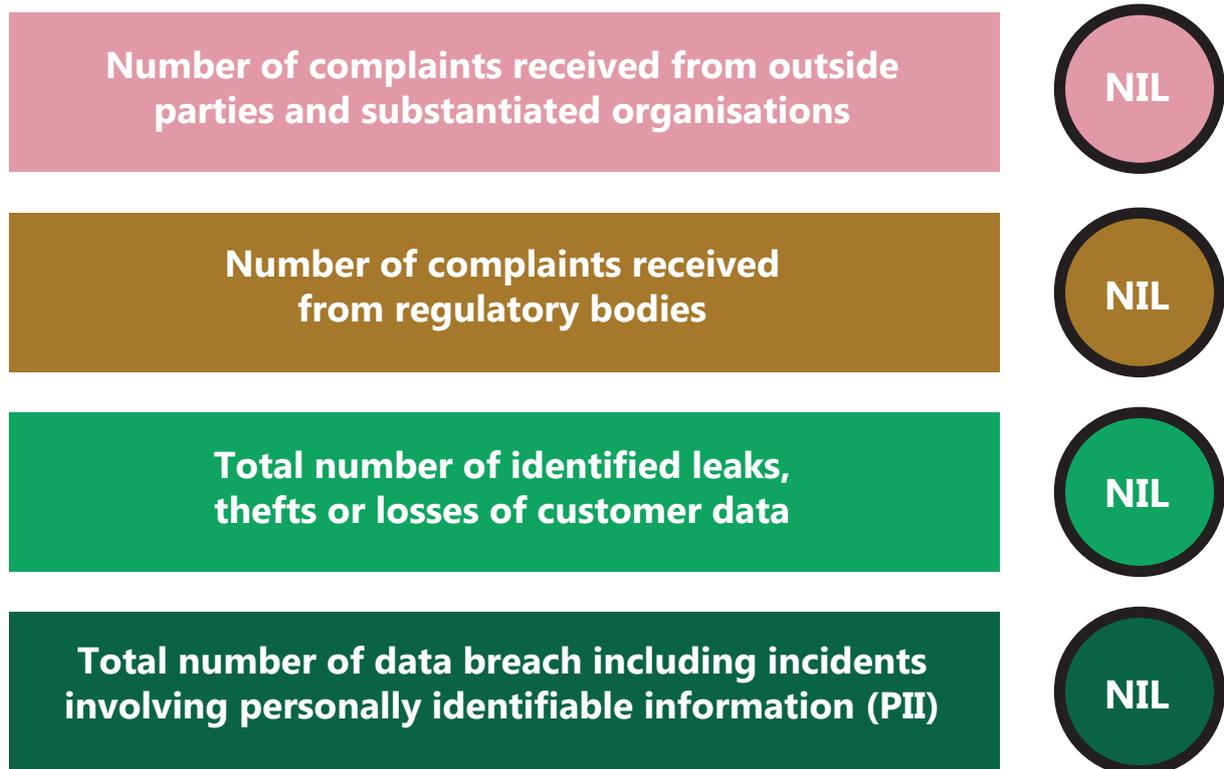


Figure 20: Thakral's FY2021 Performance for Customer Privacy

As part of our dedication to enhancing the security of our customer's privacy, in FY2021, the Group is reporting in accordance with SASB's Disclosure Topic: Data Security. The Group's businesses have developed processes to identify and address data security risks.

# SUPPORTING RESPONSIBLE BUSINESS PRACTICES

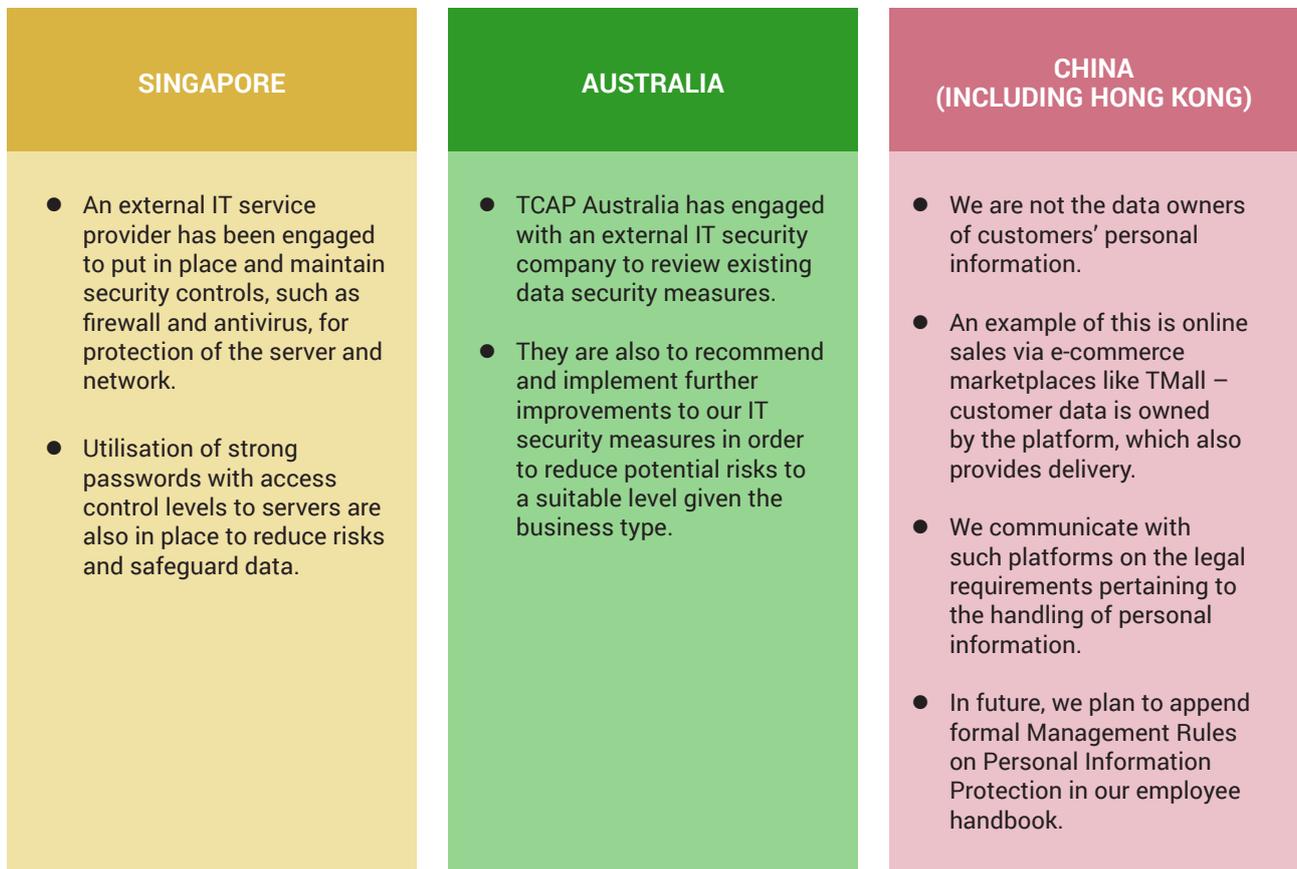


Figure 21: Thakral's FY2021 Approach to Identifying and Addressing Data Security Risks

The Group strives to fortify its governance and accountability processes to protect organisational and customer personal data. This is demonstrated through our achievement of zero complaints about customer privacy breaches or loss of customer data recorded in FY2021. We remain committed to maintaining our professional standards on customer data privacy and achieving zero complaints.

# EMPOWERING LOCAL COMMUNITIES

The Group strives to drive positive and meaningful change for local communities in the markets where we operate through participation in corporate social responsibility activities. We continue to focus on key areas of our social and community commitments – community care and engagement, health and safety, disadvantaged communities and environmental impact.

Below are some of the social and community activities and updates that the Group has been involved in this year.

## MAKING A POSITIVE SOCIAL IMPACT

### Australia

GemLife continues to be actively committed to having a positive social impact on the areas around its resorts, supporting the wider community through a range of social responsibility initiatives, including ongoing support of community arts, sports clubs and events. It has supported many national, state, and local organisations and events via sponsorships and fundraising initiatives since launching in late 2016, contributing well over A\$200,000 to date.

The following were some of the activities in FY2021:

1. Australia's Biggest Morning Tea fund raising event across GemLife resorts, May to June 2021



GemLife was proud to continue supporting the Cancer Council's annual Australia's Biggest Morning Tea fundraising event (to help fund research, prevention and support services for those affected by cancer) across its various resorts, raising more than A\$7,000. All proceeds went directly to the Cancer Council towards fulfilling its aim for a cancer-free future.

# EMPOWERING LOCAL COMMUNITIES

- 2. Cancer Council Queensland Charity Golf Day, attended by GemLife Bribie Island residents at the nearby Bribie Island Golf Club, March 2021.

More than A\$20,000 was raised for this very worthy cause!



# EMPOWERING LOCAL COMMUNITIES

## 3. GemLife Gold Coast Beach Parade, May 2021



GemLife was proud to sponsor this terrific community event which showcased the Gold Coast lifestyle and raised money for the Currumbin Wildlife Hospital to help care for koalas and other native wildlife.

More than 950 people turned up for the GemLife Gold Coast Beach Parade at Burleigh Beach last year, raising A\$20,500 for the Currumbin Wildlife Hospital Foundation.

GemLife was the proud naming sponsor of the parade, a fun and colourful community event attended by people of all ages that celebrated Gold Coast's famous beach culture while fundraising for Currumbin Wildlife Hospital.

The event, which also set a record for the largest number of participants wearing koala-ear visors in beachwear while completing the three-kilometre parade route, was attended by well-known celebrities such as actor Lincoln Lewis, actress and TV host Lynn Gilmartin and surfer Joel Parkinson among others.

# EMPOWERING LOCAL COMMUNITIES

## 4. Sponsorship of the 30th Noosa Surfing Festival, May 2021



GemLife was a proud sponsor of the Seniors Division and the inaugural retro-style Twin Fin Invitational of the 30th Noosa Surfing Festival, a ten-day community event held from 14 to 23 May 2021.

# EMPOWERING LOCAL COMMUNITIES

## Singapore

For the third consecutive year, the Group sponsored the North East Growth Fund (Milk & Diaper programme) which helps needy families residing in Singapore's North East district to defray some of the cost of raising young children. The Group's contribution supports 250 children per year in Singapore with the purchase of milk formula for needy families with children aged 3 years and below. Since 2019, the North East Growth Fund has helped close to 2,400 children below 6 years old in having their daily essentials of milk powder and diapers.

In 2019, the Group had made a charitable donation to AWWA Ltd ("AWWA"), a Singapore-based registered charity that delivers a wide range of programmes and services. These include early intervention for pre-schoolers, education and integration support for children and adults with additional needs, social assistance for vulnerable families, and care services for seniors. This donation goes towards supporting the building of a second AWWA School ("AWWA School @ Bedok") to cater to 300 children with autism. The Group is pleased to update that the construction of the AWWA School @ Bedok was completed and it has commenced operations on 4 January 2022. AWWA School provides special education to children with multiple disabilities and children with autism, aged 7 to 18, to maximise the potential for independence and improve the quality of life of students with special needs. The school also emphasises providing work experience and exposure to its students to give greater support to move on to the workplace thus increasing the chances of positive post-school outcomes for students and their families.



Front Facade



Courtyard



Classroom

COMPLETED AWWA SCHOOL @ BEDOK

# GRI

## CONTENT INDEX

GRI Standard 2016	Disclosure Title	Page Reference & Remarks
<b>GRI 102: GENERAL DISCLOSURE 2016</b>		
<b>ORGANISATIONAL PROFILE</b>		
102-1	Name of the organisation	About This Report, Page 1
102-2	Activities, brands, products and services	Business in Brief, Pages 2-7
102-3	Location of headquarters	Business in Brief, Pages 2-7
102-4	Location of operations	Business in Brief, Pages 2-7
102-5	Ownership and legal form	Business in Brief, Pages 2-7
102-6	Markets served	Business in Brief, Pages 2-7
102-7	Scale of the organisation	Business in Brief, Pages 2-7
102-8	Information on employees and other workers	Strengthening Our Human Capital, Pages 27-33
102-9	Supply chain	Business in Brief, Pages 2-7
102-10	Significant changes to organisation and its supply chain	Business in Brief, Pages 2-7
102-11	Precautionary principle or approach	Sustainability@Thakral, Pages 8-19
102-12	External initiatives	Minimising Environmental Impact, Pages 23-26 Empowering Local Communities, Pages 37-41
102-13	Membership of associations	Not Applicable
<b>STRATEGY</b>		
102-14	Statement from senior decision-maker	Sustainability@Thakral, Pages 8-9
<b>ETHICS AND INTEGRITY</b>		
102-16	Values, principles, standards and norms of behaviour	Sustainability@Thakral, Pages 8-19
<b>GOVERNANCE</b>		
102-18	Governance structure	Sustainability@Thakral, Page 15

# GRI

## CONTENT INDEX

GRI Standard 2016	Disclosure Title	Page Reference & Remarks
<b>REPORTING PRACTICE</b>		
102-45	Entities included in the consolidated financial statements	Annual Report 2021, Pages 133-142
102-46	Defining report content and topic boundaries	About This Report, Page 1
102-47	List of material topics	Sustainability@Thakral, Pages 8-19
102-48	Restatements of information	No restatements were made in 2021
102-49	Changes in reporting	Not Applicable
102-50	Reporting period	About This Report, Page 1
102-51	Date of most recent report	Sustainability Report 2020 published on 24 May 2021
102-52	Reporting cycle	About This Report, Page 1
102-53	Contact point for questions regarding the report	About This Report, Page 1
102-54	Claims of reporting in accordance with the GRI Standards	About This Report, Page 1
102-55	GRI content index	GRI Content Index, Pages 42-44
102-56	External assurance	About This Report, Page 1
103-1	Explanation of the material topic and its boundary	<b>Economic Performance:</b> <ul style="list-style-type: none"> <li>Delivering Sustainable Economic Growth, Page 20</li> </ul> <b>Market Presence:</b> <ul style="list-style-type: none"> <li>Delivering Sustainable Economic Growth, Page 21</li> </ul> <b>Environmental Compliance:</b> <ul style="list-style-type: none"> <li>Minimising Environmental Impact, Page 26</li> </ul> <b>Employment:</b> <ul style="list-style-type: none"> <li>Strengthening Our Human Capital, Pages 27-29</li> </ul> <b>Employee Benefits:</b> <ul style="list-style-type: none"> <li>Strengthening Our Human Capital, Pages 30</li> </ul> <b>Training and Education:</b> <ul style="list-style-type: none"> <li>Strengthening Our Human Capital, Pages 31-32</li> </ul> <b>Marketing and Labeling:</b> <ul style="list-style-type: none"> <li>Supporting Responsible Business Practices, Page 34</li> </ul> <b>Customer Privacy:</b> <ul style="list-style-type: none"> <li>Supporting Responsible Business Practices, Pages 35-36</li> </ul>
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

# GRI

## CONTENT INDEX

GRI Standard 2016	Disclosure Title	Page Reference & Remarks
<b>MATERIAL TOPICS</b>		
<b>GRI 201: ECONOMIC PERFORMANCE 2016</b>		
201-1	Direct economic value generated and distributed	Delivering Sustainable Economic Growth, Page 20 Annual Report 2021, Pages 82-158
<b>GRI 202: MARKET PRESENCE 2016</b>		
202-2	Proportion of senior management hired from the local community	Delivering Sustainable Economic Growth, Page 21
<b>GRI 307: ENVIRONMENTAL COMPLIANCE 2016</b>		
307-1	Non-compliance with environmental laws and regulations	Minimising Environmental Impact, Page 26
<b>GRI 401: EMPLOYMENT 2016</b>		
401-1	New employee hires and employee turnover	Strengthening Our Human Capital, Pages 27-29
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Strengthening Our Human Capital, Page 30
<b>GRI 404: TRAINING AND EDUCATION 2016</b>		
404-1	Average hours of training per year per employee	Strengthening Our Human Capital, Pages 31-32
404-2	Programs for upgrading employee skills and transition assistance programs	Strengthening Our Human Capital, Pages 31-32
<b>GRI 417: MARKETING AND LABELING 2016</b>		
417-2	Incidents of non-compliance concerning product and service information and labeling	Supporting Responsible Business Practices, Page 34
<b>GRI 418: CUSTOMER PRIVACY 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Supporting Responsible Business Practices, Pages 35-36

# SASB STANDARDS

SASB Code	Accounting Metric	Page Reference & Remarks
<b>MATERIAL TOPICS</b>		
<b>Data Security</b>		
CG-MR-230a.1	Description of approach to identifying and addressing data security risks	Supporting Responsible Business Practices, Pages 35-36
CG-MR-230a.2	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Supporting Responsible Business Practices, Pages 35-36
<b>Labour Practices</b>		
CG-MR-310a.1	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	Strengthening Our Human Capital, Pages 27-30
CG-MR-310a.2	(1) Voluntary and (2) involuntary turnover rate for in-store employees	Strengthening Our Human Capital, Pages 27-30
CG-MR-310a.3	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Strengthening Our Human Capital, Pages 27-30
<b>Workforce Diversity &amp; Inclusion</b>		
CG-MR-330a.1	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	Strengthening Our Human Capital, Pages 32-33
CG-MR-330a.2	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Strengthening Our Human Capital, Pages 32-33



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