



PropNex

Service You Trust[®]
SINGAPORE
PROP Nex LIMITED



FUTURE-PROOFING

THE REAL ESTATE BUSINESS

SUSTAINABILITY REPORT

2022

SUSTAINABILITY REPORT ABOUT THIS REPORT



This is PropNex Limited's fifth annual Sustainability Report. The report summarises PropNex's policies, practices, targets, and performance for our material environmental, social and governance ("ESG") factors in the financial year ended 31 December 2022 ("FY2022"). The scope of the report encompasses our real estate brokerage business in Singapore, namely **PropNex Limited**, **PropNex International** and **PropNex Realty Pte Ltd**.

This report has been prepared in line with the sustainability reporting requirements of the SGX-ST Listing Manual (Rules 711A and 711B) and with reference to the 2021 Global Reporting Initiative GRI Standards. The ("GRI") standards were selected as it is a globally recognised sustainability reporting standard that is recommended by the Singapore Exchange Securities Trading Limited ("SGX-ST") and represents the global best practices for reporting on economic, environmental, social and governance topics.

The following principles were applied to determine relevant topics that define the report content and ensure quality of information: a) GRI principles for defining report content: Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness; b) GRI principles for defining report quality: Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness. Please see the GRI index on Pages 44 to 46 for more details.

Assurance

Internal controls and verification mechanisms have been established by the management to ensure the accuracy and reliability of narratives and data. We have also considered the recommendations of an external ESG consultant for the selection of material topics, as well as compliance with GRI Standards and SGX-ST Listing Rules. The Board of Directors has therefore assessed that external assurance is not required for the report. The Group will continue to assess the need to further enhance the credibility of our sustainability report through internal review or external assurance.

Availability & Feedback

All monetary and financial figures stated are in Singapore dollars. All information is disclosed in good faith and to the best of our knowledge. Your feedback is important to us in our sustainability journey; we look forward to receiving comments on our sustainability practices and reporting at: investor_relations@propnex.com; and our website: <https://www.propnex.com/>.

SUSTAINABILITY REPORT BOARD STATEMENT

PropNex Limited ("PropNex", or the "Company", and together with its subsidiaries, the "Group") is committed to developing the four main pillars – Economic, Environmental, Social and Governance practices in the business operations of the Group in benefitting our stakeholders.

Our focus on sustainability is a cornerstone of our success, which is fundamental to achieving our long-term vision of success. Therefore, we have incorporated considerations for environmental, social and governance factors in the way we grow our business, cultivate our people and serve our communities. Our actions are based on our company's values and our understanding that PropNex will thrive when our people are motivated, committed and empowered to improve themselves and continuously give back to society.

The Group's sustainability efforts are driven by our robust governance practices and strong economic performance. With the support of our Sustainability Steering Committee ("SSC"), which comprises our management team, we have included sustainability issues in our strategic formulation and determined the material ESG factors. The SSC continues to assist the Board in integrating ESG considerations into our strategic formulation and monitor, manage and report on our ESG performance in line with these identified material factors. Moving forward, we aim to link our economic performance with sustainability milestones that will drive our growth as a sustainable business.

We strive to be an organisation that takes ownership on our environmental impacts. To understand and take appropriate action to reduce our environmental footprint, we have aligned our sustainability report with reference to the GRI Standards. In addition, we have committed to adopting the Task Force on Climate-related Financial Disclosures ("TCFD"), following a three-year roadmap to achieve a phased approach that satisfies SGX's requirements. To this end, we are compliant with the environmental regulations and have taken notable measures to calculate, monitor and better manage our energy use and Scope 2 emissions to operate more sustainably.

We understand how important our employees are and create opportunities for human capital development by providing training and skill development regardless



of age and gender. We promote an inclusive work culture that nurtures talent for all and creates a safe working space for our employees in terms of health, safety and diversity. We aim to include more female members amongst our Board and Management teams.

The quality of services we provide our clients is our distinguishing factor amongst our competitors in the real estate market. Hence, we create opportunities for customer empowerment and digital innovation to improve productivity and customer experiences, as these are integral to improving the Group's efficiency of operations and service quality.

Community engagement is also a priority for our company, as we aspire to positively impact the communities that we interact with. In FY2022, our cumulative salespersons' and the Group's contribution to charity crossed the \$5 million-mark and we shall continue with our efforts and commitment to impact the lives of the less privileged.

We are pleased to share with you PropNex's approach to sustainability and efforts taken to be a sustainable business in the Group's Sustainability Report section, which has been assured through an internal review, of our Annual Report.

Sincerely,
Board of Directors
PropNex Limited

SUSTAINABILITY REPORT

SCORECARD

FY2022 Scorecard



19.6%
Staff Count Y-o-Y
percentage change



11,667
Number of salespeople
(as at 1 January 2023)



8%
Salesforce count Y-o-Y
percentage change



99
Number of
Consumer Webinars



\$1.34m
Charitable Contributions



501,936kWh
Electricity Consumption



203.64 tCO₂e
Greenhouse Gas Emissions
(Scope 2)



0.052
Emission Intensity



\$1.03b
Net Revenue



\$65.4m
Net Profit after tax

Sustainability at PropNex

We believe in helping our various stakeholders make a difference in their lives and their loved ones.

Vision	To become the leader in any market we serve and revolutionise this organization to have the strength of a big company combined with the leanness and agility of a small firm.
Values	Our core values, C.A.R.E., are at the heart of everything we do. We believe realizing our core values is key to ensuring the sustainability of our business. With our core values as the foundation, our approach to sustainability is defined by three pillars: empowering our people, empowering our customers, and empowering the society.
Mission	To enhance customers' quality of life through value-added professional service.

SUSTAINABILITY REPORT

SUSTAINABILITY GOVERNANCE

Empowering Our People

Our people represent our culture, reputation, and achievements. To attract and retain the right talents, we provide comprehensive benefits, training and development programmes, and innovative technological solutions.

Empowering Our Customers

We strive to enhance our customers' quality of life and build long-lasting customer relationships by sharing our knowledge with them.

Empowering the Society

We work to be a positive influence for our society and future generations by instilling a culture of accountability and giving back. We uphold the highest standards for corporate integrity and serve the communities we operate in.



Sustainability Governance Structure

We adopt a top-down approach to managing sustainability issues that are material to our business and our stakeholders. The Board of Directors spearheads our sustainability agenda, including determining the material ESG factors that we focus on.

The Board is supported by the Sustainability Steering Committee, which consists of the Chief Executive Officer, Key Executive Officer, Chief Financial Officer, Chief Operating Officer and the Senior Director of Corporate Communications and Business Development. The SSC is responsible for developing the sustainability strategy and targets in the strategic formulation of the Group, implementing action plans, and monitoring and managing our sustainability performance.

The Board approves the material ESG factors identified by the Sustainability Task Force and ensures that the factors are well-managed and monitored. The figure below illustrates our sustainability governance structure.

Figure 1: PropNex's Sustainability Governance Structure



SUSTAINABILITY REPORT

ASSESSING OUR MATERIALITY

Assessing Our Materiality

This report has been prepared in accordance with the requirements of SGX-ST Listing Rules 711A and 711B, and with reference to the Global Reporting Initiative ("GRI") Standards, an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures.

To identify and prioritise material ESG factors that are important to our business and key stakeholders, we have implemented a three-step materiality assessment process that aligns with the Global Reporting Initiative ("GRI") Standards' Materiality Principle.

The table below discloses our three-step materiality assessment process that we have implemented:

Table 1: Materiality assessment process



The assessment for FY2022 yielded eight material ESG factors and we shall continue to review the list of material ESG factors annually to ensure their relevance.

The table below discloses the material ESG factors we have identified, their relevance to our business and the GRI corresponding topic-specific:

Table 2: Material ESG factors for FY2022

Material ESG Factors	Relevance to PropNex	Corresponding GRI Standard Topic
Economic Performance	As a listed company, driving the growth and economic performance of our company is the first and foremost step to ensuring the sustainability of our business.	<ul style="list-style-type: none"> GRI 201: Economic Performance
Compliance with Laws and Regulations	To maintain our stakeholders' trust in us, we uphold high standards of integrity and conduct business in full compliance with all applicable laws and regulations.	<ul style="list-style-type: none"> GRI 205: Anti-corruption GRI 206: Anti-competitive Behaviour GRI 418: Customer Privacy
Environment	Our business relies on the physical environment and geography of Singapore. A clean, healthy and conducive living environment is therefore crucial for the success and sustainability of our company.	<ul style="list-style-type: none"> GRI 302: Energy GRI 305: Emissions

SUSTAINABILITY REPORT

ASSESSING OUR MATERIALITY

Material ESG Factors	Relevance to PropNex	Corresponding GRI Standard Topic
Employment	Our people are the cornerstones of our company. We are committed to attracting, motivating and retaining dedicated individuals that will inspire others, so as to ensure the smooth running of our business.	<ul style="list-style-type: none"> GRI 401: Employment GRI 405: Diversity and Equal Opportunity GRI 406: Non-Discrimination
Training and Education	Our people's capabilities to deliver relevant information and excellent customer service determine our reputation in the market and our business success. We carry out numerous training programmes to help our people excel professionally and individually.	<ul style="list-style-type: none"> GRI 404: Training and Education
Technological and Digital Innovation	We support our salespersons with technological solutions that help enhance their productivity, maintain service excellence and meet evolving client needs in a competitive business landscape.	<ul style="list-style-type: none"> Not applicable (non-GRI topic)
Consumer Empowerment	Customer trust and loyalty are paramount to our business sustainability. We cultivate customer rapport by educating and empowering our customers to recognise and leverage on property opportunities.	<ul style="list-style-type: none"> Not applicable (non-GRI topic)
Local Communities	Serving the communities around us is a core belief that contributes to our success. We strive to empower both our people and the less fortunate through our Corporate Social Responsibility ("CSR") initiatives.	<ul style="list-style-type: none"> GRI 413: Local Communities



SUSTAINABILITY REPORT

ENGAGING OUR STAKEHOLDERS

Stakeholder Engagement

Our core values C.A.R.E. are ingrained in the way we interact with our key stakeholders. We ensure regular and transparent communications with them to address any of their concerns with respect.

The table below provides a summary to the stakeholders that are key to our business, the methods of engagement and the frequency of engagement with each stakeholder:

Table 3: Summary of stakeholder engagement

Stakeholders	Engagement	Methods Frequency
Customers	<ul style="list-style-type: none"> Customer feedback channel Research reports Consumer empowerment seminars Property Shows/XPO/Webinars/Property Wealth System MasterClasses PropNex Friends Newsletter 	<ul style="list-style-type: none"> Throughout the year Throughout the year Throughout the year Throughout the year Fortnightly
Employees/Salespersons	<ul style="list-style-type: none"> Staff performance appraisals Staff satisfaction survey Staff suggestion form Training and development programmes for staff and salespersons, including orientation PropNex Annual/Mid-Year Conventions Team Leaders and Team Managers' Meetings Strategic/Department meetings Morning Parades Salespersons' Recognition platforms Jumpstart/Quantum Leap/Sales Booster Trainings Staff Service Awards Staff Retreat and Christmas party PropNex Real Estate Salespersons' Chapter 	<ul style="list-style-type: none"> Annually Annually Throughout the year Throughout the year Half-yearly Monthly Weekly Monthly Monthly Half-yearly Annually Annually Monthly
Investors/Shareholders	<ul style="list-style-type: none"> Financial results briefings Annual General Meeting Timely updates, announcements and press releases on key business decisions and developments via SGXNet and corporate website 	<ul style="list-style-type: none"> Quarterly Annually Throughout the year
Government/Regulators	<ul style="list-style-type: none"> Meetings, discussions and consultations Compliance with reporting requirements 	<ul style="list-style-type: none"> Throughout the year Throughout the year
Industry peers	<ul style="list-style-type: none"> Co-broking transactions Cross-agency collaboration 	<ul style="list-style-type: none"> Throughout the year Throughout the year
Media	<ul style="list-style-type: none"> Media releases and interviews on property updates 	<ul style="list-style-type: none"> Quarterly, ad hoc
Local communities/ Non-governmental organisations	<ul style="list-style-type: none"> CSR initiatives Division charitable initiatives PropNex Cares Programme Sponsor-A-Child Programme 	<ul style="list-style-type: none"> Throughout the year Throughout the year Throughout the year Throughout the year

SUSTAINABILITY REPORT

EMPLOYMENT



Our commitment to sustainability extends beyond environmental concerns and encompasses our responsibility to our community. The Group recognises the importance of operating in a way that supports and uplifts the community we serve, as well as our employees, salespersons, customers, and stakeholders. In this section of our Sustainability Report, we delve into the various initiatives and programmes we have implemented throughout the year to promote social responsibility. Through these efforts, we aim to foster a culture of social responsibility and contribute to a more equitable and sustainable future.

EMPLOYMENT

(GRI 401: Employment; GRI 403: Occupational Health and Safety; GRI 405: Diversity and Equal Opportunity; GRI 406: Non-Discrimination)

Joining Our PropNex Family

The collective sum of our people – including their life experiences, knowledge, creativity, and talent – represents the PropNex culture, reputation and achievements. The Group is committed to recruiting, cultivating and retaining staff and salespersons that believe in and practise our core values, and who consistently strive to provide service that our customers trust.

Recruitment of Staff

Our Group's Recruitment & Selection Policy and Diversity Policy guide our employee recruitment process. We embrace and encourage diversity in age, colour, ethnicity, marital status, gender, national origin, political affiliation, race, religion, sexual orientation, and other unique characteristics that our employees bring to the table.

At PropNex, we take cultivating a culture of diversity and inclusion seriously. Employees who believe they have been subjected to discrimination in conflict with our Diversity Policy are encouraged to seek assistance from their immediate superior or the Human Resources Department. Any employee found to have exhibited any inappropriate conduct or behaviour against others may be subject to disciplinary action.

Additionally, our referral programme incentivises our staff to refer suitable candidates for job openings at PropNex. Referees who refer successful candidates will receive a referral fee upon the candidate's appointment and confirmation in the position.

SUSTAINABILITY REPORT

EMPLOYMENT

Recruitment of Salespersons

Our cultivation of salespersons begins even before they become a PropNexian and extends to helping new real estate salespersons ("RES") candidates. Any person interested in becoming a RES is welcome to participate in our Real Estate Programme in RES Study Groups and we train and guide new RES candidates in preparation for the RES exam. Once they pass the RES exam, they will be eligible to participate in our recruitment programme.

All conditions, including responsibilities and the split of commission, are stated in the Associate Agreement that our salespersons sign with us. We require our salespersons to review their contract with us at least once every two years to ensure that they are reminded of and fully understand their terms and conditions. For our Team Leaders, we ask that they sign an additional contract when they become Team Leaders to ensure they understand their role and responsibilities.

BENEFITS

Staff

PropNex provides a suite of benefits to ensure that our staff members are well taken care of, including:

- Festive advance for salaries and festive leave for staff's choice of festive period.
- Birthday leave and vouchers.
- Discounted medical consultation and health screenings for staff and their family through Make Health Connect Corporate Programme.
- Discounts and promotion schemes for telecommunication services.
- Discounted premium rates for group term life and personal accident insurance.

Salespersons

There are also various benefits which PropNex salespersons enjoy, including:

- Discounted premium rates for group term life and personal accident insurance.
- 10-year pension scheme programme for performing Team Leaders.
- Legacy Planning Programme for Team Leaders to receive passive income after retirement.
- Spouse protection scheme for deceased Team Leaders.
- Discounted medical consultation fees for our salespersons and dependents at over 500 participating clinics.
- PX MediCare app for salespersons to access medical services with ease.
- Professional indemnity insurance that includes individual coverage.
- Discounts and promotion schemes for telecommunication services; portals and group discounts for digital onboarding.
- Special advertising rates in the classified sections of local publications.

PropNex Real Estate Salespersons Chapter was set up in 2021, first real estate agency to have a formalised framework supported by Singapore Industrial & Services Employees' Union ("SISEU"), which looks into the welfare, promoting professionalism in enhancing the business and industry practices and provides a platform for raising issues and protecting real estate salespersons. The internal representative committee of the PropNex Real Estate Chapter, which comprises of salespersons, serve as the voice for our salespersons. PropNex will also adopt applicable Tripartite Guidelines issued by the Tripartite Partners – National Trades Union Congress, the Ministry of Manpower (Singapore) and the Singapore National Employers Federation.

SUSTAINABILITY REPORT

EMPLOYMENT

Recognition

We believe in recognising and rewarding the contributions and achievements of our staff and salespersons. We have put in place the following schemes to showcase our gratitude towards staff

and salespersons who exhibit excellence and dedication. We also have monthly, quarterly and yearly performance recognition for our salespersons.

The table below discloses the schemes we have to recognise and reward the contributions and achievements of our staff and salespersons:

Table 7: Performance recognition schemes for staff and salespersons

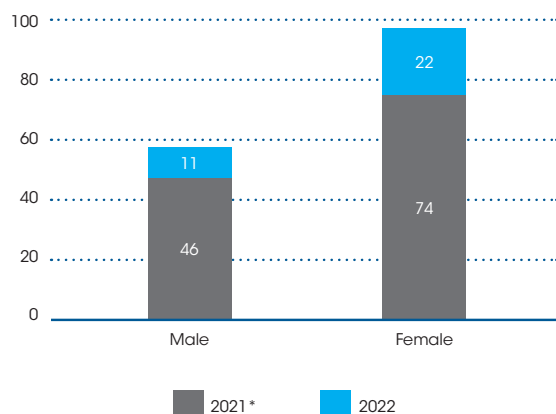
SERVICE AWARDS FOR STAFF	PROPnex AMBASSADORS FOR SALESPERSONS
<ul style="list-style-type: none"> Staff who have served the Company for at least 4.5 years are awarded the Good Service Award trophy and a crossed cheque of \$500. Staff who have served the Company for at least 9.5 years are awarded the Long Service Award trophy and a gift item valued at \$1000. Staff who have served the Company for at least 14.5 years are awarded the Long Service Award trophy and a gift item valued at \$1500. 	<p>PropNex Ambassadors are salespersons who have:</p> <ul style="list-style-type: none"> Been with PropNex for 5, 10, 15 or 20 years Established a niche for themselves in the real estate industry Contributed to business continuity and client engagement; and Actively participated in PropNex's CSR initiatives. <p>PropNex Ambassadors are recognised and presented with their charity plaques and a prestigious Ambassador badge at our quarterly mega conventions.</p>

FY2022 Performance and Future Targets:

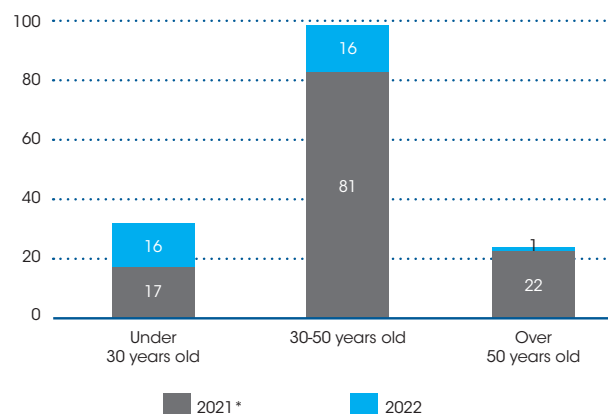
We at PropNex encourage a workforce that is diverse in gender and age. The following table discloses the age and gender diversity of our employees of PropNex Limited group of companies including PropNex Realty, PropNex International:

Table 8: Gender and Age Diversity statistics for FY2022

EMPLOYMENT (By Gender) AS AT 31 DEC 2022



EMPLOYMENT (By Age Group) AS AT 31 DEC 2022



* 2021 figures are not inclusive of staff in PropNex International

SUSTAINABILITY REPORT

EMPLOYMENT

Diversity within organisation's Board members

Gender Group	Number
Male	5
Female	0

Diversity within organisation's Management

Gender Group	Number
Male	12
Female	2

Our employees-related data is updated on a monthly basis using internal reports and data collection processes to monitor and track our performance against data requirements.

The table below discloses the absolute and annual monthly rate of new employee hires and turnover as well as the number of salespersons recruited for FY2022, and also compares our performance with FY2021:

Table 9: Employment statistics for FY2021 and FY2022

Employment		
Category	2022	2021
Number of new employee hires ¹	33	44
Number of employee turnover ²	30	22

Table 10: Statistics for Salespersons Joined in FY2021 and FY2022

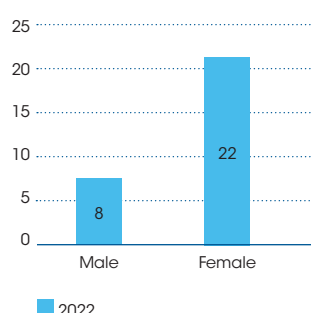
Recruitment		
Category	2022	2021
Number of salespersons recruited	871	1,878

In the past year, the Group achieved a similar level of staff retention and recruited over 871* new and experienced salespersons, working towards the vision of having 15,000 salespersons in 2025.

Additionally, there have been no incidents of discrimination, no fatalities, and no recorded work-related injuries during FY2022 for our company.

The table below discloses our targets and action plan for FY2023:

EMPLOYEE TURNOVER (AS AT 31 DEC 2022)



EMPLOYEE TURNOVER (By Age Group) AS AT 31 DEC 2022

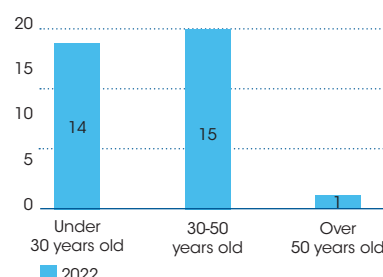


Table 10: Targets and Action Plan for FY2023

Employment Targets for 2023	
FY2023 Target	Action Plan
Continue to retain and attract talent that is diverse in terms of age and gender, and inclusive.	Continue to provide benefits, recognition, and incentives to attract and retain employees and salespersons

¹ The total number and rate of new employee hires and employee turnover disclosed in this report are independent of gender, age group and region.

² Annual rate of new employee hires/employee turnover = total number of employees hired/resigned ÷ total number of employees as of 31 December for the FY.

SUSTAINABILITY REPORT

TRAINING & EDUCATION (STAFF)

TRAINING AND DEVELOPMENT

(GRI 404: Training and Education)

Continuous self-improvement is a core value at PropNex, as regular training and education for our employees and salespersons are critical to the growth and sustainability of our business. We offer customised and comprehensive training programmes to help our people to reach their full potential, both professionally and individually.

Upskilling our Staff and Salespersons

Staff

We provide various training programmes for our staff to ensure they have the necessary skills to perform their job to the best of their abilities. We discuss their projected career path with them, identify any challenges they may face, and monitor their training progress during the annual performance review. The Human Resources Department consolidates the training needs of our employees for discussion and coordinates the relevant training.



The table below discloses training programmes we have provided for our staff in FY2022:

Table 11: Training programmes for our staff

	ORIENTATION PROGRAMME Introduction to PropNex's core values, organisational structure, welfare and benefits, Code of Conduct, Staff Handbook and internal systems and platforms.
	BUILT TO LAST PROGRAMME A customised six session training programme personally facilitated by our CEO to align our staff with PropNex's values and to equip our staff with practice continual innovation.
	CUSTOMER SERVICE TRAINING PROGRAMME This programme is offered annually to ensure that our staff are adequately trained to provide excellent service, including management of challenging internal and external customers.
	SUPERVISORY TRAINING PROGRAMME Head of Department/Supervisors are trained on effective communication, coaching, supervisory and delegation skills to enable them to be effective supervisors.
	PROPERTY-RELATED TRAINING PROGRAMME Staff members are required to complete property-related training based on and related to their job scope, such as property laws, through the Life Mastery Academy.
	PERSONAL ENRICHMENT PROGRAMME This is a series of personal development programmes that emphasise the use of positive psychology to realise an individual's natural potential to achieve their career, family and life goals. The Human Resources Department identifies key management and supervisory staff to attend such trainings annually.

SUSTAINABILITY REPORT

TRAINING & EDUCATION

(SALESPERSONS)

Salespersons

We have developed a comprehensive world-class training roadmap for our salespersons, providing a clear path for professional progression. Each roadmap can be customised based on the individual needs, level of experience, and career aspirations of each salesperson. Our impressive training program focuses on three main aspects: market segment and specialised skills, policies and regulations, and mindset training. For experienced salespersons or those who have chosen to become a Team Leader through the Dual Career Path Scheme, advanced training programs are also available.

The table below discloses training programmes we have provided for our salespersons in FY2022:

Table 12: Training programmes for our salespersons

	MASTERCLASSES	Trainings in advanced concepts such as asset progression and wealth management including hands-on Workshops.
	CONTINUOUS TRAININGS	Talks that provide updates on latest policies such as Legal Insider programme or the KEO insider programme. Monthly Tech Insider or Sales Insider programme to sharpen the skills of our experienced salespersons.
	MARKET SEGMENT AND SPECIALISED SKILLS TRAININGS	Courses on project presentation, closing techniques, digital prospecting and more. Quarterly updates on market outlook, including development in specific regions and of specific projects.
	DUAL CAREER PATH SCHEME	Salespersons who have completed specific training courses and achieved certain commission targets may be elected to become a Team Manager and may subsequently be promoted to Team Leader. Team Managers and Leaders are responsible for recruiting, supervising and mentoring salespersons.
	CONTINUING PROFESSIONAL DEVELOPMENT (CPD) COURSES	<p>All salespersons are required to attend a CPD courses under Professional Competencies and Generic Competencies (previously referred to as non-core course). Professional Competencies courses provide salespersons with opportunities to develop and deepen their knowledge in estate agency work covering laws and regulations, property markets, and other real estate knowledge. Generic Competencies courses contribute to salespersons' overall personal development, sharpening their soft skills in critical core areas such as digital fluency, communication and people development. These skills are grouped into three clusters: Thinking Critically, Interacting with Others and Staying Relevant.</p> <p>As per the current framework, salespersons must achieve a minimum of six CPD credits per cycle, with four CPD credits from Professional Competencies courses and two from Generic Competencies courses.</p>

SUSTAINABILITY REPORT

TRAINING & EDUCATION (SALESPERSONS)

FY2022 Performance and Future Targets

The table below discloses the average training hours completed by our staff in FY2022.

Table 13: Staff Average training hours for FY2022

Training and Development	
Category	FY2022
Staff Average training hours (overall)	8.22

2022 Performance against 2022 Targets: Average training hours for our staffs remain similar to 2021 and we have shifted many of the physical training to be conducted online via webinar over the weekends and during working hours due to the COVID situation.

However, our salespersons' trainings were increased.

The table below discloses our targets and action plan for FY2023:

Table 14: Targets and Action Plan for FY2023

Training & Development Targets for 2023	
FY2023	Target Action Plan
To continue developing our human capital in setting World Class Service Standards	Revamping our trainings of all staff in better serving our internal stakeholders as well as clients. To review and update our salespersons' training roadmaps and provide comprehensive training programmes in adapting to the current market sentiments.

SUSTAINABILITY REPORT

CONSUMER EMPOWERMENT



SERVING OUR CUSTOMERS

CONSUMER EMPOWERMENT

Our mission is to enhance customers' quality of life through value-added professional service. Property purchases are important life decisions and we are committed to share our knowledge with our customers and consumers at large to help them make the right choices.

As Singapore's largest listed home-grown real estate agency, we pride ourselves on being in the best position to give consumers relevant and timely advice

on all aspects of property investment. We have been empowering homebuyers and investors since 2013 by giving advice on the latest property trends, outlook of the real estate market, and sharing knowledge and strategies to navigate the dynamic real estate landscape.

We also actively engage and empower consumers, as well as prospective and existing customers, through the following existing and new channels last year:



CONSUMER EMPOWERMENT SEMINARS/WEBINARS

Keynote speakers from our management team including our Executive Chairman and CEO Mr. Ismail Gafoor and Executive Director Mr. Kelvin Fong, share valuable tips, insights to market sentiments, risks and investment opportunities in the current property market, and knowledge on specific property segments such as Core Central Regions with consumers.



PROPERTY WEALTH SYSTEMS (MASTERCLASS)

Taking the consumer seminars to the next level, PropNex designed a more intensive programme in 2022 that provide consumers with a greater in-depth look into the market and property investment strategies. Coined Property Wealth System (PWS) Master Class, the full two-day programme covers essential property investment strategies, tips for asset progression, including how to identify opportunities, exit strategies and more.



SG PROPERTY XPO 2022

Since 2019, PropNex started the Property XPO in offering a platform and venue for homebuyers to hear of the different choices in the market and hear of our speakers' analysis of the various developments. In 2022, we had: 16 developers & partners • 25 Power Hybrid Workshops • 20 Keynote & Invited Speakers • 3 Levels of Learning (First-timer, Upgrader & Investor) • Guest-of Honour: Mr Tan Kiat How (Senior Minister of State, Ministry of Communications and Information & Ministry of National Development)

SUSTAINABILITY REPORT

CONSUMER EMPOWERMENT



PROPNEK FRIENDS MEMBERSHIP PROGRAMME

We provide insights and updates from our property experts and analysts in keeping our PropNex Friends updated on property related news, policies and market outlook. Special deals and property related news such as monthly property reports are included in the fortnightly newsletter.



PROPNEK MONOPOLY CHAMPIONSHIP 2022

An exciting 4-month intensive financial literacy programme where participants could use their real estate skills to outbid others to emerge as the overall champion with the highest asset value. This aims to introduce insights of the Singapore residential market and financial literacy in a fun manner. Close to 10,000 registrants joined this programme and this is the first of such Monopoly championship ever conducted on a nationwide scale with prizes over \$300,000 for winners.

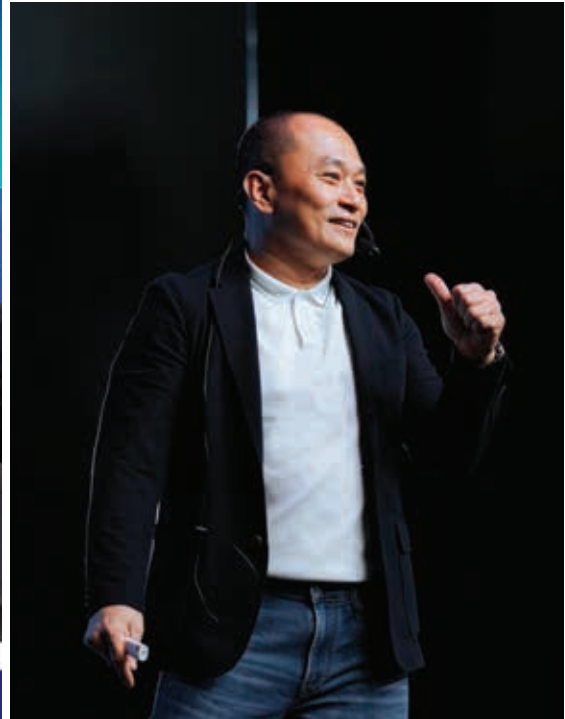
	FY2022	FY2021
Number of Consumer Empowerment Seminars/Webinars held	99	82

2022 Performance against 2022 Targets: As it was still partial restrictions in Singapore in 2022, we could only plan the activities in second half of the year.

Social Targets for 2023	
FY2023	Target Action Plan
Continue to hold engagement sessions for existing and potential clients	Conduct consumer empowerment webinars and seminars including the other engagement sessions, with increased frequency as COVID restrictions are fully lifted.

SUSTAINABILITY REPORT

COMPLIANCE & GOVERNANCE



COMPLIANCE WITH LAWS AND REGULATIONS

(GRI 205: Anti-corruption, GRI 206: Anti-competitive Behaviour, GRI 418: Customer Privacy)

We believe the key to achieving this is to conduct our business ethically, honestly and with integrity, thereby serving as a role model for others. PropNex does not tolerate any acts of fraud and corruption, and follows all laws and regulations relevant to our business.

Like other real estate practitioners, PropNex adheres to the regulatory framework of the Estate Agents Act, guided by the **Council of Estate Agencies** ("CEA"), a government agency under the Ministry of National Development, committed to raising the professionalism of the real estate agency industry. PropNex regularly collaborates with CEA on industry development programmes and supports them in protecting the interests of the consumers through targeted public education schemes.

The Group holds a firm stance against corruption and does not tolerate any malpractice, impropriety or statutory noncompliance in the course of business. The Group has a set of Company Rules and

Regulations which requires all employees to act in accordance with the highest standards of personal and professional integrity. All employees of the Group are required to read, understand and comply with the purposes and provisions of the Company Rules and Regulations when they are onboarded.

To avoid any conflicts of interest, we have a Conflict of Interest policy in place at PropNex that must be adhered to by all employees. For FY2022, there were no incidents of conflict of interest reported.

The Group has implemented an internal complaint handling process for complaints received against our salespersons on the possible breach of the Estate Agents Act (including the Code of Ethics and Professional Client Care). The process is overseen by our Key Executive Officer and includes internal investigation, counselling and coaching by PropNex's compliance officers. A formal report detailing the investigation will be submitted to the CEA within 2 weeks from the date the complaint is received. In cases where the respondent salesperson is found to have fallen short of the expected professional standard, a Letter of Advice will be served as warning.

SUSTAINABILITY REPORT

COMPLIANCE & GOVERNANCE

All salespersons have access to CEA's Practice Guidelines ("PG01-19") on the **Prevention of Anti-Money Laundering ("AML") and Countering the Financing of Terrorism ("CFT")**. Briefings are conducted by the Key Executive Officer ("KEO") and Assistant Vice President ("AVP") and updates were communicated via email to all salespersons including at conventions and trainings. Training materials and resources on AML/CFT are also available to all salespersons via the virtual office. The Group has subscribed to AML Check App for salespersons to conduct due diligence for its clients.

Being a service-oriented company working closely with customers, PropNex also closely abides by the **Personal Data Protection Act**, ensuring the security of our customers' private data.

Furthermore, our employees and salespersons must abide by the PropNex Code of Conduct, Staff Handbook, Associate Agreements and various corporate policies, such as the Conflict of Interest Policy. They must also conduct themselves in a professional and ethical manner. For our salespersons, we have implemented the Annual CEA License Renewal Exercise Policy to check and verify their license to practice. To avoid any conflicts of interest, we have a Conflict of Interest policy in place at PropNex that must be adhered to by all employees. For FY2022, there were no incidents of conflict of interest reported.

All departments have also put in place policies and processes to ensure that our operations comply with applicable laws and regulations. Our Compliance Department is responsible for monitoring our performance on regulatory compliance. Internal audits are conducted annually to evaluate the effectiveness of compliance controls in place.

Our **Whistleblowing Policy**, for both employees and salespersons, details the proper channels and procedures by which they can raise their concerns about possible improprieties and misconduct. We regularly provide relevant briefings and trainings to update our staff and salespersons on changes in laws and regulations. Staff and salespersons are also educated via compulsory monthly Morning Parade briefings, circulars, e-mail broadcasts, and company announcements in our Virtual Office.

2022 Performance against 2022 Targets: Achieved. There were no non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions against the Group. There was no letter of complaints against the Group from Personal Data Protection Commission ("PDPC") concerning breaches of customer privacy and losses of customer data. The Group had no incidents of corruption in 2022.

The Group conducted 22 compliance trainings and legal clinics with professionals and lawyers as speakers and the Group created videos to educate our salespersons.

Targets for 2023	
FY2023 Target	Target Action Plan
Maintain zero non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions against the Group.	To continue to conduct various programmes in raising professionalism standards of our sales force and using case-studies to educate salespersons.
Maintain zero letter of complaints against the Group from authorities like Personal Data Protection Commission ("PDPC") concerning breaches of customer privacy and losses of customer data.	
Maintain zero incidents of fraud or corruption.	

SUSTAINABILITY REPORT

EMBRACING THE COMMUNITY



PropNex strives to be a positive corporate citizen and influence, both for our society today as well as future generations. We do this by championing our core values of respect and concern for others, in reaching out and helping less privileged communities.

Since 2000, we have been involved in various charitable events and championed numerous meaningful causes, in Singapore and overseas. Our CSR Philosophy, "Empowering Future Generations through Education", guides our CSR initiatives. We review current initiatives and plan for future CSR direction and initiatives during our strategic meetings.

PropNex firmly believes in contributing back to the communities around us and in which we operate, at the company, team and individual levels. We can only truly help our communities when a culture of giving is instilled in each and every one of our employees and salespersons. PropNex has established programmes and initiatives to enable everyone within the PropNex family to easily be involved with and contribute to our CSR initiatives.

SUSTAINABILITY REPORT

EMBRACING THE COMMUNITY



SHARE PROGRAMME

Monthly deduction of commission or salaries from salespersons or staff who have opted in for this programme.



SPONSOR-A-CHILD PROGRAMME

Pairing contributing and participating staff and salespersons with a child whom they have sponsored, to spend time and enjoy a day of engagement together.



DIVISION CHARITY INITIATIVES

Team centric charity initiatives are undertaken by divisions within PropNex to organise charity events on a regular basis.

PropNex has adopted Community Chest as its main charity beneficiary since 2013. Through Community Chest, as we have also expressed a preference for adopting schools and centres that cater to children with special needs and disabilities as beneficiaries, to further align our contribution with our CSR philosophy.

Continuing our commitment of an annual \$500,000 in donations since 2015, our salespersons and the Group contributed \$1.34m in 2022 through our monthly SHARE and Sponsor-A-Child programme

for beneficiaries of Community Chest – Montfort Care, Children's Aid Society, Malay Youth Literary Association, Life Community Services Society, SHINE Children and Youth Services, Fei Yue Family Service Centre, Care Corner Singapore and Chen Su Lan Children's Methodist Home.

For the Group's philanthropic efforts, PropNex was recognised as the Community Chest Diamond Partner in 2022.

	FY2022	FY2021 *
Monetary contribution to local community initiatives	\$1,340,384	\$1,122,398

2022 Performance against 2022 Targets: Achieved, the Group's and salespersons' 2022 cumulative contribution crossed the \$5 million-mark total contribution to charity ahead of our initial target to raise this amount by 2023 for communities in need.

Social Targets for 2023	
FY2023	Target Action Plan
Contribute to Community Chest adopted charity beneficiaries at least a total of \$1 million annually and a target of a minimum of 1,000 volunteer hours in Year 2023.	Continue to raise funds for the under privileged and plan for volunteering time.

* For 2021, the contribution of \$1.122 million does not include a one-off \$1 million contribution made by the CEO, Ismail Gafoor.

SUSTAINABILITY REPORT

INNOVATING ON THE DIGITAL FRONT



Technology in the real estate realm has disrupted and transformed how business is conducted, and will continue to play a pivotal role in the way corporations conduct their business. One of our key strategies is the empowerment of our people by enhancing our technological capabilities. We are committed to improving our salespersons' productivity by providing relevant and reliable technological support. This in turn helps them to provide better customer service for their clients.

Our Tech Development Working Committee has developed the PropNex IT Roadmap to guide our future investments in technological and digital innovation. In consultation with our salespersons, we identified their needs and challenges.

PropNex's utmost priority is to ensure all of our salespersons have access to powerful digital tools as well as the tech literacy to fully make use of these tools, allowing them to efficiently access mass amounts of information at their fingertips to obtain useful insights. As of 2022, PropNex has a team of 40 full-time app developers who developed several technological solutions and tools including our two signature apps: PropNex Sales Suite and the PropNex Investment Suite.

SUSTAINABILITY REPORT

INNOVATING ON THE DIGITAL FRONT

PropNex Investment Suite App (Launched in March 2022)	Continuous improvement of the features of the PropNex Sales Suite App in 2022
	
<p>Geared towards helping agents identify market trends across various property segments. The app was created to provide in-depth analysis of historical data detailing the price trends, rental yields, recent transactions, comparisons with nearby properties, and more with a click of a button</p>	<p>Help salespersons find properties that match what clients are looking for, they can use the app to easily filter through property listings via multiple criteria, including budget, location, size, number of bedrooms and distance to key amenities. The app also functions as a customer relationship management platform, allowing agents to engage with clients and keep track of communications, simplifying a normally time-consuming, manual process</p>

Targets for 2023	
FY2023	Target Action Plan
Increased productivity for the sales force	More trainings and adoption of the apps for salespersons to close deals much faster



SUSTAINABILITY REPORT

ENVIRONMENT FRONT



Environment

Rampant use of energy from non-renewable sources can cause global warming and, through the resultant melting of the polar ice caps, subsequent sea levels rise. As a small island state, climate change can adversely impact Singapore and the main business of PropNex: real estate.

Energy Consumption and GHG Emissions

(GRI 302: Energy, GRI 305: Emissions)

As the COVID-19 restrictions were relaxed from April 2022 onwards, we saw our staff and salespersons returning to our offices. Our staff has always been mindful of energy conservation and take measures to ensure we do not consume more energy than required at our premises.

Our Energy Use and Resulting Emissions

We have recorded our electrical consumption captured at various corporate premises, including HDB Hub Levels 10, 11 and 18, Branch Office and General Magnetic Building. The tabulations were based on utility bills from the electricity supplier.¹

In total 501,936kWh (501.94 MWh) of electricity was used, which translates to 203.64 tonnes of CO₂e. Our energy use and emissions increased by 2.38% in FY2022 from FY2021. FY2021 was a partial-Covid year, and our offices were closed during the lockdown period, resulting in lower electricity used and emissions generated.



¹ All electricity is purchased from the national grid and is produced almost entirely by the combustion of natural gas, which is classified as a Scope 2 emission source. To calculate our Scope 2 emission for FY2022, the emission factor for electricity generation was obtained from the Energy Market Authority (EMA) for 2021.

SUSTAINABILITY REPORT

ENVIRONMENT FRONT

Since 2022, after all our staff returned to work in the office, we have made sure that all meeting rooms in the office that are not being utilised have their lights switched-off in order to save energy. To further reduce our environmental footprint, we have also switched to LED lightings and cut down on printed handouts for trainings. Additionally:

- PropNex has made a Green Nation Pledge for 2023, to adopt the use of energy efficient appliances, avoid the use of single-use bottled or packaged bottle for meetings and events, cease or reduce the usage of single-use disposables, track our carbon footprint, and publish the sustainability report.

- The Group has pledged to introduce digital name cards for staff and salespersons and is advocating our salespersons in activities such as green movements and tree-planting initiatives to drive awareness of reducing our carbon footprint.
- The Group has onboarded vendors that are aligned with our green movement.

No incidents of non-compliance with environmental laws and regulations were identified within the reporting year.

FY2022 Performance and Future Targets

The table below discloses our energy consumption and emissions for FY2022, and also compares our performance with FY2021:

Table 4: Energy and Emissions performance for FY2022

Energy Consumption and GHG Emissions		
Category	FY2022	FY2021
Total Electricity consumed (MWh)	501.94	490.25
Energy-use Intensity (MWh/m ²)	0.1289	0.1259
Total Emissions (Scope 2; tCO ₂ e)	203.64	198.89 ²
Gross Floor Area (m ²)	3893.1	3893.1
Emission Intensity (tCO ₂ e/m ²)	0.052	0.051

The table below discloses our targets and action plan for FY2023:

Table 5: Targets and Action Plan for FY2023

Environmental Targets for FY2023	
FY2023 Target	Action Plan
<ul style="list-style-type: none"> • Undertake further initiatives to promote environmental sustainability 	<ul style="list-style-type: none"> • The Group will explore and consider various initiatives such as reducing the spaces and effectively using energy efficient appliances, motion sensors for lights, among others

² This information has been restated from our FY2021 Sustainability Report as we have used the emission factor for electricity generation that was obtained from the Energy Market Authority (EMA) for 2021 to recompute the data.

SUSTAINABILITY REPORT

ENVIRONMENT FRONT



TCFD

Climate change poses a financial risk to businesses, and there is a need to understand and manage key climate risks and opportunities. As such, we have committed to adopt the TCFD recommendations in order to enhance our disclosures for future reporting years. The roadmap below illustrates our gradual adoption of the TCFD disclosures for the next 3 years.

Table 6: Our Roadmap for adopting the TCFD Disclosures

TCFD pillar	Climate-related disclosures consistent with TCFD recommendations		
	FY2023 (Year 1)	FY2024 (Year 2)	FY2025 (Year 3)
1. Governance	Describe the climate governance structure, including Board oversight and management's role	Aligned with TCFD recommendation To review and update any changes to the governance structures	
2. Strategy	Climate-related risks identified	Climate-related risks and opportunities identified across different time horizons Qualitative climate impact assessment	Scenario analysis with more quantitative outcomes
3. Risk Management	Describe the processes for identifying climate-related risks	Describe the processes for managing climate-related risks and mitigation measures	Integration of climate-related risks into overall risk management
4. Metrics and Targets	Impacts in qualitative terms	Metrics used for assessment Impacts in more quantitative terms Targets in qualitative terms	Impacts in quantitative terms Targets in quantitative terms
	Scope 1 and 2 GHG emissions	Scope 1 and 2 GHG emissions and their related risks	Scope 1, 2, and 3 emissions and their related risk

SUSTAINABILITY REPORT

ECONOMIC PERFORMANCE



Economic

As Singapore's largest real estate agency, PropNex fulfils an important role within the real estate sector by facilitating the buying, selling, renting and leasing of properties in Singapore. In line with our vision of having the strength of a big company and our status as a listed entity on the Singapore Exchange, PropNex also contributes to the economy by providing gainful employment to thousands of employees and salespersons.

Economic Performance

(GRI 201: Economic Performance)

The Group's revenue increased by 7.5% year-on-year for the full year ended 31 December 2022 ("FY2022") to \$1.0 billion from \$957.5 million in 2021. The Group's salesforce grew from 10,796 as at 1 January 2022, to 11,667 as at 1 January 2023.

You may refer to our financial results announcements on SGXNET or PropNex's corporate website for more information.

No incident of non-compliance with socio-economic laws and regulations were identified within the reporting year.

SUSTAINABILITY REPORT

APPENDIX A: GRI INDEX

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisational details	Page 18
	2-2 Entities included in the organization's sustainability reporting	Page 18
	2-3 Reporting period, frequency and contact point	Page 18
	2-4 Restatements of information	Page 37, 41
	2-5 External assurance	Page 18
	2-6 Activities, value chain and other business relationships	Page 6-7, 18
	2-7 Employees	Page 25-28
	2-8 Workers who are not employees	Page 25-28
	2-9 Governance structure and composition	Page 21; 46
	2-10 Nomination and selection of the highest governance body	Page 21; 50
	2-11 Chair of the highest governance body	Page 21; 51
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 21
	2-13 Delegation of responsibility for managing impacts	Page 21
	2-14 Role of the highest governance body in sustainability reporting	Page 21
	2-15 Conflicts of interest	Page 35; 47
	2-16 Communication of critical concerns	Page 35; there were no critical concerns raised during the reporting period
	2-17 Collective knowledge of the highest governance body	Page 49; The Board of Directors have attended the sustainability training courses for Directors prescribed by SGX.
	2-18 Evaluation of the performance of the highest governance body	Page 54-55
	2-19 Remuneration policies	Page 55-60
	2-20 Process to determine remuneration	Page 55-60; market benchmarking, compare internally through internal equity report; and attractive benefits for new joiners.
	2-21 Annual total compensation ratio	Not disclosed
	2-22 Statement on sustainable development strategy	Page 20-23; 42

SUSTAINABILITY REPORT

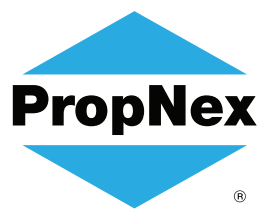
APPENDIX A: GRI INDEX

GRI Standard	Disclosure		Location
	2-23	Policy commitments	Page 25; 34-35
	2-24	Embedding policy commitments	Page 25; 34-35
	2-25	Processes to remediate negative impacts	Page 35
	2-26	Mechanisms for seeking advice and raising concerns	Page 35
	2-27	Compliance with laws and regulations	Page 34-35; 41
	2-28	Membership associations	Page 34
	2-29	Approach to stakeholder engagement	Page 24
	2-30	Collective bargaining agreements	Page 26; 34
GRI 3: Material Topics	3-1	Process to determine material topics	Page 22
	3-2	List of material topics	Page 22-23
GHG Emissions and Energy Consumption			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 40
GRI 302: Energy	302-1	Energy consumption within the organization	Page 40-41
	302-4	Reduction of energy consumption	Page 40-41
GRI 305: Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Page 40-41
Economic Performance			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 40
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Page 43
Compliance with Laws and Regulations			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 34
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies	Page 34-35
	205-3	Confirmed incidents of corruption and actions taken	Page 34-35
GRI 206: Anti-competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Page 35
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 35
Employment			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 25
GRI 401: Employment	401-1	New employee hires and employee turnover	Page 27-28
GRI 403: Occupational Health and Safety	403-9	Work-related injuries	Page 28
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Page 28
GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	Page 28

SUSTAINABILITY REPORT

APPENDIX A: GRI INDEX

GRI Standard	Disclosure		Location
Local Communities			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 36
GRI 413: Local Communities	413-1	Operations with implemented local community engagement, impact assessments, and/or development programs	Page 36-37
Training and Development			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 29
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Page 31
	404-2	Programs for upgrading employee skills and transition assistance programs	Page 29-30
Consumer Empowerment (Non-GRI Topic)			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 32-33
Technological and Digital Innovation (Non-GRI Topic)			
GRI 3: Material Topics	3-3	Management of material topics	Page 22-23, 38-39



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