

**SUSTAINABILITY
REPORT
2017**



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MESSAGE FROM THE EXECUTIVE CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER



It gives me great pleasure to introduce our first Sustainability Report for the financial year ended 31 December 2017 (“FY2017”). It highlights our achievements over the previous 12 months in working alongside with our valued stakeholders to build a sustainable business based on resilience, adaptability and innovation.

In this, our first Sustainability Report, we firmly believe in building a sustainable business that is fully accountable for our impact on the environment, our customers, our people and our community.

The delivery of sustainable results is a critical aspect of our ability to remain a strong and financially stable company. It puts into focus our commitment to principles laid out in our Corporate Sustainability Policy. Our responsibility

to society is to ensure that sustainable practices are incorporated into every link of our value chain. We must meet the needs not only of our customers, employees and the community we operate in, but also those of future generations.

This report provides details about how we have met our sustainability responsibilities towards our key stakeholders during FY2017 and beyond.

ABOUT THE REPORT

This is our first Sustainability Report. It articulates our commitment to sustainability and transparency. It is designed to provide a transparent and balanced view of Cityneon's sustainability efforts, reflecting and addressing the interests and issues of our key stakeholders. This report aims to include comprehensive and accessible information on our strategy towards sustainability, key issues as well as data according to recognised standards.

Report Scope

The report covers Cityneon Holdings Limited and its subsidiaries (the "Group") for the FY2017. The report's content is defined in accordance with Global Reporting Initiative ("GRI") reporting principles including stakeholder inclusiveness, sustainability context, materiality and completeness.

This report aims to provide an overview of our approach, priorities and targets of key sustainability areas. It covers sustainability strategies, initiatives and practices carried out by our business operations. Material issues and topics are determined based on materiality principle taking into consideration the Group's activities and the activities of our local supply chain that have significant economic, environment and social impact. The report also provides a performance review for our key sustainability areas.

Report Methodology

We have prepared our report in accordance with GRI Standards reporting guidelines at the "In Accordance-Core" level. The GRI Standards were chosen because of their modular structure and flexibility in disclosure of sustainability topics and comparability which are useful for benchmarking. The report is also developed in accordance with Singapore Exchange Limited's (SGX's) "comply or explain" requirements of primary components of a sustainability report. Our data is reported in good faith and to the best of our knowledge. We will continue to improve our data collection processes.

We did not seek external assurance for this report.

Report Structure

This Sustainability Report is structured to highlight the impact of material issues on our value creation and business performance as well as the interests of our key stakeholders. We will describe the process in identifying and prioritising material issues within the context of economic, environment and social aspects. We have identified five key stakeholder groups, namely, the environment and future generations, employees, customers, suppliers and communities. We will highlight how we engage each stakeholder group, how our material issues are identified as well as how the issues are prioritised and managed. Further, we will present our initiatives on how we address issues relevant to our topics and boundaries. Finally, we will provide information on our key performance indicators, performance targets and outcomes.

The information regarding the basis for report boundaries and our materiality assessment is provided in Page 6.

This report provides the basis for our responses and disclosures to the GRI Standards In Accordance-To-Core requirements. Relevant sections in the report are referenced in the GRI Content Index provided in page 21.

Report Contact and Feedback

Thank you for your interest in our Sustainability Report. We welcome and value your feedback on this report and encourage you to contact us through the following channels:

■ In writing to:
Rachel Lee
Cityneon Holdings Limited
Cityneon Building
25 Tai Seng Avenue, #06-01
Singapore 534104

■ Via our contact page at www.cityneon.net/find-us/

This report is provided in PDF format only and is available for download on the following page of our website: www.cityneon.net/investor-relations/#sustainability-reports.

Vision and Mission

Cityneon is a global leader at creating large-scale, iconic experiences that leave visitors with lasting memories. We leverage our years of experience, strong financial standing, and strategic partnerships to deliver large-scale projects in four key areas: Events & Exhibitions, Thematic Attractions, Interior Architecture and Intellectual Property Experiences. Our creative expertise and offerings across the value chain enable us to ensure our events and experiences are distinctive and memorable. Our employees operate according to a set of core values that guide all aspects of our business.

Corporate Values

Think Big

As global leaders with the right resources, we focus on creating large-scale experiences anywhere in the world.

Think Different

We tap on our extensive experience & creative talent to always come up with fresh, compelling ideas to create immersive experiences.

Be Nimble

Given our scale & creative expertise, we are always looking at what is next, and seizing new opportunities where we can.

Governance

Our Board of Directors (the “Board”) oversees all corporate governance and operational matters relating to our business. For corporate sustainability, the Board is supported by the Corporate Sustainability Committee (“CSC”) which is chaired by our Executive Chairman and Group Chief Executive Officer (“CEO”) and includes

designated senior executives. The CSC provides leadership and approval over corporate sustainability matters such as Corporate Social Responsibility (“CSR”) plan, community investment and environmental initiatives. Supported by the CSC, our Corporate Sustainability Champion (the “Champion”) is our Subject Matter Expert (“SME”) in the area of corporate sustainability, and pro-actively raises awareness through education and training across the organisation. Through the Corporate Sustainability Work Group (“CSWG”), our Champion engages businesses and functions in collectively executing the CSR plan, identifying and managing the Environment, Social and Governance (“ESG”) factors as well as engaging sustainability stakeholders. Businesses and functions provide back-to-back assurance over the quality of information for sustainability reporting.

Ethics and Compliance

As a public company listed on SGX, we adopt the highest standards of corporate governance as required in the listing rules. We strictly conform to local and international best practices. Our corporate governance framework covers ethics and compliance through a Code of Conduct as well as action guidelines which are to be adhered by the officers and employees across the organisation. Every new employee is instructed on our Code of Conduct and policies on ethics and compliances which include zero tolerance for corruption. Communication channels, such as whistle-blowing and a Board escalation process, are in place to enable all employees and individuals to report incidences of unethical behaviour. We have a dedicated officer for maintaining a register of incidences regarding ethics and compliance issues which will be escalated to the management where appropriate.



INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

We believe CSR is a key driver towards long-term sustainability. CSR is one of the core values in our corporate culture. Integrating CSR into our management processes and business practices across the value chain enables us to establish credibility among our stakeholders and ensuring that our strategy and operations are in line with our vision for sustainable growth. Through our sustainability activities, we are contributing to protecting the environment for future generations.

Sustainability Management Framework

In July 2017, we took the initiative to establish our sustainability reporting framework. We performed an analysis of our business and operation models as the basis for our stakeholder mapping and materiality assessment. Through our analysis, we identified five key stakeholder groups within our sustainability context and their respective material issues are shown in this report.

Key Stakeholders and Material Issues

We have regular reviews, assessments and feedback on ESG topics. Key to this is our Risk Assessment and Control Self-Assessment exercise which entails the identification, assessment and documentation of material risks and corresponding internal controls. Such material risks include fraud and corruption, environmental, health and safety, and human capital risks. We are continuously improving the adequacy and effectiveness of our Risk Assessment and Control Self-Assessment processes in response to the changing business and operation environment.

Through regular stakeholder engagement, we identify and review material issues that are most relevant and significant to us and our stakeholders. For external stakeholders, priority is given to issues important to the society and applicable to us. Then, we prioritise the sustainability issues that are most material to the business and stakeholders. Considering that specific stakeholders and material issues are specific in countries and locations, we are reporting the stakeholder engagement and material issues principally for our Group's operations in this report.

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

Stakeholders	Material Issues	Significance
Future Generations 	<ul style="list-style-type: none"> ■ Recycling of product material and packaging ■ Environmental education of our employees and customers ■ Reduction of carbon emissions ■ Energy consumption ■ Compliance with best practices and standards on Green initiative, such as, Building & Construction Authority (“BCA”) Green & Gracious Builders Award 	<p>Our sustainability agenda for the environment and future generations is embedded into the day-to-day business activities among our staff. We continuously strive to improve from a holistic perspective through the company culture and practices. Within the big picture of sustainability, we take steps to focus on key goals such as curbing global warming, conserving and recycling resources. Such areas are crucial to a sustainable economic ecosystem for our customers which is key to our business sustainability.</p>
Employee 	<ul style="list-style-type: none"> ■ Employee well-being through workplace health & safety and work life balance ■ Regular training of employees on critical skillsets to sustain competitiveness ■ Competitive compensation scheme to retain talents ■ Non-discrimination, diversity and equal opportunity ■ Senior management engagement with employees 	<p>An ethical and professional working environment is crucial in cultivating a corporate culture which motivates and empowers our employees to meet their full potential both professionally and personally.</p> <p>Our ability to identify and attract people with knowledge and talent is crucial to the sustainability of our businesses.</p>
Customer 	<ul style="list-style-type: none"> ■ Safety of our customers in our services delivery ■ Customer data privacy ■ Customer satisfaction and customer-centric approach 	<p>The quality and safety of our services and products are the core focus of our commitments. Through our quality and safety commitments to our customers, we will, in turn, be contributing to their own successful sustainable development.</p>
Supplier 	<ul style="list-style-type: none"> ■ Environmental, labour and human rights impact in the supply chain 	<p>To effectively and meaningfully implement our sustainability agenda, it is important that our suppliers and partners share our values in their business practices in the areas such as the environment, human rights, labour practices and business ethics. Such alignment of values is a crucial part of building mutually beneficial relations with suppliers and channel partners to enhance both our and their competitiveness.</p>
Community 	<ul style="list-style-type: none"> ■ Impact on communities, local economies, and future generation education ■ Economic value generated and distributed to local community 	<p>Our community engagements are focussed on educating today’s youth and providing financial and practical support to targeted local and overseas communities, through donation, sponsorship, fundraising and voluntary activities.</p>
Common To All Stakeholder Groups 	<ul style="list-style-type: none"> ■ Compliance with prevailing laws and regulations ■ Good corporate governance and ethics, transparency and non-financial reporting ■ Ethical business practices such as zero tolerance for corruption ■ Grievance mechanisms 	<p>Legal compliance and ethical practices are the core foundation of our business. Our culture is established and sustained through strong corporate governance, transparent reporting and open communications with all our stakeholder groups.</p>

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

Alignment with International Initiatives

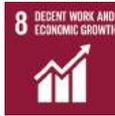
Sustainable Development Goals (“SDGs”)

Established in 1945 under the Charter of the United Nations (“UN”), the General Assembly occupies a central position as the chief deliberative, policymaking and representative organ of the UN. Comprising all 193 Members of the UN, it provides a unique forum for multilateral discussion of the full spectrum of international issues covered by the Charter. It also plays a significant role in the process of standard-setting and the codification of international law.

On 25 September 2015, the UN General Assembly adopted the 17 SDGs to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years. Although the SDGs are primarily aimed at governments, they represent an important opportunity for businesses to also act for a more sustainable world. We will use SDGs as one of the guiding principles for our sustainability initiatives.

We acknowledge that our participation in reaching the SDGs has room for improvement. As we advance on our sustainability journey, we will continue to assess our alignment with the SDGs and, whenever possible, redirect our internal priorities and sustainability strategy to more effectively and comprehensively to address the goals.

SDGs Logo Source: <http://www.un.org/sustainabledevelopment/news/communications-material>

SDGs	Relevant Targets to Our Businesses (Source: http://sustainabledevelopment.un.org)	Our Participation
	13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	We have our own internal processes and environmental policies to reduce electricity and fuel consumption. Our approach to mitigating climate change includes staff training and implementing energy-efficient measures. We monitor and report our Greenhouse Gas (“GHG”) emissions and set reduction targets.
	15.1: By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands are in line with obligations under international agreements.	All the paper used in our offices is either Forest Stewardship Council (“FSC”) certified or made from KHAN-NA. We actively promote the use of such papers across our organisation. Through that, the Company supports efforts in mitigating global warming and the creation of positive rural community engagement, job opportunity, and better livelihood for the farmers and members of the community.
		The following SDGs are relevant to our business, operations and value chain. They are addressed in our various policies at group level. Such goals are also embedded in various initiatives carried out across the organisation.
		
		
		
		
		
		
		
		
		
		
		

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS



We do not believe these goals are relevant to our business or industry. They are not within our boundaries and scope of influence; therefore, we are currently unable to make noticeable contributions to such goals.

United Nations Global Compact (“UNGC”)

UNGC is a United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UNGC is a principle-based framework for businesses, stating 10 principles in the areas of human rights, labour, the environment and anti-corruption.

Below are the references of our report to the 10 principles of the UNGC.

Principle		Page Reference
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights.	Pages 13, 16
Principle 2	Make sure that they are not complicit in human rights abuses.	Pages 13, 16
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Pages 13, 16
Principle 4	Elimination of all forms of forced and compulsory labour.	Pages 13, 16
Principle 5	Effective abolition of child labour.	Page 13
Principle 6	Elimination of discrimination in respect of employment and occupation.	Pages 13, 16
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges.	Page 12
Principle 8	Undertake initiatives to promote greater environmental responsibility.	Page 12
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	Page 12
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Page 5

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS

Awards and Achievements

Year	Description
2017	Outstanding Leader in Asia Award at the 4th Asia Corporate Excellence & Sustainability Awards (“ACES”) – Executive Chairman and Group CEO, Ron Tan
2017	Expo Best Exterior Design – Honourable Mention (Qatar Pavilion, World Expo Astana 2017, Kazakhstan)
2017	People’s Choice Award (Qatar Pavilion, World Expo Astana 2017, Kazakhstan)
2017	National Business Awards 2017 – Diversified Services (Oman Pavilion, World Expo Milan 2015, Italy)
2017	International Business Awards 2017 – Media & Entertainment (AVENGERS S.T.A.T.I.O.N.)
2015	HDB Quality Partners Award 2015
2015	BCA Green And Gracious Builder Award
2014	ISO 14001:2015 Certificate
2014	Singapore HEALTH Award – Silver
2012	Gold Award for Theme Development (Oman Pavilion, World Expo Yeosu 2012, Korea)
2012	Bronze Award for Category Theme Development (Oman Pavilion, World Expo Yeosu 2012, Korea)
2012	Singapore HEALTH Award – Bronze
2012	Agility-Saceos Golf 2011, Champion Award
2010	Bronze Award for Creative Display (Qatar Pavilion, World Expo Shanghai 2010, China)

STAKEHOLDER ENGAGEMENT

We proactively engage internal and external stakeholders through various channels to identify and understand issues, concerns and interests relevant to them. We believe that effective engagement with stakeholders enables us to align our business decisions with stakeholders' needs and concerns.

The table below shows our engagement initiatives, material issues identified and our responses to address these issues.

Stakeholder	Management Approach	Engagement Initiatives	Outcomes and Responses
Environment and Future Generations 	Environmental Management System ("EMS"), Environmental Policy, EMS Guidelines, Waste Recycling/Management, Green Campaigns, ISO 14001 Certification	Internal Awareness and Education	Energy Efficient Lighting (e.g. LED), Digital Filing and Document to Reduce Paper Consumption
Employee 	Code of Conduct, Fair Employment Practices, Training and Career Development, Flexible Work Policy, Pension Scheme, WHS Framework, OSHAS Certification, bizSAFE	Staff Communication Sessions, Staff Feedback Process, Staff Exit Interviews	Work Life Balance Programmes, Training Programmes, Employee Benefits, Re-engagement
Customer 	Customer Relationship Management System, Policies on Quality Assurance, Data Security for Customer Information, Privacy Policy, ISO9001	Customer Feedback Process, Competitive Benchmarking survey, Customer Data Protection Awareness and Education Program	Customer Complaints and Compliments Statistics / Trending, Create and Engage Brand Ambassadors
Supplier 	Supplier Selection and Regular Review Process	Feedback and Communication with Suppliers through Supplier Performance Review	Incident Register, Supplier Engagement
Community 	Selection of Community Initiatives in Alignment with Organisation Goals	Community Engagement Programmes CSR Programme, Awards and Accolades, Corporate Rebranding	Increase Visibility of the Company's CSR Efforts, Internship Programmes (Support Young Talents who are Disciplined, Creative, and Innovative), Education Scholarships, Awards and Accolades Programmes

OUR SUSTAINABILITY EFFORTS

Protecting Our Environment for the Future Generations

Our Approach

We are committed to maintaining and building on our stringent environmental policies and standards across the Group. We continually seek new and innovative ways to reduce the environmental impact of our products and services while maintaining the highest levels of quality. We recognise our responsibility to protect the environment for the health and well-being of future generations.

FY2017 is our first year of sustainability reporting. FY2017 will be used as the reference against which the performance will be measured in subsequent years.

Reduction of Carbon Footprint

We recognise that effective management and monitoring of carbon footprint can reduce operating costs, raise brand profile, create a competitive edge and increase stakeholder value. Our carbon footprint is measured in terms of GHG emission. However, GHG emission is an absolute measure of how much carbon dioxide equivalent (“CO₂e”) is emitted. Our GHG emission is predominantly indirect (Scope 2) emission. We have insignificant direct (Scope 1) emission, and we do not include the GHG emissions generated by our suppliers (Scope 3).

Considering the changes and dynamics of our business and operations, we established our GHG emission efficiency index for consistent tracking of carbon footprint over time. To this end, we have set a target for GHG emission efficiency improvement of 23% by year 2030. Our target for GHG emission improvement is 1.8% per year. Although various business lines and operations account for different percentage of GHG emissions across the organisation, they all support this target and have aligned our environmental objectives accordingly.

Reduction of Paper Consumption

All our employees are urged to minimise paper wastage at work by adhering to our Internal Paper Usage Reduction Guidelines. For example, double-sided printing is set as a default, lower grammage paper is used for daily printing, and blank sides of unneeded single-sided copies are used for printing drafts. Paper re-use and recycling habits are also cultivated through initiatives such as our in-house reminders posted near the photocopy machines.

All waste paper from our own offices is collected for recycling. Further, we encourage all our employees to adopt digital documents instead of paper documents with an aim to further reduce paper consumption.

Considering the changes and dynamics of our business and operations, we established our paper consumption index for consistent tracking of paper consumption over time. To this end, we have set a target for a paper consumption improvement of 23% by year 2030. Our target for paper consumption improvement is 1.8% per year. Although various business lines and operations account for different percentage of paper consumption across the organisation, they all support this target and have aligned our environmental objectives accordingly.

In FY2017, we consumed total of 2,648 kg of paper, 100% of which are either FSC certified or made from KHAN-NA. Our paper consumption index stands at 22.7.

Promoting Green Practices

We have embraced various green practices in our business and operation such as ISO 14001 and Green and Gracious Builders Award from BCA.

The ISO 14000 family of standards provide practical tools for organisations looking to manage their environmental impact. ISO 14001:2015 sets out the criteria for an environmental management system. Adopting ISO 14001:2015 provides assurance to our management and employees as well as external stakeholders that environmental impact is being measured and improved.

BCA launched the Green and Gracious Builder Scheme in February 2009. The scheme was introduced to raise the environmental consciousness and professionalism of builders. Apart from setting standards for green practices, it also sets standards for gracious practices. These gracious practices will improve the image of our builders particularly among neighbours and residents, some of whom may have been affected by construction activities near them.

Caring for Our Employees

Our Approach

Our people are our most valuable resource. They are the driving force for all our business initiatives. Investing in their professional and personal well-being is vital to our business sustainability. One of our goals is to establish, among our employees, work ethics which are in line with our core values and Code of Conduct.

We recognise that a motivated workforce will convey a positive and powerful message to all our key stakeholders, such as our customers, suppliers and the community. By attracting, nurturing, empowering and rewarding our employees, we create an environment conducive for innovation and inspiration to flourish and boost our competitiveness. Such commitment to our employees promotes a corporate culture of passion, quality, excellence and trust within the organisation, enhancing our ability to create value for our stakeholders.

Our Human Resource (“HR”) management principles and policies have been developed and established based on the fair employment practices. Our HR policies cover remuneration, benefits, health and safety, career development and training. Our policies are communicated to all our employees through our comprehensive Employee Handbook which is regularly reviewed by our management and we constantly seek feedback from our staff to ensure that our policies are aligned as much as possible with their needs.

Our business operates in an environment which comprises diverse races, cultures and geographic locations. Our pragmatic HR policies take into consideration prevailing laws and regulations as well as local culture, norms and racial sensitivity.

Employment Practices

Our employment practices focus on maximising the expertise and contributions of our employees through our comprehensive training and development programmes. We regularly review the performance and development of our employees to effectively match their strength with their job specifications. Our performance-based reward scheme provides guidance and motivation to our employees to perform to their potential in alignment with the objectives of the company.

1. The Tripartite Guidelines on Fair Employment Practices

We proactively adopt the Singapore Tripartite Alliance for Fair and Progressive Employment Practices. The Singapore Tripartite Alliance comprises the Ministry of Manpower, Singapore National Employers Federation and National Trades Union Congress. The Tripartite Alliance has formulated guidelines on fair employment practice for adoption by Singapore employers, embracing the recruitment, training, treatment and reward of employees.

2. Communication

As our Company grows, effective communication across the organisation is crucial to ensure continuous alignment of employees and organisational objectives. We achieve this through our various communication sessions customised to the needs of employees. Communication sessions for our managers are held on a regular basis. Agendas covered at these sessions are tailored to functional scope of the managers. For example, the monthly managers’ meetings may include operational issues such as leadership and operation while the quarterly sessions focus on higher level topics including strategic business directions, new service launches, ongoing developments and key project reviews.

OUR SUSTAINABILITY EFFORTS

3. Employee Feedback

We value our employees' expertise in their areas of responsibilities. Therefore, their feedback is important in the improvement of our overall management and operations of the organisation. We gather valuable feedback through various employee engagement channels, such as employee objectives setting, performance review as well as exit interview in the case of resignations.

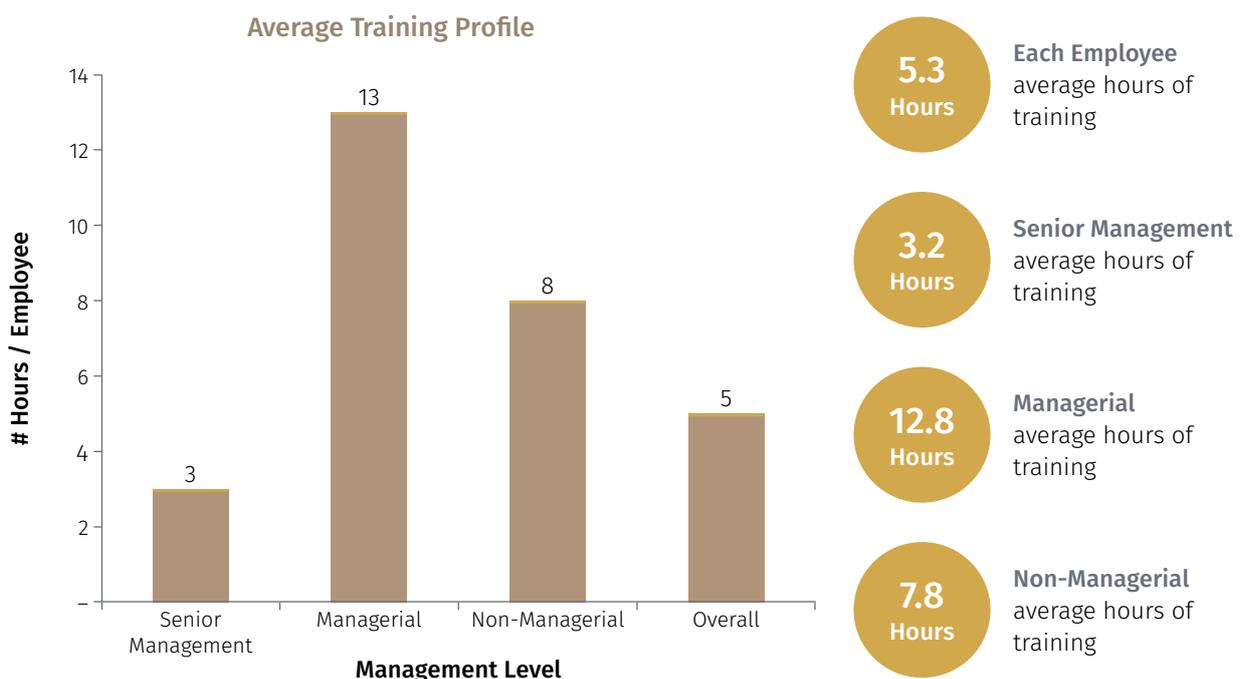
In addition, there are other feedback channels to address specific business and functional issues, such as health and safety and compliance. Such feedback is managed by the managers of specific business and functional domains. We have also established reporting and escalation channels should the feedback require the attention of higher management.

4. Career Development and Training

We recognise that consistent and ongoing education is critical to maintain a competitive, skilled, productive and motivated workforce. Employee career development and performance management are established based on merits and contributing skill sets towards the organisation objectives through objective settings and regular performance reviews. We continue to review and improve our career development and performance review process in light of the changing business and operation environment.

Our training programme caters to employees with different job scopes and skill set requirements. Our core training curriculum and contents are developed and guided by well-established industry and international standards such as ISO 9100, ISO 14000, OHSAS 18001 and bizSAFE. In addition, specific training curriculums are developed based on the requirements of the specific businesses and functions. Training topics range from soft skills development such as communications and leadership to technical programmes covering project management and office productivity tools.

In FY2017, each employee received an average of 5.3 hours of training. We recognise that the training requirements vary depending on the levels of management responsibilities. Each senior manager registered an average of 3.2 hours of training while the managerial and non-managerial staff received an average of 12.8 hours and 7.8 hours of training respectively. In light of the changing business requirements and training methodologies, we continue to revise our training curriculum and programme to align with the organisation's objectives and to strive for the effectiveness and efficiency in our training approach.



OUR SUSTAINABILITY EFFORTS

Workforce Diversity

Our business thrives on diversity. Our strengths and skills come from a diverse workforce comprising different ethnic groups, religion, age and gender.

In FY2017, 54 of our employees were female, comprising 43% of our workforce, while 71 (57%) employees were male. In terms of management function, 4 females (29%) held managerial positions compared to 10 males (71%), while 48 females (47%) and 55 males (53%) held non-managerial positions. The male to female ratio of managerial and non-managerial positions were 10:4 and 55:48 respectively. From the age profile perspective, there were 39 employees below 30 years old. The number of employees between 30 and 50 years old was 68 as compared to 18 employees above 50 years old. All members of our senior management team, including general managers, directors and unit heads, are Singaporeans and Singapore Permanent Residents.

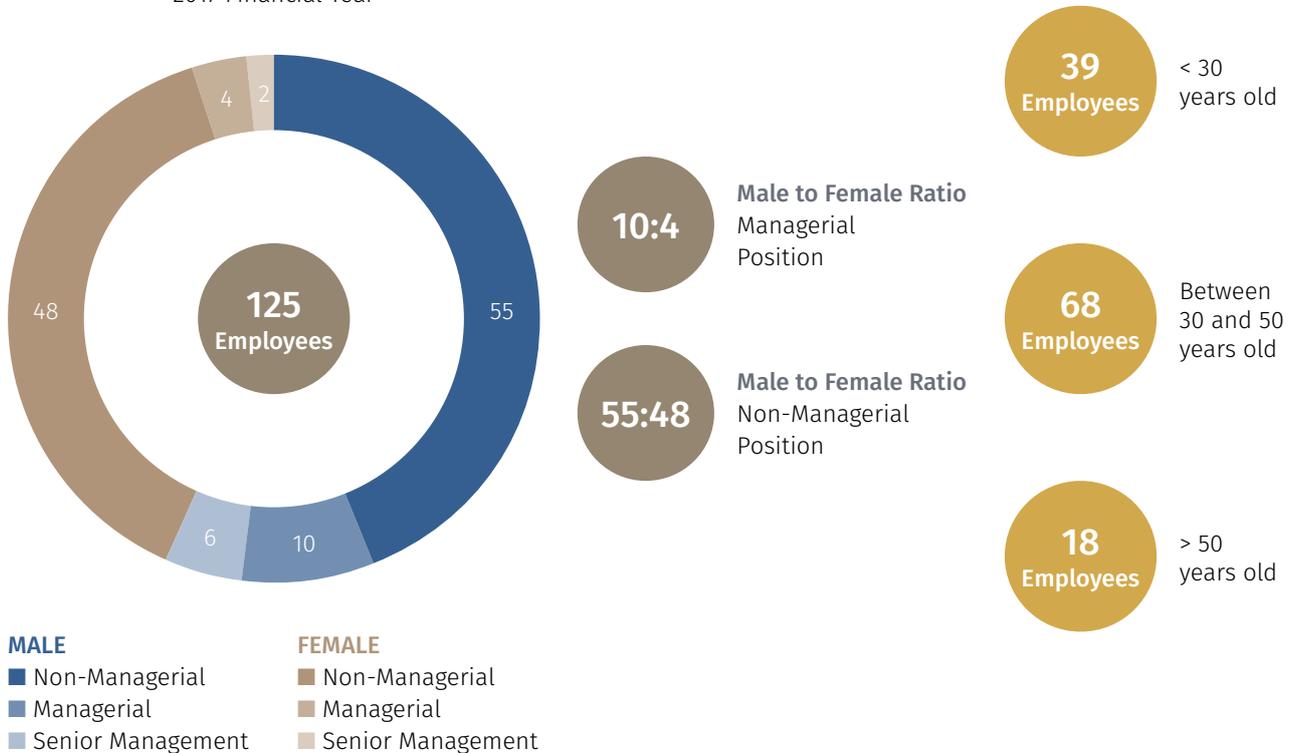
In FY2017, we hired a total of 31 new employees while 67 resigned during the same period. As a result, we have a net decrease of 36 employees in our workforce. Out of the new

hires, 71% were below the age of 30; 19% were between 30 and 50 years old while 10% were above 50 years old. The gender ratio of new hires was 9 males to 22 females. For the resignees, 42% of the resignees were below the age of 30; 49% were between 30 and 50 years old while 9% were above 50 years old. The gender ratio of resignees was 33 males to 34 females.

We outsource the provision of certain services such as cleaning and security to external contractors. These workers are employed by the contracted companies and work under our supervision. They are not included in our head count. We do not employ other types of uncontracted workers.

We expect our outsourcing providers share our core HR principles and practices. In our vendor selection process, we take into consideration of their HR management practices as one of the key selection and performance criteria. We regularly review the performance of our vendors based on these criteria as a basis to determine whether to continue to engage them for their services.

Workforce Profile
2017 Financial Year



OUR SUSTAINABILITY EFFORTS

Employee Benefits

All non-managerial employees in Singapore are covered by the Employment Act, which covers basic employment terms and working conditions including contract requirements, remuneration, hours of work, overtime, rest days and annual leave entitlement.

In addition to the statutory benefits outlined in the Employment Act, we provide beyond-compliance-level benefits to our full-time employees. Examples of these benefits include paternity leave and compassionate leave.

1. Work-Life Balance

We recognise that the well-being and fulfilment of our employees are pivotal to the success and sustainability of our business and performance. Our employees are our most valuable asset. We ensure that their needs are taken care of in order for them to realise their full potential and sustain their performance.

To help our employees achieve work-life balance, we create an environment that allows our employees to achieve harmony in their personal and professional life. We achieve this through the adoption of flexible work arrangements and offering programmes to support health and wellness.

We understand the physical impact of stress on our employees' sense of well-being. To help our employees pursue excellence, we have various programmes and initiatives to balance work with fun, and develop an environment and culture of mutual support.

2. Retirement and Healthcare

Our company has presence in various geographic locations with diverse laws and regulations on pension and healthcare. We comply with all relevant laws and regulations. In Singapore, we participate in the Central Provident Fund ("CPF") personal savings scheme, which helps employees fund their retirement, home ownership, healthcare and education. Under this scheme, monthly deductions from employees' gross salaries are paid into their CPF savings accounts. We, the company, make employer contributions to these accounts, according to the rates stipulated in the CPF Act. In addition to CPF contributions, we provide comprehensive medical coverage for all employees. For more information on the CPF scheme and contribution rates, please go to www.cpf.gov.sg.

Safety and Health in the Workplace

We are committed to Workplace Safety and Health ("WSH") and we take every precaution to prevent occupational injuries among our employees. We believe that optimum work conditions not only make our employees safer, but also boost morale. For FY2017, we are in compliance with the Ministry of Manpower's Workplace Safety & Health Act. In addition, we have attained certification for OHSAS 18001 and bisSAFE. These well recognised standards provide us with the framework to manage risks associated with safety and health in our workplace.

Individual Rights

Respecting and protecting basic human rights are fundamental to our philosophy and are deeply ingrained in our Code of Conduct. Labour rights, the prohibition of discrimination and harassment, protection of privacy, prohibition of forced and child labour, and workplace safety and health are all strictly observed within the work environment. We also respect our employees' rights to freedom of association as well as their membership of trade unions and other professional bodies.

In FY2017, none of our workforce was covered by a collective bargaining agreement. No incident of forced labour, child labour or young workers were identified across the organisation, and no human rights related grievance has been reported.

Focusing on Our Customers' Needs

Our Approach

Customer satisfaction is our highest priority. We are committed to providing quality products with the highest level of product safety. Customer retention begins with trust. We place the utmost importance on training our employees in customer service excellence and improvement of quality and safety of our products and services.

Open and frequent communication and responsive feedback is ingrained into our daily interaction with customers. In addition to service excellence, we place high importance on data privacy. We have processes and controls in place to protect confidential and sensitive data related to our customers such as contracts.

Since 2011, we have been certified under the ISO 9001 standard for quality management systems. The certification has helped us to improve the control of our internal processes and the quality of our services.

Customer Feedback and Satisfaction

We listen to our customers and we take their opinions very seriously. Customer feedback collated from our communication channels including our website, customer evaluation form and our customer service personnel are consolidated for analysis and action. Customer compliments are also tracked so that we can monitor where we are getting things right and cascade the positive feedback to our employees and the management.

Service Quality and Safety

Reliability and quality of our products and services are of paramount importance to us. Safety and health of our customers are always our priority. We have in place a set of key quality assurance processes and standards, such as ISO 9001, OHSAS 18001, bisSAFE, BCA Green & Gracious, to ensure compliance with regulations and international standards. Ultimately, we foster a 'Safety First' culture through training and quality control in order to totally eliminate product safety incidents.

Data Safety and Privacy

Ensuring safety and privacy of our customers' data is of great priority to us. We have processes and controls in place for handling and communicating sensitive and confidential information such as contracts, customer orders and service delivery orders. Our information security policies ensure our customers' data are protected in accordance with the appropriate level of confidentiality. We observe strictly all local laws and regulations applicable to personal information protection.

For the collection and disposal of wastepaper, we work with our office cleaning personnel for handling and reselling of wastepaper to recovery companies for pragmatic reasons. Every employee is responsible for shredding all papers, including confidential documents, before disposing them into paper recycling boxes situated near the photocopiers and printers. We are committed to ensuring all sensitive information is protected in the whole life cycle of our documents.

Partnering Our Suppliers

Our Approach

As part of our aspiration to realise sustainability throughout our value chain, we will integrate sustainable business practices into our local partners, suppliers and supply chain. We recognise that we are only at the beginning of our journey. However, we are committed to continuous improvement. We aim to enhance collaboration with our suppliers, to gradually increase transparency and build shared capacity to minimise our indirect environmental and social impacts.

Supplier Selection

Our supplier selection criteria includes financial health, quality of products and services, as well as price competitiveness. In addition, we also take into consideration the overall sustainability policies adopted by our suppliers. Our final decision on supplier selection is based on overall assessment which takes a balanced view of all selection criteria.

Supplier Review

We regularly review the performance of our key suppliers. During the key supplier review process, we engage our key suppliers and communicate our expectations and feedback. Such review process ensures alignment of our key suppliers' services and products to our business requirements and sustainability objectives through continuous improvement in our collaboration.

OUR SUSTAINABILITY EFFORTS

Supporting Our Community

Our Approach

At Cityneon, giving back to society is an integral part of our company ethos and is well integrated in our culture. We strongly believe in paying it forward by engaging and benefiting the lives of our people and the communities where we work and live.

Our CSR Programme is geared to helping communities in meaningful ways. Leveraging our deep resources and mobilising our spirit of volunteerism, we aim to create a positive difference.

The key motivation driving all our community engagement initiatives is to enable and empower young people. By supporting and educating young people today about the world they are to inherit, our goal is to benefit not only the current generation, but also the next.

We also recognise that meeting the needs of today's youth goes beyond their own education, security and well-being, extending to that of their families, homes and neighbourhoods as well. To this end, our engagement programmes also encompass financial and practical support in carefully selected communities, through donation, voluntary activities and fundraising.

Our community initiatives are selected according to how closely they are aligned with our own community engagement goals of "enabling and empowering young people", the anticipated staff participation rate, and the tangible impact on the beneficiary. Separately, we also participate in other community initiatives on an ad hoc basis. All our business units and some of our channel partners are involved in our community engagement programmes.

Our Community Initiatives Highlight

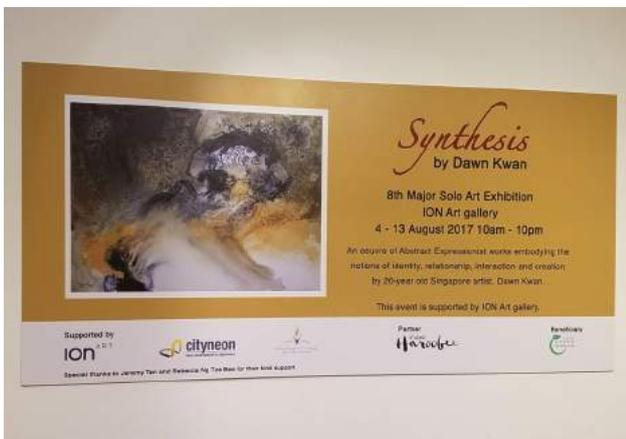
Event / Activity	Type of Engagement	Beneficiary
SYNTHESIS, 8th Solo Art Exhibition	Donation	Dawn Kwan
Team Audacia, F1 in Schools	Donation	Raffles Girls' Secondary School
Sponsorship of Course Medal (Gold)	Sponsorship	Singapore Polytechnic
Sponsorship for NDP 2017	Sponsorship	PS (Defence), Sponsorship Committee NDP 2017
Christmas Card Art Project for Special Needs Students	Community Involvement Programme	Asian Women's Welfare Association ("AWWA")
Sponsorship to Science Centre Singapore's 40th Anniversary Charity Gala Dinner	Sponsorship	Science Centre Board

OUR SUSTAINABILITY EFFORTS

1. Dawn Kwan: SYNTHESIS, 8th Solo Art Exhibition

This exhibition by 20-year old artist Dawn Kwan comprised 28 pieces of Abstract Expressionist works that embody the notions of identity, relationship, interaction and creation. 20% of the sales proceeds of the artworks and the entire proceeds from sale of Dawn Kwan's "Art Awakening Book" were donated to The New Charis Mission ("TNCM") for rehabilitation of drug offenders and helping them to integrate back into society. Concurrent to the exhibition, four complimentary art workshops were also conducted by Dawn Kwan for The Care Corner's disadvantaged children and youth as well as Homeschool Singapore's children.

We showed our support for this charitable and meaningful cause through the provision of street banners and the accompanying BCA license fees for this exhibition.



2. Team Audacia 2017, F1 in Schools Singapore

"F1 in Schools" is an international Technology and Engineering programme that encourages innovation in today's youths. It also aims to develop enterprise and business skills in youths in over 40 countries with 20 million student participants. The programme gives an unmatched and unprecedented connection for the students to be more enterprising and to bring out their talents.

Our company believes that everyone deserves a chance to discover their potential and creativity and we will continue to foster creativity and innovation in people. As such, our company has played a part in nurturing talents of Singapore through sponsorship of funds to the 6-member team from Raffles Girls' School (Secondary).



3. Sponsorship of Course Medal (Gold) – School of Architecture & the Built Environment, Singapore Polytechnic

Our company believes in the importance of nurturing graduates and recognising deserving students for excelling in their course of study. In FY2017, our company has committed to a donation pledge for the purchase of course medal (Gold) for Diploma in Integrated Events & Project Management, which is closely linked to what we excel in.



OUR SUSTAINABILITY EFFORTS

4. Sponsorship for NDP 2017

As the saying goes “Home is Where the Heart Lies”. Our company is proud to be able to show our love and affection for our nation, through the pledging of monetary contributions as a Co-Partner of the NDP 2017, which is a nation building event, rallying citizens together as one nation to meet the challenges ahead.



5. Community Involvement Programme (“CIP”) 2017 – Christmas Card Art Project for Special Needs Students

In December 2017, our company organised a visit to the AWWA Special Student Care Centre as part of the CIP’s Christmas Card Art Project for Special Needs Students. The activity enabled students to create their own personalised Christmas card art to give to someone special. The project facilitated the development of life skills such as choice making, design, colour knowledge and patterns. 16 of our employees (from junior staff to managers) contributed 40 man-hours in this activity.



6. Sponsorship to Science Centre Singapore’s 40th Anniversary Charity Gala Dinner

A charity gala dinner was held at the Suntec Convention Centre on 28 November 2017 as part of the Science Centre Singapore’s 40th anniversary celebrations. The Science Centre and its group of attractions help visitors experience the wonders of science, technology, engineering and mathematics (“STEM”) through exhibitions, educational programmes and events.

Our company supported the Science Centre Singapore by being a Gold Sponsor for the event, in which proceeds from the dinner would be used towards the organisation of events and educational programmes for underprivileged beneficiaries identified by the Community Chest.



GRI CONTENT INDEX

This report is prepared in accordance with the Global Reporting Initiative (“GRI”) Standards Core option. We did not seek external assurance for this report.

N.B.: AR = Annual Report, SR = Sustainability Report (i.e. this report)

GRI Reference	Disclosure	Page Reference	
General Standard Disclosure			
Organisation Profile	102-1	Name of the organisation	SR, Page 5
	102-2	Activities, brands, products, and services	AR, Pages 2 to 3
	102-3	Location of headquarters	AR, Page 24
	102-4	Location of operations	AR, Pages 4 to 5
	102-5	Ownership and legal form	AR, Notes to the Financial Statements, Pages 100 to 108
	102-6	Markets served	AR, Pages 4 to 5, 20
	102-7	Scale of the organisation	AR, Pages 20 to 21
	102-8	Information on employees and other workers	SR, Page 15
	102-9	Supply chain	SR, Page 17
	102-10	Significant changes to the organisation and its supply chain	No significant changes
	102-11	Precautionary Principle or approach	SR, Pages 5 to 6, 11 to 13, 17 to 18
	102-12	External initiatives	SR, Page 10
	102-13	Membership of associations	SR, Page 10
Strategy	102-14	Statement from senior decision-maker	SR, Page 3
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	SR, Page 5
Governance	102-18	Governance structure	AR (Code of Governance), Pages 25 to 56 SR, Page 5
Stakeholder Engagement	102-40	List of stakeholder groups	SR, Pages 11 to 20
	102-41	Collective bargaining agreements	Percentage of total employees covered by collective bargaining agreements.
	102-42	Identifying and selecting stakeholders	SR, Page 11
	102-43	Approach to stakeholder engagement	SR, Page 11
	102-44	Key topics and concerns raised	SR, Pages 6 to 7, 11

GRI CONTENT INDEX

GRI Reference	Disclosure	Page Reference	
General Standard Disclosure			
Reporting Practice	102-45	Entities included in the consolidated financial statements	AR, Notes to the Financial Statements, Pages 100 to 108
	102-46	Defining report content and topic boundaries	SR, Page 4
	102-47	List of material topics	SR, Pages 6 to 7
	102-48	Restatements of information	No restatements
	102-49	Changes in reporting	No significant changes
	102-50	Reporting period	SR, Page 4
	102-51	Date of most recent report	SR, Page 4
	102-52	Reporting cycle	SR, Page 4
	102-53	Contact point for questions regarding the report	SR, Page 4
	102-54	Claims of reporting in accordance with the GRI Standards	SR, Page 4
	102-55	GRI content index	SR, Pages 21 to 24
	102-56	External assurance	SR, Page 4
Economic			
Economic Performance	201-1	Direct economic value generated and distributed	AR, Pages 68 to 72
	201-2	Financial implications and other risks and opportunities due to climate change	SR, Page 12
	201-3	Defined benefit plan obligations and other retirement plans	SR, Page 16
	201-4	Financial assistance received from government	AR, Notes to the Financial Statements, Page 121
Anti-corruption	205-1	Operations assessed for risks related to corruption	SR, Pages 6 to 7
	205-2	Communication and training about anti-corruption policies and procedures	SR, Page 5
	205-3	Confirmed incidents of corruption and actions taken	No major cases of non-compliance reported
Anti-competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No major cases of non-compliance reported

GRI Reference		Disclosure	Page Reference
Environment			
Energy	302-1	Energy consumption within the organisation	SR, Page 12
	302-4	Reduction of energy consumption	SR, Page 12
Emissions	305-1	Direct (Scope 1) GHG emissions	SR, Page 12
	305-2	Energy indirect (Scope 2) GHG emissions	SR, Page 12
	305-3	Other indirect (Scope 3) GHG emissions	SR, Page 12
	305-5	Reduction of GHG emissions	SR, Page 12
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	No
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	SR, Page 17
Social			
Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR, Page 16
	401-3	Parental leave	SR, Pages 13, 16
Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	SR, Page 13
Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	SR, Page 16
Training and Education	404-1	Average hours of training per year per employee	SR, Page 14
	404-2	Programs for upgrading employee skills and transition assistance programs	SR, Page 14
	404-3	Percentage of employees receiving regular performance and career development reviews	SR, Pages 13 to 14
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	SR, Page 15
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	No

GRI CONTENT INDEX

GRI Reference		Disclosure	Page Reference
Social			
Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	No
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	SR, Pages 13, 16
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	SR, Page 17
Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	SR, Page 17
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No
Marketing and Labelling	417-1	Requirements for product and service information and labelling	Compliant with prevailing laws and regulations in addition to safety standards such as OHSAS 18001 and bizSAFE.
	417-2	Incidents of non-compliance concerning product and service information and labelling	No
	417-3	Incidents of non-compliance concerning marketing communications	No
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	No



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