



2022/2023  
ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT

AM GROUP HOLDINGS LIMITED  
秀商時代控股有限公司

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)  
STOCK CODE: 1849

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## INTRODUCTION AND SUSTAINABILITY APPROACH

As an online marketing services provider undertaking search engine marketing services, creative and technology services, social media marketing services and online e-commerce platform operation in Singapore, Malaysia and the People's Republic of China ("PRC"), AM Group Holdings Limited (the "Company") and its subsidiaries (the "Group" or "we") are pleased to present the Environmental, Social and Governance Report (the "Report") for the financial year ended 30 June 2023 (the "Reporting Period" or "FY2023"). This Report summarises the environmental, social and governance ("ESG") initiatives, plans and performances of the Group and demonstrates its ongoing commitment towards sustainable development.

### The ESG Governance Structure

We view ESG commitments as part of our responsibilities and are committed to incorporating ESG considerations into our decision-making process. To achieve this goal, we have developed a core governance framework to ensure ESG governance is aligned with our strategic growth, while advocating for the integration of ESG into our business operations.

The board of directors (the "Board") holds the overall responsibility for the Group's ESG issues and oversees ESG strategies, direction and policies. In order to better manage the Group's ESG performance, related issues and potential risks, the Board discusses and reviews the Group's ESG risks and opportunities, materiality of ESG issues and performance against ESG-related targets at least once annually. The environmental targets were set in the financial year ended 30 June 2021 ("FY2021") with the aim to align with the corporate sustainability approach, echo with global vision for decarbonisation and enhance corporate reputation. The Board is also responsible for ensuring the effectiveness of ESG risk management and internal control mechanism and facilitates the exchange of the best practices regarding ESG with other peer companies.

To develop systematic management of ESG issues under the Board's delegations, the Group has established an ESG working taskforce (the "Taskforce"). The Taskforce is composed of staff from relevant departments. The Taskforce facilitates the Board's oversight of ESG matters and has the responsibility for collecting and analysing ESG data, assisting in conducting materiality assessment, monitoring and evaluating the Group's ESG performance, keeping track of the progress made against ESG-related targets, ensuring compliance with ESG-related laws and regulations and preparing ESG reports. The Taskforce arranges meetings annually to evaluate the effectiveness of current policies and procedures and formulate appropriate solutions to improve the overall performance of ESG policies. At meetings, the Taskforce discusses the existing and upcoming plans so as to monitor and manage the Group's strategic goals in terms of sustainable development, mitigating potential risks and minimising the negative impact on our business operations. The Taskforce reports to the Board at annual meetings, assists in assessing and identifying the Group's ESG risks and opportunities and evaluates the implementation and effectiveness of the internal control mechanism. Where appropriate, external advisors would be engaged to provide expertise and professional advice for the ESG management process.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## REPORTING PERIOD

Unless otherwise specified, this Report covers the period from 1 July 2022 to 30 June 2023. The reporting content in this Report comprises the ESG activities, challenges and measures taken by the Group during the Reporting Period.

## SCOPE OF REPORTING

The Report mainly covers the Group's four principal segments in Singapore, Malaysia and the PRC. By assessing performance of the operating segments on the basis of financial threshold, four operating segments representing the Group's major sources of revenue during the Reporting Period are included in this Report. The four segments are (i) the search engine marketing services; (ii) the creative and technology services; (iii) the social media marketing services and (iv) the online e-commerce platform operation. The ESG key performance indicators ("KPIs") data are gathered only from the operations under the Group's direct operational control. The Group will continue to assess the major ESG aspects of different businesses or its major subsidiaries to extend the scope of disclosure when and where applicable.

## REPORTING FRAMEWORK

The Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") as set out in Appendix 27 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Information relating to the Group's corporate governance structure and practices has been set out in the Corporate Governance Report of the Company's Annual Report 2022/2023.

The Group attaches great importance to materiality, quantitative, balance and consistency during the preparation for this Report, the Group has applied these reporting principles in the aforementioned ESG Reporting Guide as the following:

**Materiality:** Materiality assessment was conducted to identify material ESG issues during the Reporting Period, thereby adopting the confirmed material issues as the focus of the Report. The materiality of ESG issues was reviewed and confirmed by the Board and the Taskforce. Please refer to the sections headed "Stakeholder Engagement" and "Materiality Assessment" for further details.

**Quantitative:** The standards and methodologies as well as the applicable assumptions used in the calculation of KPIs data in the Report were supplemented by explanatory notes.

**Balance:** This Report was prepared based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall ESG performance of the Group.

**Consistency:** The statistical methodologies applied to this Report were substantially consistent with previous reports. Explanations regarding data will be provided if there are any changes in the scope of disclosure and calculation methodologies that may affect the comparisons with previous reports.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### STAKEHOLDER ENGAGEMENT

The Group is committed to meeting the expectations of stakeholders by truly understanding all the concerns of stakeholders and integrating these expectations through the Group's ESG practices. The ultimate goal shall be maximising the greater economic output and business value while pursuing the Group's long-term sustainable development goals.

In order to understand and address the main concerns of different stakeholders, we have been promoting effective communication and maintaining ongoing relationships with them. We have established a comprehensive stakeholder engagement process and will continue to increase stakeholder engagement through constructive conversation to map long-term prosperity. Stakeholders' expectations have been taken into consideration by utilising diversified engagement methods as shown below:

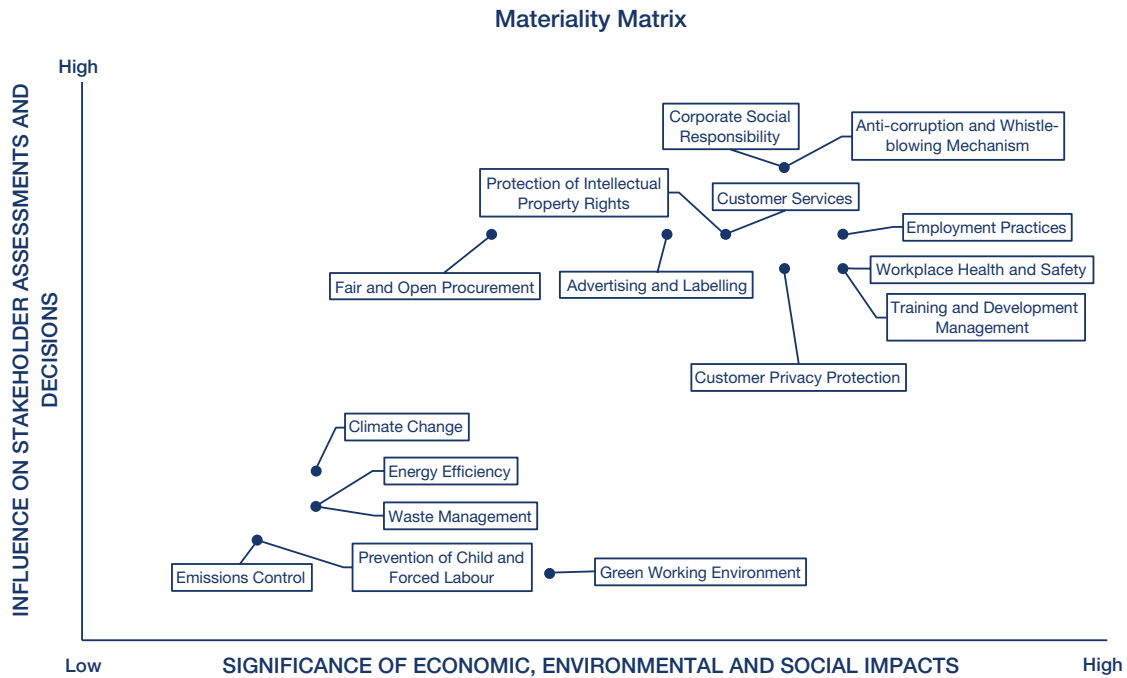
Stakeholders	Expectations and concerns	Communication channels
Shareholders and investors	<ul style="list-style-type: none"> <li>Corporate governance system</li> <li>Business strategies and performance</li> <li>Financial results</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meeting and other shareholder meetings</li> <li>Financial reports</li> <li>Announcements and circulars</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Career development</li> <li>Health and safety</li> <li>Remuneration and benefits</li> <li>Equal opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Training, seminars and briefing sessions</li> <li>Team bonding activities</li> <li>Regular performance reviews</li> </ul>
Customers and business partners	<ul style="list-style-type: none"> <li>Privacy protection</li> <li>Business integrity and ethics</li> </ul>	<ul style="list-style-type: none"> <li>Sales team</li> <li>Online platforms and emails</li> </ul>
Suppliers and vendors	<ul style="list-style-type: none"> <li>Fair tendering</li> <li>Business ethics and reputation</li> </ul>	<ul style="list-style-type: none"> <li>Supplier management meetings and events</li> </ul>
Government and regulatory bodies	<ul style="list-style-type: none"> <li>Compliance with rules and laws</li> </ul>	<ul style="list-style-type: none"> <li>Authorised representatives</li> <li>Emails</li> </ul>
Media, non-governmental organisations and the public	<ul style="list-style-type: none"> <li>Environmental protection</li> <li>Social welfare</li> <li>Health and safety</li> </ul>	<ul style="list-style-type: none"> <li>ESG reports</li> </ul>
Other service providers	<ul style="list-style-type: none"> <li>Compliance with rules and laws</li> </ul>	<ul style="list-style-type: none"> <li>Online platforms and emails</li> </ul>

We aim to collaborate with our stakeholders to improve our ESG performance and create greater value for the wider community continuously.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## MATERIALITY ASSESSMENT

To identify relevant ESG issues and assess the importance of related matters to our businesses and stakeholders, we have compiled a survey and invited relevant departments, business units and stakeholders of the Group to rate the potentially material issues. The following matrix presents the result of the materiality assessment:



## CONFIRMATION AND APPROVAL

The Group endeavours to ensure that all the information presented in this Report is accurate and reliable. This Report had undergone the internal review process of the Group and was reviewed by the Board. During FY2023, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and the disclosed contents comply with the requirements of the ESG Reporting Guide.

## CONTACT US

We welcome stakeholders to provide us their opinions and suggestions. You can provide valuable advice in respect of the Report or our performances in sustainable development by mailing to 60 Paya Lebar Road, #12-51/52, Paya Lebar Square, Singapore 409051.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## A. ENVIRONMENTAL

### Environmental Targets

The Group is committed to the long-term sustainability of the environment and community where it operates. As a corporation principally engaged in online marketing services, the Group's daily operations have minimal impacts on the environment. Nevertheless, we recognise our responsibilities towards the potential indirect negative environmental impacts associated with our business operations. We focus on nurturing and strengthening our employees' awareness of environmental protection in their daily work processes.

To better manage the Group's material topics and its performance on those aspects, in FY2021, the Group decided to set quantifiable targets for the environmental aspect for the financial year ending 30 June 2024 ("FY2024"). The table below summarises the Group's sustainability targets set and its progress towards the targets:

Environmental targets	Status	Specific steps taken
<b>1. Greenhouse Gas ("GHG") Emissions</b> Reduce the total GHG emissions intensity (tCO <sub>2</sub> e/employee) in FY2024, using FY2021 as the baseline year.		<i>Reduce energy consumption</i> <ul style="list-style-type: none"> <li>Adopt energy conservation measures as described in the targets of "Energy Consumption"</li> </ul> <i>Reduce business travel</i> <ul style="list-style-type: none"> <li>Utilise teleconference or video meetings to prevent non-essential business travel</li> </ul>
<b>2. Non-hazardous Waste Management</b> Reduce the total non-hazardous waste intensity (tonnes/employee) in FY2024, using FY2021 as the baseline year.	Targets will be assessed in FY2024.	<i>Reduce paper consumption</i> <ul style="list-style-type: none"> <li>Use double-sided printing or photocopying wherever possible</li> <li>Utilise electronic media for communication</li> </ul> <i>Reduce other non-hazardous wastes</i> <ul style="list-style-type: none"> <li>Avoid single-use disposable items</li> </ul>
<b>3. Energy Consumption</b> Reduce the total energy consumption intensity (kWh/employee) in FY2024, using FY2021 as the baseline year.		<i>Reduce energy consumption</i> <ul style="list-style-type: none"> <li>Switch off unnecessary lightings and electrical appliances when not in use</li> <li>Set all printers, photocopiers and computers to energy-saving mode</li> <li>Regularly review the energy consumption level</li> </ul>
<b>4. Water Consumption</b> Reduce the total water consumption intensity (m <sup>3</sup> /employee) in FY2024, using FY2021 as the baseline year.		<i>Optimise facilities</i> <ul style="list-style-type: none"> <li>Regularly inspect water taps to prevent leakage</li> </ul>



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

In addition to the above measures, “Green Message” reminders and posters are posted at prominent places in office areas to encourage our staff to take initiatives in energy saving and resources utilisation in a reasonable manner. The Group will continue to work for the targets set and will review the set targets in due course.

### A1. Emissions

The Group has integrated environmental consideration into our decision-making process and embraced the responsibilities to create an environmentally sustainable business. Considering the Group’s business nature, we have taken measures to facilitate the environmental-friendliness of our workplace by encouraging a recycling culture within the Group. To enhance our environmental governance practice and mitigate the environmental impacts produced by our operations, we have implemented relevant environmental protection policies, such as the Environmental Policy and the inclusion of the ESG section in the Employee Handbook and communicated such policies to our employees. In the long run, we will continue to enhance our environmental management strategies in monitoring and minimising the environmental impacts brought by our businesses regularly.

During FY2023, the Group was not aware of any material non-compliance with environmental-related laws and regulations in Singapore, Malaysia and the PRC that would have a significant impact on the Group, including, but not limited to, the Environmental Protection and Management Act 1999 of Singapore, the Environmental Quality Act 1974 of Malaysia and the Environmental Protection Law of the PRC.

#### *Emissions Control*

##### Exhaust Gas Emissions

The source of exhaust gas emissions arising out of the Group’s operation was petrol consumed by the Group’s only private vehicle for transportation. Due to the Group’s major business nature being online marketing services, the Group does not generate significant amount of exhaust gas directly during its operations. Nevertheless, the Group has implemented measures relating to the reduction of exhaust air emissions including:

- Perform efficient planning on driving routes to minimise the number of trips made for business purpose;
- Regularly maintain and repair the vehicle by engaging qualified personnel to ensure fuel consumption efficiency and respective emissions have complied with local emission standards; and
- Switch off the engine when the vehicle is idling.

During FY2023, the Group’s nitrogen oxides (“NO<sub>x</sub>”), sulphur oxides (“SO<sub>x</sub>”) and particulate matter (“PM”) emissions decreased significantly compared to that of the financial year ended 30 June 2022 (“FY2022”), which were mainly attributable to prioritising public transport over using the company vehicle in echo with the environmental protection measures.

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT** (CONTINUED)

Summary of the Group's exhaust gas emissions performance is as follows:

<b>Types of exhaust gas<sup>1</sup></b>	<b>Unit</b>	<b>FY2023</b>	<b>FY2022</b>
NO <sub>x</sub>	g	124.00	224.10
SO <sub>x</sub>	g	2.94	5.31
PM	g	9.13	16.50

Note:

- The calculation method of exhaust gas emissions is based on "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by the Stock Exchange.

### GHG Emissions

The major sources of the Group's GHG emissions are direct emissions from petrol consumption by the company vehicle (Scope 1), energy indirect emissions from purchased electricity (Scope 2) and other indirect emissions from employees' business air travels (Scope 3).

During FY2023, the Group's GHG emissions reduced by approximately 25.48% compared to FY2022. In addition to the effective control of using the company vehicle as described in the paragraph headed "Exhaust Gas Emissions" above, emissions from electricity consumption also reduced as a result of the measures described in the paragraph headed "Energy Consumption". Furthermore, other indirect emissions from business air travels were largely replaced with electronic means of communication under pandemic restrictions.

Summary of the Group's GHG emissions performance is as follows:

<b>Indicators<sup>2</sup></b>	<b>Unit</b>	<b>FY2023</b>	<b>FY2022</b>
Direct GHG emissions (Scope 1)			
• Petrol consumed by vehicle	tCO <sub>2</sub> e	0.53	0.96
Energy indirect GHG emissions (Scope 2)			
• Purchased electricity	tCO <sub>2</sub> e	58.99	70.03
Other indirect GHG emissions (Scope 3)			
• Business air travels	tCO <sub>2</sub> e	5.73	16.57
<b>Total GHG emissions</b>	tCO <sub>2</sub> e	<b>65.25</b>	<b>87.56</b>
<b>Intensity<sup>3</sup></b>	tCO <sub>2</sub> e/employee	<b>0.69</b>	<b>0.70</b>

A GHG emissions reduction target was set in FY2021, targeting to reduce the total GHG emissions intensity in FY2024 using FY2021 as the baseline year. Comparing to the baseline of 0.36 tCO<sub>2</sub>e/employee in FY2021, the Group is still in progress of achieving the target. The Group will continue to dedicate its efforts and will review the target in FY2024.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### Notes:

2. GHG emission data are presented in terms of carbon dioxide equivalent and are based on, including, but not limited to, “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, the latest released emission factors of Singapore’s power grid published by the Energy Market Authority, the “Notice on the Management of Enterprise Greenhouse Gas Emissions Reporting by Power Generation Industry in 2023–2025” issued by the Ministry of Ecology and Environment of the PRC, the “Sustainability Report 2022” published by Tenaga Nasional, “How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs” issued by the Stock Exchange and “Global Warming Potential Values” from the IPCC Fifth Assessment Report, 2014 (AR5).
3. As at 30 June 2023, the Group had 94 employees in total (as at 30 June 2022: 125 employees). Unless specified otherwise, the data are also used for calculating other intensity data.

### *Sewage Discharge*

We do not consume a significant volume of water through our business activities. Therefore, our business activities did not generate a material portion of discharge into water. As the sewage discharged by the Group is discharged directly into the municipal sewage pipe network, the amount of water consumed is considered as the sewage discharged. The amount of water consumed and corresponding water-saving initiatives will be described in the section headed “Water Consumption” under aspect A2.

### *Waste Management*

#### Hazardous Waste

Due to the Group’s business nature, it did not generate a significant amount of hazardous waste during its business operation. Despite that the Group did not generate hazardous waste during FY2023, it has established guidelines to govern the management and disposal of hazardous waste. In the event that hazardous waste is produced, the Group must engage a qualified chemical waste collector to handle such waste and comply with the relevant environmental laws and regulations.

#### Non-hazardous Waste

The non-hazardous waste generated by the Group mainly includes paper waste generated from offices and food waste generated by employees. To minimise the environmental impacts of non-hazardous waste generated from our business operations, the Group has adopted various waste reduction measures and initiatives to manage waste effectively and encourage recycling in its operations in order to achieve its target on waste reduction. With such waste management approaches, we hope to embed an environmental-friendly mindset among our employees.

During FY2023, the disposal amount of paper waste increased by approximately 32.84% compared to FY2022. Paper consumption increased particularly in Singapore and Malaysia offices when normal operation was resumed from the arrangement of work from home after the COVID-19 pandemic eased off. On the other hand, the disposal amount of food waste decreased by approximately 12.50% compared to FY2022 due to reduction in food consumption by fewer employees in the PRC office. As a result, the total non-hazardous waste decreased by approximately 6.00% in FY2023 as compared to FY2022.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Summary of the Group's non-hazardous waste disposal performance is as follows:

Types of non-hazardous waste	Unit	FY2023	FY2022
Paper waste	tonnes	0.89	0.67
Food waste	tonnes	3.50	4.00
<b>Total non-hazardous waste</b>	tonnes	<b>4.39</b>	<b>4.67</b>
<b>Intensity</b>	tonnes/employee	<b>0.05</b>	<b>0.04</b>

A non-hazardous waste management target was set in FY2021, targeting to reduce the total non-hazardous waste intensity in FY2024 using FY2021 as the baseline year. Comparing to the baseline of 0.02 tonnes/employee in FY2021, the Group is still in progress of achieving the target. The Group will continue to dedicate its efforts and will review the target in FY2024.

### A2. Use of Resources

The Group upholds and promotes the principle of effective use of resources and is committed to optimising the use of resources across business operations. We promote a green office and operating environment and continue with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations. We have paid attention to the potential environmental impacts brought by the consumption of resources and established related policies and initiatives, including but not limited to those mentioned in the Employee Handbook and Environmental Policy, covering topics on better utilisation of resources such as energy, water and other natural resources.

#### *Energy Consumption*

The energy consumed by the Group mainly includes electricity consumed for daily operation and petrol consumed by the company vehicle. The Group aims to minimise environmental impacts in its operations by identifying and adopting appropriate measures in our operations. Related policies and initiatives on energy conservation have been developed to show that we attach importance to energy efficiency. Regular reviews are conducted on our energy target to seek continuous improvement in the energy performance.

During FY2023, the total energy consumption decreased by approximately 13.98% compared to FY2022. In addition to the effective control of using the company vehicle as described in the paragraph headed "Exhaust Gas Emissions" above, the reduction was mainly attributable to the termination of leasing a PRC office where electricity consumption has been halted since then.

Summary of the Group's energy consumption performance is as follows:

Types of energy <sup>4</sup>	Unit	FY2023	FY2022
Direct energy consumption			
• Petrol	kWh	1,938.27	3,498.00
Indirect energy consumption			
• Purchased electricity	kWh	110,538.00	127,258.00
<b>Total energy consumption</b>	kWh	<b>112,476.27</b>	<b>130,756.00</b>
<b>Intensity</b>	kWh/employee	<b>1,196.56</b>	<b>1,046.05</b>

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

An energy consumption target was set in FY2021, targeting to reduce the total energy consumption intensity in FY2024 using FY2021 as the baseline year. Comparing to the baseline of 646.53 kWh/employee in FY2021, the Group is still in progress of achieving the target. The Group will continue to dedicate its efforts and will review the target in FY2024.

Note:

- The unit conversion method of energy consumption data is formulated based on the “Energy Statistics Manual” issued by the International Energy Agency.

### *Water Consumption*

As the Group’s principal business is providing online marketing services, it does not consume a significant amount of water during operation. The Group’s water consumption is supplied by municipal water suppliers, therefore we do not have any issue in sourcing water that is fit for purpose. The Group’s water consumption was mainly domestic water consumed in the offices for basic business operations, cleaning and sanitation. The Group actively promotes the importance of water conservation to its employees. By promoting behavioural changes in water consumption at the office and encouraging water conservation, our employees’ awareness of water conservation is strengthened.

During FY2023, the total water consumption increased by approximately 13.90% compared to FY2022. The increase in water consumption, particularly in Singapore and Malaysia offices, was mainly attributable to resumption of normal operation from the arrangement of work from home and enhanced hygiene awareness, in spite of the reduction in workforce in the PRC office.

Summary of the Group’s water consumption performance is as follows:

<b>Indicators</b>	<b>Unit</b>	<b>FY2023</b>	<b>FY2022</b>
<b>Total water consumption</b>	m <sup>3</sup>	<b>346.60</b>	<b>304.30</b>
<b>Intensity</b>	m <sup>3</sup> /employee	<b>3.69</b>	<b>2.43</b>

A water consumption target was set in FY2021, targeting to reduce the total water consumption intensity in FY2024 using FY2021 as the baseline year. Comparing to the baseline of 1.37 m<sup>3</sup>/employee in FY2021, the Group is still in progress of achieving the target. The Group will continue to dedicate its efforts and will review the target in FY2024.

### *Use of Packaging Material*

Due to the Group’s business nature, the use of packaging material is considered as immaterial to the Group as the Group does not deliver tangible products.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### A3. The Environment and Natural Resources

Although the core business of the Group has limited impact on the environment and natural resources, the Group endeavours to minimise the negative environmental impacts of its business operations as an ongoing commitment to corporate sustainability. We spend efforts in mitigating our potential environmental impacts through adopting industry best practices targeted at reducing natural resource consumption and developing effective environmental management. We regularly assess the environmental risks of our businesses and adopt preventive measures to reduce potential risks. In addition to ensuring compliance with the relevant laws and regulations, we have adopted the aforementioned Environmental Policy and taken measures to reduce our environmental impact. We are also devoted to achieving sustainable development for generating long-term values for the community and our stakeholders.

#### *Green Working Environment*

##### Paperless Office

To reduce paper usage, the Group strongly advocates paperless office operations. All offices are operated in the electronic system as far as possible to reduce the use and consumption of office paper in order to save forest resources. We also encourage employees to utilise electronic media for communication within the offices and with suppliers.

##### Indoor Air Quality

We regularly monitor and measure the indoor air quality in our workplace. Air-purifying equipment is installed at the workplace to filter air pollutants, contaminants and dust particles. We also clean the air conditioning system regularly to ensure the indoor air quality within the offices.

### A4. Climate Change

Extreme weather events are becoming more frequent and severe, while tackling climate change has become a global consensus. Due to its business nature, climate-related issues do not pose significant impact on the Group. Nevertheless, the Group has recognised the need to address the universal concern. Material climate-related risks are identified and managed under our enterprise risk management framework. Therefore, the Group has established a robust set of policies and procedures, such as the Climate Change Policy, to identify, monitor and manage climate-related issues.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### *Physical Risks*

Increased frequency and severity of extreme weather events such as extreme cold or heat, storms, heavy rains and typhoons can disrupt operations by damaging the power grid and communication infrastructures, hampering and injuring our employees during their commute or work. These events could disrupt supply chains, interrupt business operations and damage the Group's assets. Moreover, in the event that casualties are caused and handled improperly, the Group may bear the corresponding financial responsibilities, leading to damage on reputation. As a countermeasure, the Group shall identify these risks and prioritise those with severe impacts to take precautionary measures. A Business Continuity Planning Policy is set for developing a business continuity plan ("BCP") to ensure the continuity of the Group's operations in case of emergency situations which may disrupt the normal operations. The said policy and BCP, as well as staff's roles and responsibilities, are made aware to all staff in advance to ensure that they are prepared to deal with such events. They are also provided with laptops so that they would be able to work from home to ensure normal business operation regardless of weather conditions.

### *Transition Risks*

There are more stringent climate legislations and regulations to support global vision for decarbonisation. For example, the Stock Exchange has required the listed companies to enhance the climate-related disclosures in their ESG reports. Stricter environmental laws and regulations may expose enterprises to higher risks of claims and lawsuits. Corporate reputation may also decline due to failure to meet the compliance requirements for climate change. The Group's related capital investment and compliance costs thus increase. In response to the policy and legal risks as well as the reputation risks, the Group regularly monitors existing and emerging trends, policies and regulations relevant to climate to avoid cost increments, non-compliance fines or reputational risks due to delayed responses. We are prepared to alert the top management and obtain compliance advisory services where necessary. In order to enhance the Group's resilience to climate-related risks, the Group will continue to assess the effectiveness of its actions to incorporate climate change into its development plans.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

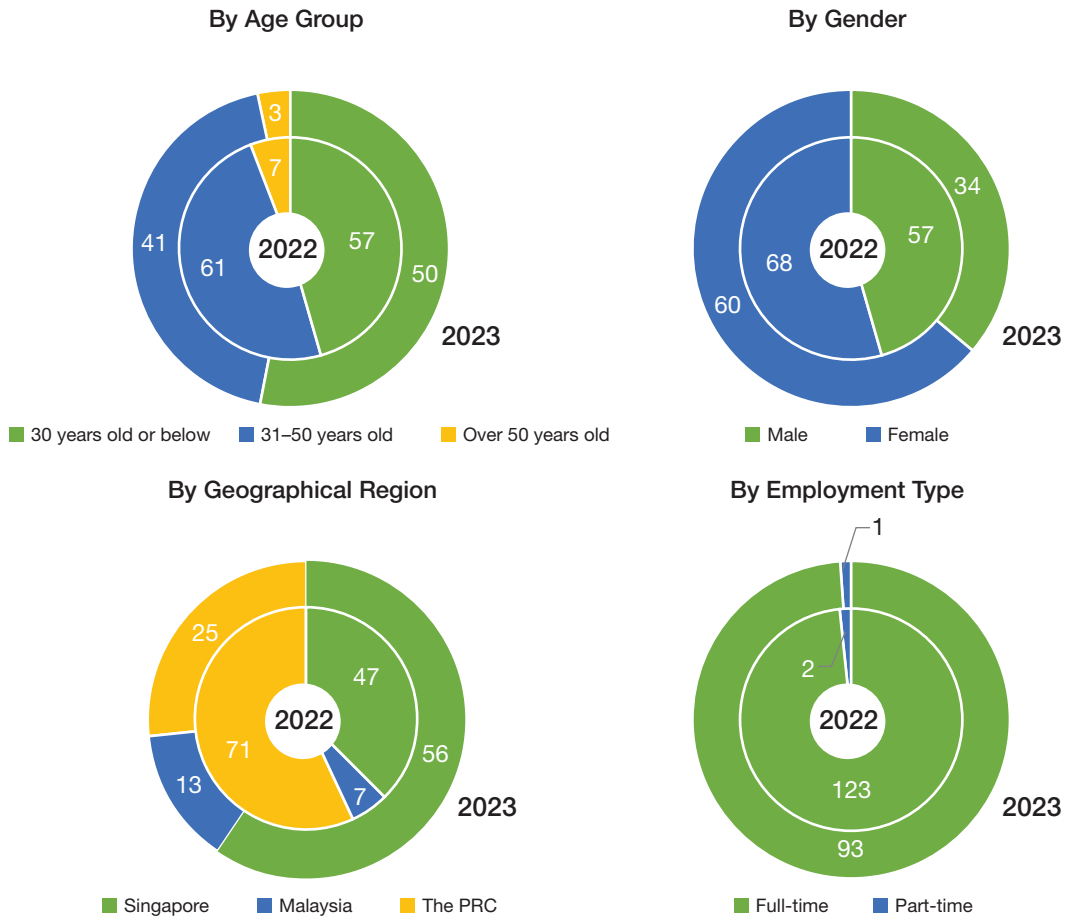
## B. SOCIAL

### B1. Employment

Human resources are the foundation for supporting the development of the Group, therefore we have adopted a people-oriented management approach through implementing relevant employment policies to realise the full potential of employees. These employment policies are formally documented in the Employee Handbook, incorporating compensation and dismissal, recruitment and promotion, working hours, rest periods, diversity and equal opportunities, anti-discrimination and other benefits and welfare. These employment policies and practices are reviewed regularly to ensure continuous improvements in our employment standards.

During FY2023, the Group was not aware of any material non-compliance with employment-related laws and regulations in Singapore, Malaysia and the PRC that would have a significant impact on the Group, including, but not limited to, the Employment Act 1968 of Singapore, the Employment Act 1955 of Malaysia, the Employment Provident Fund Act 1991 of Malaysia, Employees’ Social Security Act 1969 of Malaysia, Minimum Wage Order 2012 of Malaysia, Minimum Retirement Age Act 2012 of Malaysia, the Labour Law of the PRC and the Labour Contract Law of the PRC.

As at 30 June 2023, the Group had a total of 94 employees (as at 30 June 2022: 125 employees). The following graphs show the breakdown of employees by age group, gender, geographical region and employment type.





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

During FY2023, the competitive labour market led to higher turnover than FY2022. The following table shows the employee turnover rate<sup>5</sup> by gender, age group and geographical region:

Categories	FY2023 (%)	FY2022 (%)
<b>By Gender</b>		
Male	103.30	71.53
Female	71.88	72.05
<b>By Age Group</b>		
30 years old or below	108.41	87.67
31–50 years old	66.67	60.00
Over 50 years old	20.00	16.67
<b>By Geographical Region</b>		
Singapore	44.66	72.16
Malaysia	150.00	80.00
The PRC	114.58	70.97
<b>Total</b>	<b>84.93</b>	<b>71.81</b>

Note:

5. Calculation method of the turnover rate:

$$\frac{\text{Number of employees who left during the reporting period}}{(\text{Number of employees at the beginning of the reporting period} + \text{Number of employees at the end of the reporting period}) \div 2} \times 100\%$$

### *Employment Practices*

#### Recruitment, Remuneration, Promotion and Dismissal

The Group abides by an open, fair and just principle and considers candidates based on their merits instead of age, gender and ethnic backgrounds in the recruitment of employees. Remuneration, termination and payroll management, etc. are specified in the Employee Handbook. We strictly comply with relevant national laws and regulations and strive to provide all employees with benefits they should be entitled to.

The Group has developed a series of sound employment rules and regulations and made clear provisions of the rights and obligations imposed on the employees as specified in the Employee Handbook which also states the daily working hours of employees in offices in Singapore, Malaysia and the PRC. Employees are entitled to statutory holidays and annual leave benefits in accordance with their respective national laws.

Moreover, the Group has provided a comprehensive remuneration package for employees, which is stated in the Employee Handbook. The package includes company bonuses, gifts for occasions, outpatient treatment and dental benefits, extended childcare leave and long service awards, to name but a few.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Employees are also subject to quarterly as well as annual performance appraisals. Various factors are evaluated, including but not limited to job performance, communication and interpersonal skills, teamwork, attendance, knowledge and attitude. Along with the appraisal process, performance goals and expectations are set for continuous evaluation in the next review period.

In cases of misconduct or contravention of the express or implied terms and conditions of employment, a first warning will be issued by the Human Resources Department, followed by a final warning issued by the management for consistently committing the offense. Dismissal will be notified to the employee in writing if the situation has not improved.

### Communication Channels

The Group recognises the importance of maintaining close and open communication with its employees. Therefore, employees are encouraged to exchange information, ideas and views about matters of mutual interest and concern through both formal and informal channels. Results of the surveys and corresponding improvement measures are analysed and carried out by the management. We also organise annual offsite team-building events and weekly social gatherings for our employees to cultivate a sense of belonging to the Group and foster a stronger relationship among employees.

### Diversity, Equal Opportunities and Anti-discrimination

The Group is committed to fostering a cooperative and collaborative workplace culture since a diversified workforce is critical for its business. We provide equal opportunities in all aspects of employment and maintain a workplace that is free from discrimination, physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status and sexual orientation. Employees are strongly encouraged to report any suspected cases to protect the rights and interests of each employee. Any forms of sexual harassment or abuse in the workplace are in no way tolerated.

## **B2. Health and Safety**

Being a corporation principally engaged in online marketing services, the Group's businesses do not pose a significant threat to the health and safety of employees. Yet, we endeavour to safeguard the health and safety of our employees and ensure all employees strictly observe our Employee Handbook and Health and Safety Policy. Resources and efforts will be continuously devoted to reducing the risks concerning health and safety.

We are pleased to announce that no work-related fatalities occurred in each of the past three years, including the Reporting Period, and there were no records of lost days due to work injury during the Reporting Period (FY2022: no lost days due to work injury). The Group was not aware of any material non-compliance with health and safety-related laws and regulations in Singapore, Malaysia and the PRC that would have a significant impact on the Group, including, but not limited to, the Workplace Safety and Health Act 2006 of Singapore, Occupational Safety and Health Act 1994 of Malaysia, the Labour Law of the PRC, Prevention and Control of Occupational Diseases Law of the PRC and the Fire Prevention Law of the PRC.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### *Workplace Health and Safety*

A Health and Safety Policy has been approved by the Board. The Safety Officer has overall responsibility for the implementation of the said policy and ensuring that the policy is well understood by the employees. The Group takes the general welfare of its employees seriously. A range of safety methods and rules have been incorporated into the said policy to avoid office accidents. Employees who suffer from injuries arising out of and in the course of employment are entitled to compensation according to relevant laws. The actions to be taken in case of fire emergency occurring in certain buildings or installations are also regulated in the Health and Safety Policy to assist employees in taking sensible immediate actions should fire accidents occur.

Employees are encouraged to provide feedback on improving workplace safety and report any potential hazards that may lead to injury or danger. We emphasise the importance of strict compliance with safety requirements to our employees.

The COVID-19 pandemic was ongoing throughout the Reporting Period and began to ease off at the later stage. Nevertheless, the Group adhered to placing the health and safety of employees as its top priority. The Group has implemented a series of precautionary measures in accordance with guidelines from the local governments to ensure the health and safety of its employees. Surgical masks were provided to employees whenever necessary. In the PRC office, in addition to requiring employees to check and record their temperatures twice a day and visit a doctor immediately whenever feeling unwell, the Group also reminded its employees of the importance of maintaining good personal hygiene through washing hands frequently with soap. Employees were advised to defer work-related travel plans; if not avoidable, the 14-day quarantine upon return would be considered as paid leaves.

### **B3. Development and Training**

#### *Training and Development Management*

The valuable contribution of our talents is key to the continued success of the Group. Therefore, nurturing talents and polishing the skills of our human capital are important for striving for excellence. This is achieved through the development of training strategies and policies that focus on creating values and serving the needs of our customers, talents and society. As such, employees are encouraged to attend internal and external training sessions and obtain professional qualifications.

The Group notices the importance of keeping its employees updated on the latest trends in the industry, product information and the dynamic pace in the current market. We will provide suitable training and development opportunities to assist our employees in meeting their training objectives with an aim to maintaining excellent service for our members, specifically to our sales, customer relations, digital marketing and web teams. The provision of training ultimately led to an expansion of the Group's customer base locally and regionally.

New sales team employees are required to attend a two-week intensive orientation programme during their probation and their performance will be reviewed regularly to ensure they meet a reasonable level of expectation. All staff members of the sales, customer relations, digital marketing and web team are required to pass the annual certificate examinations of our largest supplier even though the contract explicitly states that only two accounts or product managers are required to obtain such qualifications.

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT** (CONTINUED)

During FY2023, since the Group's business has been stabilised, the need for introducing our business, policies and system has declined. Nevertheless, training sessions on topics including operating procedures, taxation systems and sales technique have been provided to employees. The breakdown and percentage of employees trained and the average training hours by category are as follows:

	FY2023			FY2022		
	Breakdown of employees trained <sup>6</sup> (%)	Percentage of employees trained <sup>7</sup> (%)	Average training hours per employee <sup>8</sup> (hour)	Breakdown of employees trained <sup>6</sup> (%)	Percentage of employees trained <sup>7</sup> (%)	Average training hours per employee <sup>8</sup> (hour)
<b>By Gender</b>						
Male	29.41	14.71	5.88	64.52	70.18	20.40
Female	70.59	20.00	2.28	35.48	32.35	11.69
<b>By Employee Category</b>						
Senior Management	5.88	10.00	0.40	8.06	45.45	3.27
Management	29.41	31.25	0.31	8.06	31.25	11.06
General Employees	64.71	16.18	4.82	83.88	53.06	17.81
<b>Overall</b>	<b>N/A</b>	<b>18.09</b>	<b>3.59</b>	<b>N/A</b>	<b>49.60</b>	<b>15.66</b>

Notes:

6. Calculation of breakdown of employees trained:

$$\frac{\text{Number of employees trained in the specified category during the reporting period}}{\text{Total number of employees trained during the reporting period}} \times 100\%$$

7. Calculation of percentage of employees trained:

$$\frac{\text{Number of employees trained in the specified category during the reporting period}}{\text{Number of employees in the specified category at the end of the reporting period}} \times 100\%$$

8. Calculation of average training hours:

$$\frac{\text{Number of training hours in the specified category during the reporting period}}{\text{Number of employees in the specified category at the end of the reporting period}}$$

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## B4. Labour Standards

### *Prevention of Child and Forced Labour*

Child and forced labour are strictly prohibited during recruitment according to local laws and regulations. The Group strictly complies with local laws and prohibits any child and forced labour employment. The Human Resources Department is responsible for monitoring and ensuring compliance with the latest and relevant laws and regulations that prohibit child and forced labour.

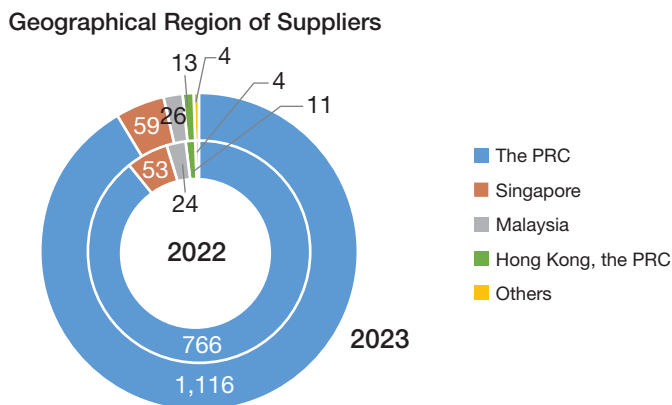
To avoid illegal employment of child labour and underage workers, personal data are collected during the recruitment process to assist in the selection of suitable candidates and to verify candidates' identities. The Human Resources Department also ensures identity documents are carefully verified. To prevent forced labour, working hours are specified in the Employee Handbook. In circumstances where any individual below the legal working age or forced labour is hired, corrective actions will be taken immediately to rectify the situation by terminating the employee and reporting to the relevant governmental authorities.

During FY2023, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations in Singapore, Malaysia and the PRC that would have a significant impact on the Group, including, but not limited to, the Employment Act 1968 of Singapore, Employment Act 1955 of Malaysia, the Children and Young Persons (Employment) Act 1966 of Malaysia and Labour Law of the PRC.

## B5. Supply Chain Management

The Group highly values our relationship with suppliers as they are the key to the sustainable development of the Group. To ensure suppliers have met our standards and requirements regarding quality, environment and safety, the Group has established a stringent and standardised procurement system that all suppliers are evaluated carefully and subject to regular monitoring and assessments. The Group has also formulated the Procurement and Payment Policy to regulate and ensure completeness, accuracy and timeliness of all purchases or expenses and payments. The abovementioned policy is subject to review annually. During FY2023, the Group had a total of 1,218 suppliers (FY2022: 858 suppliers), all of which were evaluated pursuant to the policy.

The geographical distribution of the Group's suppliers is as follows:



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### *Fair and Open Procurement*

The Group has also formulated rules to ensure suppliers can participate in competitions through an open and fair mechanism. We do not differentiate or discriminate against any suppliers and we do not allow any forms of corruption or bribery. Employees or other individuals should declare any actual or potential conflict of interest arising out of the business transactions of the Group and they will not be allowed to participate in the relevant procurement activity.

### *Sustainable Procurement*

To ensure suppliers and subcontractors have met our requirements and standards, especially in the areas regarding social and environmental risks and providing environmentally preferable products, the Group has developed the Approved Vendor List (“AVL”) and the Vendor Evaluation Form, for which recurring or preferred vendors, as well as suppliers for routine replenishment of offices and pantry suppliers are added to the list. The Group also implemented stringent procedures and standards when selecting and reviewing suppliers. Factors such as quality, price competitiveness, response time and environmental management are all taken into consideration. All re-evaluated justifications and results are documented, and vendors that do not meet the minimum evaluation criteria will be promptly removed from the AVL.

In addition, the Group undertakes onsite inspections regularly to monitor the suppliers’ or subcontractors’ business procedures to reduce its social and environmental risks along the supply chain. Any non-compliance to relevant environmental and social laws and regulations discovered by the designated personnel from the Group during the onsite inspection will be promptly reported to the management. Corrective action plan will be carried out to remediate the identified risk in a timely manner.

The Group also pays close attention to the environmental awareness of its suppliers and promotes sound environmental performance and governance practices amongst its business partners and suppliers. The Group encourages its business partners and suppliers to consider the risks posed to their operations from climate change and to actively mitigate their environmental impacts during supplier management meetings and events.

## **B6. Product Responsibility**

As an online marketing service provider, client satisfaction and day-to-day quality control which includes reviews on strategy, text, picture, advertisement, design and strategy performance are very important to the Group. We are committed to delivering excellent customer service and handling their concerns or queries in a timely manner. Relevant policies have been devised to safeguard our customers’ rights and provide maximum protection for the information we hold.

During FY2023, the Group was not aware of any incidents of non-compliance with laws and regulations in Singapore, Malaysia and the PRC that would have a significant impact on the Group, including, but not limited to, the Personal Data Protection Act 2012 of Singapore, the Spam Control Act 2007 of Singapore, the Copyright Act 2021 of Singapore, the Personal Data Protection Act 2010 of Malaysia, the Trade Descriptions Act 2011 of Malaysia, the Communications and Multimedia Act 1998 of Malaysia, the Copyright Act 1987 of Malaysia, the Law of the PRC on Protection of Consumer Rights, the Advertising Law of the PRC and the Patent Law of the PRC.



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### *Customer Privacy Protection*

The Group takes serious protection of our clients' confidential information. The Personal Data Protection Policies and Procedures Manual has been implemented to establish the principles of data protection governing the collection, usage and disclosure of personal data given to the Group from individuals. The corresponding guidelines are established in compliance with the Personal Data Protection Act 2012 of Singapore and the Personal Data Protection Act 2010 of Malaysia. The policies and guidelines are reviewed regularly to monitor the effectiveness. A Data Protection Officer has also been elected to provide employees with relevant knowledge of dealing with sensitive information.

The Group seeks to protect our clients' information and accounts by employing data security measures such as firewalls and anti-virus software, encryption and passwords, etc. Access rights to computers and accounts are reviewed on an annual basis to limit access of information only to current employees, access right of information will be removed upon termination of employment or contract. Our employees are prohibited from using the personal information of our clients for purposes not related to the business context unless their prior consent is obtained. Any violations of the Personal Data Protection Policies and Procedures Manual are major misconduct that shall be subject to disciplinary action including dismissal and judicial proceedings. Moreover, employees are bounded by the covenants in the Employee Handbook within six months after termination of their employment in the listed prohibited areas, in order to protect the trade secrets, confidential information and personal knowledge of and influence over the Group.

### *Customer Services*

To provide a pleasant user experience for our customers, the Group has established a set of procedures to handle customers' feedback or complaints in a professional manner. Customers' information will be recorded and inquiries or complaint cases received will be relayed to the relevant department for further handling. Reviews on feedback or complaints will be conducted and action plans will be taken promptly to address the identified issues. Customers' satisfaction is evaluated after the cases are settled and feedback or complaints may be circulated to management if necessary.

During FY2023, the Group received zero (FY2022: zero) material cases of product or service-related complaint.

### *Quality Assurance*

The Group is committed to providing services with high standards of quality and reliability. We have implemented stringent guidelines to our employees for meeting the following objectives:

- To deliver consistent, dependable and effective services in order to meet our clients' need and expectation;
- To adhere to all applicable standards, legal and regulatory obligations; and
- To provide suitable training for employees in order to improve their skills and knowledge to match with the quality criteria of their job duties and services.

In addition, management has continuously invested in human resources, health and safety, professional training, infrastructure and equipment to ensure the continuous provision of high-quality services.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Due to the Group's business nature, disclosures on the number of products sold or shipped subject to recalls for safety and health reasons and recall procedures were not applicable as the Group does not deliver tangible products.

### *Protection of Intellectual Property Rights*

In Singapore, an author automatically enjoys copyright protection once he creates and expresses his original work in a tangible form, such as by recording or writing; while there is no requirement for registration to acquire copyright protection in Malaysia. In the PRC, contracts are developed in accordance with the Tort Liability Law of the PRC which specifies the obligations on both sides in respecting intellectual property rights and protecting confidentiality. Confidentiality agreements are also signed by both parties to protect confidential commercial and technical information. The Group strictly abides by copyright-related laws and regulations and will not produce products without the consent or permission of the owner of the copyright.

The Human Resources Department is responsible for obtaining proper licences for software, hardware and information the Group uses in its business operation. Duplication or downloading of information software and images from the internet must be approved by relevant departments. Furthermore, we closely monitor the infringement actions in the market and prevent any infringement behaviour, such as counterfeit trademarks. As at 30 June 2023, the Group had registered 6 trademarks of the company logo in Singapore, Malaysia, the Philippines and Hong Kong, registered 41 trademarks in the PRC and 1 trademark had been applied in Indonesia. The Group had also registered 3 domain names. The Group will continually monitor for any infringement of our intellectual properties to ensure that intellectual property rights are not being infringed upon.

### *Advertising and Labelling*

The Group abides by the Singapore Code of Advertising Practice ("SCAP") with regard to its advertising practices. Although it is only a code of practice with no force of law, any breach of the SCAP may lead to sanctions or withdrawal of trading privileges. Besides, the Group abides by the Malaysian Code of Advertising Practice ("MCAP") which is administered by the Advertising Standards Authority ("ASA") even though there is no comprehensive legislation that regulates advertising practices in Malaysia. Failure to comply with the MCAP may cause sanctions by the ASA via negative publicity by publishing details of the outcome of investigations it has undertaken and withdrawal of trading privileges by the media. There are also restrictions on the advertising of certain products, services and industries, including but not limited to medicine, indecent advertisements and venereal diseases, obscene objects, food and drinks. Our employees have been familiarised with the relevant existing legislation and code of practice to avoid being in breach of any related advertising practices.

## **B7. Anti-corruption**

We value and uphold integrity, honesty and fairness in the way we conduct businesses and we strive to achieve high standards of ethics in our business operations. The Group has zero tolerance for any corruption, fraud, bribery, extortion, money laundering and all other behaviours violating work ethics. To maintain a fair, ethical and efficient business and working environment, the Group strictly adheres to the laws and regulations relating to anti-corruption and bribery. The Employee Handbook has outlined the standard of behaviours on anti-corruption, handling of conflicts of interest and data privacy and confidentiality that employees shall abide by in their business dealings.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

During FY2023, the Group was not aware of any material non-compliance with the relevant laws and regulations of bribery, extortion, fraud and money laundering in Singapore, Malaysia and the PRC that would have a significant impact on the Group, including, but not limited to, the Prevention of Corruption Act 1960 of Singapore, the Anti-Corruption Commission Act 2009 of Malaysia, the Company Law of the PRC, the Tendering and Bidding Law of the PRC, the Criminal Law of the PRC and the Anti-unfair Competition Law of the PRC. The Group also did not have any concluded legal cases regarding corrupt practices brought against the Group or our employees during the Reporting Period.

### *Whistle-blowing Mechanism*

Potential conflicts of interest that may increase the risk of bribery and bid-rigging will be constantly monitored. Upon discovery of any potential or actual conflicts of interest, employees are required to report to the management immediately. Guidelines on whistle-blowing, including the Whistle-blowing Policy, have been established to provide a well-defined and accessible channel for reporting fraud, corruption, dishonest practices, or other similar matters and guidance on how an investigation would be initiated upon receiving a complaint. The guidelines also protect employees who report fraudulent activities in good faith and reasonable belief. A Whistle-blowing Officer is elected to ensure that any reported case is dealt with in an expedited manner. Upon receiving the complaint, the Board decides the method of investigation, which may involve appointing an external consultant for assessment. The Group will monitor and review the effectiveness of the whistle-blowing mechanism from time to time.

### *Anti-corruption Training*

To ensure employees understand the Group's high standard of business conduct, the Group provides integrity education and courses for new employees and directors during induction training. During FY2023, approximately 42 hours and approximately 1 hour of anti-corruption training course regarding legal terms relating to corruption were provided to 42 employees and 1 director respectively (FY2022: 124 hours and 5 hours training course were provided to 62 employees and 5 directors respectively). The Group also subscribes to journals and daily newspaper to keep employees acknowledged about market news as well as business ethics.

## **B8. Community Investment**

### *Corporate Social Responsibility*

Corporate social responsibility is considered one of the Group's material issues, and we are committed to emboldening and supporting the public by various means of social participation and contribution as part of our strategic development. We strive to nurture corporate culture and practice corporate citizenship in daily work life. To fulfil our corporate social responsibility, the Group has adopted the Community Investment Policy on community engagement. The policy states its directions in engaging its employees in community participation and the selection criteria of the suitable donation partners which are also stipulated in the Employee Handbook. The Group has incorporated corporate social responsibility into its daily operations, which is reflected by its poverty alleviation projects during the Reporting Period.

## **ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT** (CONTINUED)

Besides, the Group focuses on inspiring its employees' sense of social responsibility by encouraging them to participate in charitable activities during their work and spare time. The Group also believes that participating in activities that give back to the society can raise our employees' civic awareness while establishing correct values. The Group embraces the human capital into social management strategies to sustain our corporate social responsibility as a part of the strategic development of the Group.

During FY2023, the Group supported the community focusing on elderly care. In an elderly care campaign, 50 employees of the Group spent 5 hours on a weekend to visit elderlies and distributed packed grocery items to each of them. A total of 305 beneficiaries received approximately S\$13,711 worth of donation and enjoyed a good time.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

## THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE

Mandatory Disclosure Requirements		Section/Declaration
Governance Structure		INTRODUCTION AND SUSTAINABILITY APPROACH – The ESG Governance Structure
Reporting Principles		REPORTING FRAMEWORK
Reporting Boundary		SCOPE OF REPORTING
Subject Areas, Aspects,		
General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect A1: Emissions</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
KPI A1.1	The types of emissions and respective emissions data.	Emissions – Emissions Control
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Emissions Control
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Waste Management (Not applicable – Explained)
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Waste Management
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Environmental Targets, Emissions – Emissions Control
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Targets, Emissions – Waste Management

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect A2: Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources — Energy Consumption
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources — Water Consumption
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Targets, Use of Resources — Energy Consumption
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environmental Targets, Use of Resources — Water Consumption
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources — Use of Packaging Material (Not applicable — Explained)
<b>Aspect A3: The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources — Green Working Environment
<b>Aspect A4: Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change — Physical Risks, Transition Risks



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect B1: Employment</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employment
<b>Aspect B2: Health and Safety</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to providing a safe working environment and protecting employees from occupational hazards.	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
KPI B2.2	Lost days due to work injury.	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety — Workplace Health and Safety
<b>Aspect B3: Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work.  Description of training activities.	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training — Training and Development Management
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training — Training and Development Management

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

Subject Areas, Aspects, General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect B4: Labour Standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Labour Standards — Prevention of Child and Forced Labour
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Labour Standards — Prevention of Child and Forced Labour
<b>Aspect B5: Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management — Sustainable Procurement
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management — Sustainable Procurement

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (CONTINUED)

### Subject Areas, Aspects,

General Disclosures and KPIs	Description	Section/Declaration
<b>Aspect B6: Product Responsibility</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility – Quality Assurance (Not applicable – Explained)
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Product Responsibility – Customer Services
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Protection of Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Product Responsibility – Quality Assurance
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Customer Privacy Protection
<b>Aspect B7: Anti-corruption</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption – Whistle-blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption – Anti-corruption Training

**ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT** (CONTINUED)**Subject Areas, Aspects,**

<b>General Disclosures and KPIs</b>	<b>Description</b>	<b>Section/Declaration</b>
<b>Aspect B8: Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment – Corporate Social Responsibility
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Community Investment – Corporate Social Responsibility