



Datapulse Technology Limited

Sustainability Report 2018

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Board Statement

Dear stakeholders,

Datapulse Technology Limited (“Datapulse” or the “Company”, together with its subsidiaries, collectively the “Group” or “We”) would like to present to you our first Sustainability Report for the financial year ended 31 July 2018 (“FY2018”).

Sustainability has been an integral part of the Group’s formulation of strategy. In FY2018, our Group diversified our business activities by venturing into the consumer business, such as hair care and personal care business (“Consumer Business”), and ceased our manufacturing and sale of media storage products business (“Media Storage Business”). Subsequently, in the following financial year, the Consumer Business was disposed off and the Group moved into investments in real estate. As we venture into our new business segments, our Group continues to integrate sustainability practices into new core businesses whilst creating long-term value for our key stakeholders. We have set goals to monitor our journey towards building a sustainable business model with key goals and indicators to measure our performance in sustainability.

The Board of Directors (the “Board”) would like to thank our key stakeholders for their unwavering support and understanding in our Group over the years. We look forward to growing our Group’s business strategically to provide greater value to our stakeholders.

Board of Directors

About this Report

Objectives of this Report

This report outlines our approach in integrating sustainability into our policies, structure, management and operations. It highlights the environmental, social and governance (“ESG”) aspects of our Group’s developments and operations. This report was prepared with reference to the Global Reporting Initiative (“GRI”) Standards: Core Option, which is a well-known and globally-recognised sustainability reporting framework, and in compliance with the requirements of Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Rules 711A and 711B.

Key Reporting Principles

This report was prepared with reference to key reporting principles in accordance with GRI standards, as outlined in the following table:

| Stakeholder inclusiveness | Identification of the stakeholders of Datapulse and our Group’s response to their expectations and interests |
|----------------------------------|--|
| Sustainability | Presentation of our Group’s performance from a sustainability viewpoint |
| Materiality | Aspects of our Group that have (i) significant economic, environmental or social impacts or (ii) significantly influence the assessments and decisions of our Group’s stakeholders |
| Completeness | Reflection of the material aspects of our Group to enable the stakeholders to assess the performance of our Group in FY2018 |

Scope of this Report

This report covers the sustainability performance of our Group’s investment holding activities from 1 August 2017 to 31 July 2018 (“FY2018”). As our Group concentrates on real estate investments subsequent to FY2018, unless otherwise stated, the sustainability initiatives highlighted in this report covers our investment holding activities which is performed in Singapore. In the following financial year, as the Group extends our investment portfolio to overseas market, management will consider including them in the future reporting scope.

We have not sought external assurance for this report and relied on internal data monitoring and verification to ensure accuracy of data. We will review our policy on sustainability reporting assurance for future releases.

Contact Us

In line with our conservation efforts, an electronic edition of this annually published report is made available for download on our website at www.datapulse.com.sg.



We welcome and value your suggestions or feedback on the content of this report. Please let us have your views and suggestions by contacting us at datapulse@datapulse.com.sg.

About Datapulse Technology Limited

Datapulse was listed on The Stock Exchange of Singapore Dealing and Automated Quotation System (now known as Catalist) on 1 March 1994 and was transferred to the Mainboard of the SGX-ST on 23 November 2000. Since its listing, the Group has been principally involved in the Media Storage Business. Our Group's headquarters is located in Singapore.

In FY2018, the Group ceased its Media Storage Business and ventured into the Consumer Business. Subsequently, in the following financial year, the Group disposed off the Consumer Business. This move will enable the Group to concentrate our focus and resources on developing and growing our core business going forward – real estate investments.

The Group will focus on gateway cities in Asia as the core markets for our real estate investment objectives, either by way of majority or minority stakes, and either on a standalone basis or in joint venture with selected capital partners. We will actively pursue a value-add type investment strategy, identifying undervalued assets situated in prime locations which have the potential for strong operational and physical enhancements. At the time of preparing this report and subsequent to FY2018, the Group has completed the acquisition/investment of two hotels in Seoul, South Korea and entered into definitive agreements for investment in a hotel in Singapore.

Value and Mission

Core Values

Forging long-term business relationships

Respect for individuals

Create a culture of open and honest communication

Accountability

Mission & Vision

To be one of the pre-eminent real estate investment group and a premier provider of asset management services.

External Initiatives

Datapulse aspires to bring about positive social impact to the local communities. While FY2018 was a business transition year for the Group, the Group has committed to organise events relating to local communities in the future. As the Company grows its new businesses, the Group would be allocating resources gradually to embark on community work and engage its employees making contributions back to the society.

Membership of Association and Awards

Our Group is a member of the Singapore Business Federation (“SBF”). Whilst the membership with SBF provides us with networking opportunities with trade members to identify new business opportunities, we strive to contribute our part within the business community by providing insights through discussions with fellow members of SBF and establishing important connections between key players in major economies and emerging market

Governance and Sustainability Approach

Sustainability Statement

In line with Datapulse's core values, our Group's sustainability policy has been progressively translated into actions embedded within investment strategies and business activities, addressing risks and opportunities arising from management approach of ESG activities.

Sustainability Governance Structure

Our Group understands the importance of sustainability in preserving and enhancing shareholders' value. Our Board continues to perform its role in reviewing and advising on overall sustainability strategies and directions. Our Board is also responsible for the continuous monitoring and evaluating our Group's performance on ESG aspects to ensure that our objectives are in line with our commitments to sustainable development.

Sustainable Value Chain

We recognise the importance of sustainable value generation within the Group's value chain and through our procurement processes. We take into consideration the factors of quality and economic value of products or services, business ethics, reputation and commitment to environmental, health and safety standards as one of the criteria when assessing and selecting new potential suppliers or business partners. The Group adopts a holistic approach in ensuring that risk assessment and management processes are in place as it is integral to our value chain management.

Stakeholder Engagement

We recognise the importance of a two-way engagement with our key stakeholders to understand their concerns and interests. Effective engagement allows our Group to formulate corporate strategies and to build a sustainable long-term business. Our Group seeks the opinion from various stakeholders either through formal and informal means, thereafter evaluating the needs and expectations of our stakeholders to maintain relationships and align with our vision and core values.

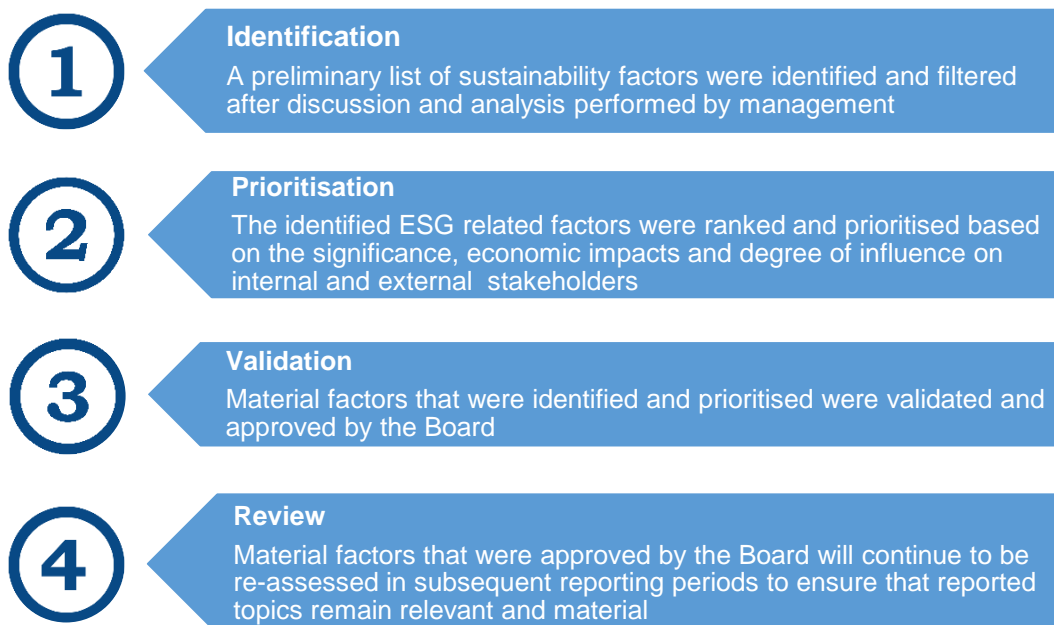
An overview of our approach and expectations of our key stakeholders are set out below:

| Key Stakeholders | Modes of Engagement | Stakeholders' Expectations |
|----------------------------------|---|--|
| Shareholders | Annual general and extraordinary general meetings, circulars to shareholders, announcements | Profitability, transparency, timely reporting and announcements, ethical business practices |
| Board of Directors | Ongoing communication, board meeting held at least on a quarterly basis | Accurate and timely management reporting, financial performance, risk management, compliance with laws and regulations |
| Business partners | Regular meetings and discussions, periodic operational and financial updates | Opportunities to achieve economic growth and brand building |
| Employees | Staff orientation, external and internal training programs, performance evaluation, internal memo | Staff benefits, welfare, personal development, good working environment and equal opportunities |
| Customers | Enquiry calls, official website, surveys | Competitive pricing, security of personal data provided |
| Government and Regulators | Periodic discussions with regulators and government agencies/ departments | Social and environmental-friendly business approaches, compliance with regulations, timely reporting and resolutions of issues |

Defining the Material ESG Factors

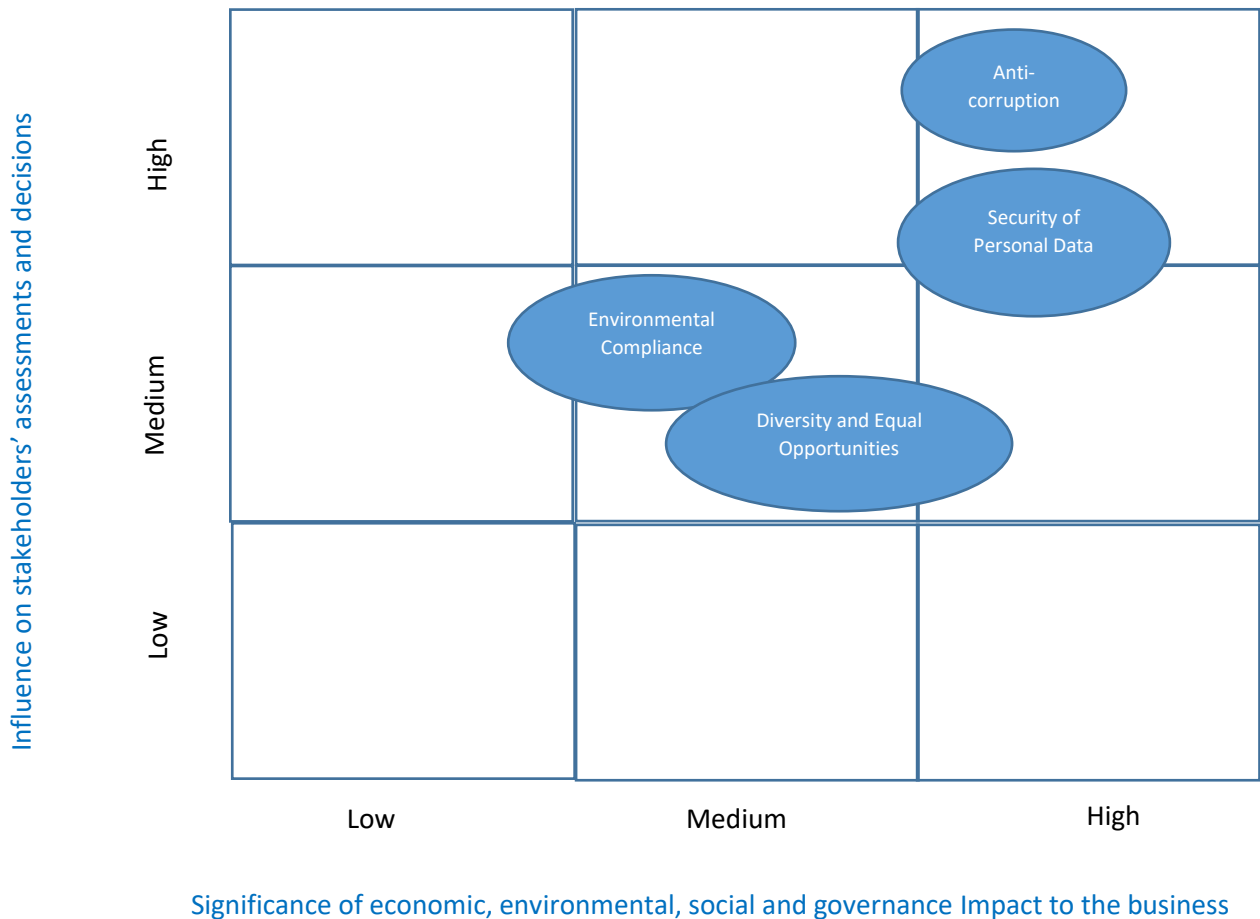
We have assessed the ESG factors that are relevant to our business and stakeholders. Taking into account the interests and expectations of internal and external stakeholders during the selection and assessment of material ESG factors, the Group adopted a four-step materiality assessment process to determine material ESG factors, as outlined below:

Materiality Assessment Approach



Materiality Matrix

The materiality matrix below is used to identify the material ESG factors and priorities for reporting. We assessed the potential impact on the economic, environment, social and governance aspect and influence on our stakeholders, with an on-going research, discussions and interactions together with our stakeholders.



List of Material Sustainability Factors

| S/N | Topic | Description | Key Initiatives | Page Reference |
|-----|-----------------------------------|--|--|----------------|
| 1 | Corporate Governance | Our measures in place to uphold good corporate governance | We will continue to engage with relevant groups of stakeholders, include shareholders and board of directors, and provide updates via meeting notes, emails and website updates. Our goal is to demonstrate that we are a good corporate citizen. | Page 11 |
| 2 | Environmental compliance | Our environmental-friendly efforts in compliance with environmental-related laws and regulations | We constantly review our policies and practices in relation to environment protection and regulatory compliance. We are committed to strive for high standards of environmental responsibility in managing our real estate investment and hotel business. | Page 12 |
| 3 | Diversity and equal opportunities | Initiatives to ensure our workforce are diversified in terms of ethics, genders and age, including equal opportunities amongst employees | We are aware of the trend that gender, skill and experience have been highlighted as diversity indicators material to business sustainability. We take steps to record and monitor relevant performance data and will continue to examine diversity through board levels of staff. | Page 13 |
| 4 | Security of personal data | Controls in place to protect personal data and privacy at corporate level and business unit | We take personal data seriously. We will continue to examine processes and practices for compliance with the data protection and privacy laws of such jurisdiction the Group operates in. | Page 13 |

Corporate Governance

Our Group is committed to conducting business with high standards of corporate governance to ensure accountability and transparency.

The Board has adopted internal policies governing the evaluation and approval of merger, acquisition and disposal of assets and relating to the appointment, re-appointment and resignation of directors of the Company. In addition, the Group has policies relating to the management of its treasury activities and of its cash holdings.

Dealing in Securities Policy

The Group has issued a policy whereby the Directors, senior executives and certain employees are prohibited from dealing in the securities of the Company while in possession of price-sensitive information as well as during the period commencing one month before announcement of the Group's full year financial results and two weeks before the announcement of the Group's financial results of the first three quarters of the Group's financial year, and ending on the date of announcement of the relevant results. They are also discouraged from dealing in the Company's securities on short-term considerations.

Conflict of Interest Policy

The Group has implemented conflict of interest policy and a code of ethics. All employees and governance body members are required to declare any conflict of interest upon employment and annually. Employees are made aware of these policies through employee orientation and through regular communication by the Group.

Whistleblowing Policy

The Group had instituted a whistleblowing policy, which provides a channel for employees of the Group to report in good faith and in confidence, without fear of reprisals, concern about possible improprieties in financial reporting and other matters. The Audit Committee ("AC") exercises the overseeing function over the administration of the policy. Staff is given direct access to the AC via email or mail. Once a complaint is lodged, the AC will direct the management to investigate and review any report findings as well as follow up actions.

In FY2018, there was no complaint received from whistleblowing channel and no reported incident of corruption within the Group's business.

| Corporate Governance FY2019 Target | Key Initiatives to be Continued/ Implemented |
|---|---|
| <ul style="list-style-type: none"> Zero cases of breaches in relation to SGX listing rules | <ul style="list-style-type: none"> Continue to provide timely communication and training which aim to build the internal and external awareness on key policies. Continue to conduct mandatory annual declaration on conflict of interest to declare potential interests in order to put in place proper safeguards. Monitor and keep abreast of new listing rules and updates. Continue to present a balanced and understandable assessment of the Group's performance, position and prospects to the public, to enable the investment community and other stakeholders to better understand the business and operations of the Group. |
| <ul style="list-style-type: none"> No confirmed incidents of corruption | <ul style="list-style-type: none"> Continue to conduct mandatory annual declaration on conflict of interest to declare potential interests in order to put in place proper safeguards. Review and continually enhance policies and code of ethic by observing a high standard of corporate conduct. |

Environmental Compliance

Our business activities in the real estate business, in particularly the hospitality industry may potentially affect the environment and surroundings. Our Group believes that environmental-friendly practices complement business efficiency and advocates corporate social responsibility towards the environment by incorporating these processes in its daily operations. As an environmentally responsible corporation, our Group strictly complies with environmental related regulations and all employees share responsibilities in monitoring the Group's environmental performances. We are committed to strive for high standards of environmental responsibility in the way we conduct our business. We constantly review our policies and practices, to ensure that we comply with the local environmental regulations. We are committed to maximise the environmental efficiency of our business operations and building towards a cleaner future for all occupants.

Our Group is pleased to report that there were no reports/incidents of non-compliance with the local environmental laws and regulations in FY2018.

| Environmental Compliance FY2019 Target | Key Initiatives to be Continued/ Implemented |
|---|---|
| <ul style="list-style-type: none"> No significant financial penalty for non-compliance with environmental laws and regulations | <ul style="list-style-type: none"> Constantly review our policies and practices, including internal checks to ensure environmental compliance. |

Diversity and Equal Opportunities

We believe that equal opportunities and fair labour practices would drive employees' loyalty and productivity. We have established human resource policies which advocate equal opportunities and fair employment practices. In our recruitment process, we ensure all qualified candidates will be considered without discrimination of gender, age, ethnicity, religion, marital status, sexual orientation and national origin.

Diversity is an important factor which drives a creative and cohesive workforce. This is important for driving our Group's success. We highly value everyone's contribution at every level. By advocating diversity, we are building a talent pool that embraces teamwork and shared success within the Group. We employ talented and experienced individuals in the senior management level whom will lead our business to grow and gain the trust of stakeholders.

| Diversity and Equal Opportunities FY2019 Target | Key Initiatives to be Continued/ Implemented |
|---|---|
| <ul style="list-style-type: none"> To present data of the Group's key business units on aspects including gender and age group at different employee categories, and ratio of basic salary and remuneration of women to men in sustainability report | <ul style="list-style-type: none"> Build up and maintain data collection methodology for continuing monitoring purpose. Engage with reporting business units to review the accuracy of data recorded. |

Security of Personal Data

We are committed to be responsible in handling personal data collected at corporate level and business unit. Safeguarding and maintaining personal data is of utmost importance to our Group as required by the relevant personal data protection regulation in countries which our business operates in. Our Group's success is dependent on individuals' trust that their personal data are well protected and handled by the operation team.

In accordance with Singapore Data Protection Privacy Act, there is a designated Data Protection Officer (“DPO”) who oversees the policy within our Group to achieve regulatory compliance. The DPO will also monitor any upcoming legislative changes and ensuring our future operations are aligned. Our policy shall be reviewed and updated as needed.

As our Group is venturing into acquisition or investments in hotels or hospitality businesses subsequent to FY2018, it is essential for our Group to uphold good practice in handling and protecting personal data. We strive to create a safe, secure and reliable environment for our hotel guests and we are committed to maintain zero instances of leaks of guests’ data and breaches of personal data protection related regulations during our venture in hotel business.

| Security of Personal Data FY2019 Target | Key Initiatives to be Continued/ Implemented |
|--|--|
| <ul style="list-style-type: none"> • Create a safe, secure and reliable environment for our hotel guests of hotel business | <ul style="list-style-type: none"> • Review and refine policy and practices on personal data protection for hotel business. |
| <ul style="list-style-type: none"> • Zero instances of leaks of guests’ data and breaches of personal data protection related regulations | <ul style="list-style-type: none"> • Provide constant communication and trainings on policy and measures in relation to personal data protection. |

GRI Content Index

| GRI Standard/ Disclosure | | Page Reference and Reasons for Omission, if applicable |
|-------------------------------|--|---|
| Organisational Profile | | |
| 102-1 | Name of the organisation | Sustainability Report ("SR"): Page 1 |
| 102-2 | Activities, brands, products and services | SR: Page 3 |
| 102-3 | Location of headquarters | SR: Page 3 |
| 102-4 | Location of operations | SR: Page 3 |
| 102-5 | Ownership and legal form | SR: Page 3 |
| 102-6 | Markets served | SR: Page 3 |
| 102-7 | Scale of the organisation | Annual Report 2018 ("AR"): Financial Highlights |
| 102-8 | Information on employees | SR: Page 13 |
| 102-9 | Supply chain | SR: Page 6 |
| 102-10 | Significant changes to the organisation and its supply chain | SR: Page 3 |
| 102-11 | Precautionary Principle or approach | AR: Page 81 |
| 102-12 | External initiatives | SR: Page 4 |
| 102-13 | Membership of associations | SR: Page 4 |
| Strategy | | |
| 102-14 | Statement from senior decision maker | SR: Page 1 |
| Ethics and Integrity | | |
| 102-16 | Values, principles, standards, and norms of behaviour | SR: Page 3 |
| Governance | | |
| 102-18 | Governance structure | SR: Page 6 AR: Board of Directors |
| Stakeholder Engagement | | |
| 102-40 | List of stakeholder groups | SR: Page 7 |
| 102-41 | Collective bargaining agreements | Not applicable. The employees of Datapulse are not covered by collective bargaining agreements. |
| 102-42 | Identifying and selecting stakeholders | SR: Page 7 |
| 102-43 | Approach to stakeholder engagement | SR: Page 7 |
| 102-44 | Key topics and concerns raised | SR: Page 7 |

| GRI Standard/ Disclosure | | Page Reference and Reasons for Omission, if applicable |
|---|--|--|
| Reporting Practice | | |
| 102-45 | Entities included in the consolidated financial statements | AR: Notes to the Financial Statements (Subsidiaries) |
| 102-46 | Defining report content and topic boundaries | SR: Page 2 |
| 102-47 | List of material topics | SR: Page 10 |
| 102-48 | Restatements of information | Not applicable. This is Datapulse's first report. |
| 102-49 | Changes in reporting | Not applicable. This is Datapulse's first report. |
| 102-50 | Reporting period | SR: Page 2 |
| 102-51 | Date of most recent report | Not applicable. This is Datapulse's first report. |
| 102-52 | Reporting cycle | SR: Page 2 |
| 102-53 | Contact point for questions regarding the report | SR: Page 3 |
| 102-54 | Claims of reporting in accordance with the GRI Standards | SR: Page 2 |
| 102-55 | GRI content index | SR: Page 15 to 16 |
| 102-56 | External assurance | SR: Page 2 |
| GRI 103: Management Approach 2016 | | |
| 103-1 | Explanation of the material topic and its boundaries | SR: Page 10 to 14 |
| 103-2 | The management approach and its components | SR: Page 10 to 14 |
| 103-3 | Evaluation of the management approach | SR: Page 10 to 14 |
| GRI 205: Anti-corruption 2016 | | |
| 205-2 | Communication and training about anti-corruption policies and procedures | SR: Page 11 |
| GRI 307: Environmental Compliance 2016 | | |
| 307-1 | Non-compliance with environmental laws and regulations | SR: Page 12 |