

SUSTAINABILITY REPORT

BOARD STATEMENT

Sapphire Corporation Limited (the “**Company**”) and its subsidiaries (the “**Group**”) are committed to good corporate governance and sustainable business practices that foster best practices, transparency, accountability and integrity for the long-term sustainability of our business and value creation for our stakeholders.

We reaffirm our commitment to sustainability with the publication of the Group’s sustainability report (the “**Sustainability Report**”). For this Sustainability Report, we provide insights into the way we do business, while taking into account our Environmental, Social and Governance (“**ESG**”) factors and economic performance (collectively as “**Sustainability Factors**”) to provide readers with an accurate and meaningful overview on how sustainability issues are managed. The Board of Directors (“**Board**”) having considered the Group’s sustainability issues as part of its strategic formulation and business strategies, determined the key Sustainability Factors and overseen the management and monitoring of the key Sustainability Factors.

A sustainability policy (“**SR Policy**”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring key Sustainability Factors has been put in place. This SR Policy serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our key Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

Our sustainability framework communicates our commitment towards supporting the United Nations’ Sustainable Development Goals (“**SDGs**” or “**Global Goals**”) and is primarily driven by the concerns of our key stakeholders. We work closely with stakeholders in our value chain and their inputs drive our sustainability focus on our key Sustainability Factors and the SDGs as follows:



A summary of our key sustainability performance in FY2022 is as follows:

Sustainability Factor	Performance indicator	Sustainability performance FY2022
Economics	Economic value generated ¹	RMB105.0 million
	Operating costs ²	RMB80.6 million
	Employee benefits paid to employees	RMB11.7 million
	Payments to providers of capital ³	RMB1.8 million
	Tax to governments	RMB5.7 million
Environmental	Water consumption (CuM)	149
	Greenhouse Gas ("GHG") emissions (tonnes CO2e)	10
Social	Number of work-related fatalities	–
	Number of high-consequence ⁴ work-related injuries	–
	Number of recordable work-related injuries	–
	Number of recordable work-related ill-health cases ⁵	–
	Employee turnover rate	6%
	Number of reported incidents of unlawful discrimination ⁶ against employees	–
Governance	Number of incidents of major corruption ⁷	–

After nearly three years of strict "Zero-Covid" policy measures, China's decision to ease Coronavirus disease 2019 ("COVID-19" or "Pandemic") restrictions in late December 2022 has spurred hopes of a broad economic revival domestically as well as globally. By adopting a service-centric approach, the Group aims to generate recurring income by providing a comprehensive suite of services related to city redevelopment and eco-industrial parks. We believe that our pro-active business initiatives will tide us through this period of uncertainties and allow us to stay on course in our sustainability journey.

OUR BUSINESS

Our business model is aligned with urbanisation trends with two key revenue streams of: (i) property management and city redevelopment services; and (ii) leasing of warehouse and equipment and supply of materials for urbanisation projects. An overview of our key business units and their developments is as follows:

¹ Economic value generated includes revenue, other income and net of government grants and any unrealised gains.

² Operating costs include cost of sales, administrative expenses, other expenses, net of depreciation of property, plant and equipment, and excludes employee-related costs.

³ Payments to providers of capital include interest payments made to providers of loans.

⁴ High-consequence work-related injuries refer to injuries from which the worker cannot recover or cannot recover fully to pre-injury health status within 6 months.





⁵ Work-related ill health cases refer to negative impacts on health arising from exposure to hazards at work.

⁶ Unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to the Company.

⁷ A major corruption incident is defined as a serious offence that involves fraud or dishonesty and is being or has been committed against the Company by its officers or employees. Such a serious offence is punishable by imprisonment for a term of not less than 2 years and the value of the property obtained or likely to be obtained from the commission of the offence amounts to not less than \$100,000.



SUSTAINABILITY REPORT

Property management and city redevelopment services

Group entity Supplier Operations	Chengdu Shengshi Jialong City Management Service Co., Ltd.
	Service providers for maintenance works, cleaning, security and landscaping
	 <p>Provision of property management services to a 9-storey office building (中铁隆大厦)</p>
	 <p>Planning of the urban improvement and renewal works for the First Ring Road (一环路)</p>
Customer	 <p>Operator and provision of property management services to the Waterfront Garden Sanhe New Residence (三河新居)</p>
	 <p>Operator of the International Community Service Centre at Laoma Road (老马路社区“乐邻里”国际化社区邻里中心社区综合体)</p>
	Business partners (including Associated Company ⁸) and tenants

⁸ Associated Company refers to Ranken Railway Construction Group Co., Ltd (the “Associated Company”)

Leasing of warehouse and equipment and supply of materials for urbanisation projects

Group entity Supplier Operations	Sichuan Yilong Equipment Co., Ltd.	
	Suppliers of materials for urbanisation projects	Leasing of warehouse and equipment
Customer		
		Supply of materials for urbanisation projects
Customer	Business partners (including Associated Company) and corporate customers	

ASSOCIATION MEMBERSHIP

Chengdu Shengshi Jialong City Management Service Co., Ltd. (“**Jialong**”) is a member of the following associations:

S/N	Association ⁹
1	Sichuan Ecotourism Association (四川省生态旅游协会)
2	Chengdu Property Management Association (成都市物业管理协会)
3	Chengdu Wuhou District Building Economic Development Alliance (成都市武侯区楼宇经济发展联盟)

AWARDS

Being the operator of the International Community Service Centre at Laoma Road in Wangjiang Road Street of Chengdu, Wuhou district (成都市武侯区望江路街道老马路社区“乐邻里”国际化社区邻里中心社区综合体), the awards received by Jialong during the Reporting Period include:

Date	Award ⁹	Awarded by ⁹
September 2022	National Social Governance Innovation Award (全国社会治理创新案例) (2022)	China Society for Social Governance Research (中国社会治理研究会)
November 2022	“Garden City, Flowers for Community” award conferred at the Chengdu Community Garden Award Ceremony and Conference (“公园城市花惠万家”成都市社区花园创建颁奖仪式暨总结大会)	<ul style="list-style-type: none"> Chengdu Park City Construction Administration (成都市公园城市建设管理) Urban and Rural Community Development and Governance Committee, the Communist Party of Chengdu City (中共成都市委城乡社区发展治理委员会)

⁹ Names of awards and associations are translated into English from Chinese (in the event of any inconsistency, the Chinese name shall be used).

SUSTAINABILITY REPORT

CERTIFICATIONS

Jialong obtained the following certificates of compliance from the International Organization for Standardization ("ISO"):

Certification	Description of certification
GB/T 19001-2016/ ISO 9001:2015	Specify requirements of a quality management system for any organisation that needs to demonstrate its ability to consistently provide products and services that meet customers' and applicable regulatory requirements and aims to enhance customer satisfaction
GB/T 24001-2016/ ISO 14001:2015	Ensure continuous improvement of the company's environmental impact
GB/T 45001-2020/ ISO 45001:2018	Ensure physically and mentally safer working conditions

REPORTING FRAMEWORK

This Report has been prepared in accordance with 711A and 711B of the Singapore Exchange Securities Trading Limited ("SGX-ST") listing rules. This Report, for the period from 1 January 2022 to 31 December 2022, is prepared with reference to the Global Reporting Initiative ("GRI") Standards. We have chosen to report using the GRI framework as it is an internationally recognised reporting framework.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 ("UN Sustainability Agenda"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership. We have incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

We actively engage our stakeholders through the following channels:

S/N	Key stakeholder	Engagement platform	Frequency of engagement	Expectation of stakeholder
1	Communities	Community campaigns	Regularly	<ul style="list-style-type: none"> Social inclusion Environmental initiatives
2	Customers	<ul style="list-style-type: none"> Ad-hoc meetings Emails Phone or video calls 	Where necessary	<ul style="list-style-type: none"> Service and product quality Timely response to customers' feedback
		Staff memos	Important notices are published when required	
3	Employees	<ul style="list-style-type: none"> Training Regular reviews and appraisals 	Where necessary	<ul style="list-style-type: none"> Fair labour practices Job security Remuneration and benefits Training and development Health and safety
		Staff memos	Important notices are published when required	

We are also guided by the recommendations of the Taskforce on Climate-related Financial Disclosures ("TCFD") in our climate-related disclosures.

We have relied on internal data monitoring and verification to ensure accuracy for this Report. We will work towards internal review and/or external assurance for our future sustainability reports.

REPORTING SCOPE

The Sustainability Report includes all entities within the Group as disclosed in the Corporate Structure of the Annual Report except Chengdu Kaiwan and the Associated Company). Entities covered contributed to 100% (FY2021: 100%) of the Group's revenue for FY2022.

FEEDBACK

Your feedback on this Report is an important way of improving our sustainability practices. If you have any comments, suggestions or feedback on this matter, you may send to our investor relations email account: ir@sapphirecorp.com.sg.

STAKEHOLDER COMMUNICATION

We understand the need for regular stakeholder communications, which are relevant to the sustainable development of the Group. Such communications play a key role in Group-wide decision-making processes and to manage the business in a sustainable manner.

Through an internal stakeholder mapping exercise, we identified key stakeholder groups which we prioritise our engagements with. These include individuals or groups that have an interest, that is affected or could be affected by our activities.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise communities, customers, employees, regulators, investors and shareholders ("Shareholders") and suppliers. Key stakeholders are determined for each key Sustainability Factor identified, based on the extent of which they can affect or are affected by operations of our Group.

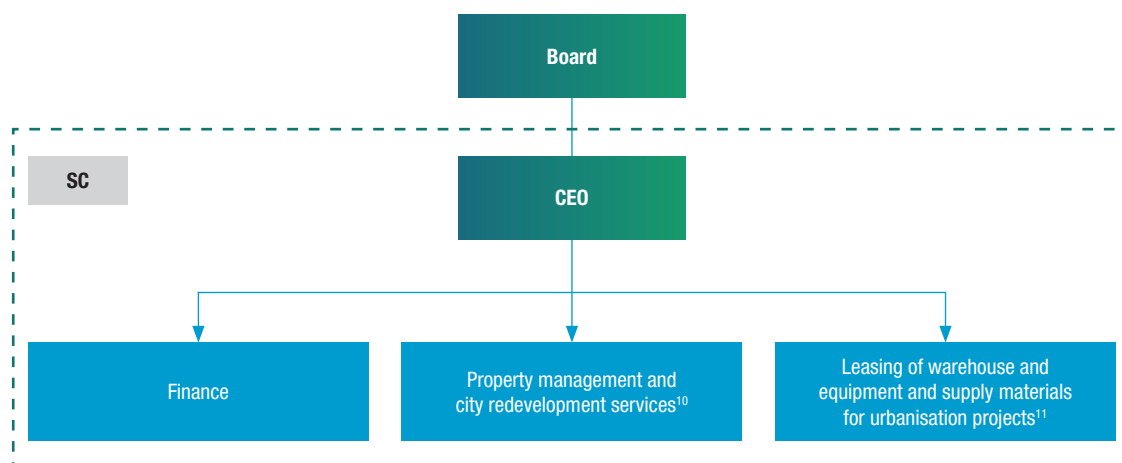
S/N	Key stakeholder	Engagement platform	Frequency of engagement	Expectation of stakeholder
4	Regulators	<ul style="list-style-type: none"> Communication with Singapore Exchange (“SGX”, Accounting and Corporate Authority (“ACRA”) and other authorities through emails and phone calls Consultations and briefings organised by key regulatory bodies such as Singapore Stock Exchange and relevant government agencies/bodies 	Where necessary	<ul style="list-style-type: none"> Corporate governance Transparent and timely communication of information Compliance with rules and regulations
		Notices sent through emails or mails on updates of regulations	As and when there are updates to regulations and statutes	
5	Shareholders	<ul style="list-style-type: none"> Annual general meetings Annual reports 	Annually	<ul style="list-style-type: none"> Financial performance and sustainability of the business Business strategy and direction Corporate governance and compliance Transparent and timely communication of information
		Results announcements	Half-yearly	
		<ul style="list-style-type: none"> Corporate website Emails News releases via SGX website 	Where necessary	
6	Suppliers	<ul style="list-style-type: none"> Ad-hoc meetings Emails Phone or video calls 	Where necessary	<ul style="list-style-type: none"> Clear two-way communications Timely feedback

Through the above channels, we seek to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

POLICY, PRACTICE AND PERFORMANCE REPORTING

SUSTAINABILITY GOVERNANCE STRUCTURE

The Board advises and supervises the development of our sustainability strategy and performance targets. Our sustainability strategy is spearheaded by the Sustainability Committee (“SC”) which is led by our Chief Executive Officer (“CEO”) and tasked to develop the sustainability strategy, review our material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report performance data for this Report.



¹⁰ Property management and city redevelopment services include business functions relating to human resources (人力资源), business operations (商业运营), marketing planning (营销策划), market expansion (市场拓展) and sales (销售).

¹¹ Leasing of warehouse and equipment and supply materials for urbanisation projects include business functions relating to human resources (人力资源), procurement (采购), warehouse (仓库), equipment (设备) and material turnover (周转材料).

SUSTAINABILITY REPORT

SUSTAINABILITY REPORTING PROCESSES

Under our SR policy, our sustainability process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of key Sustainability Factors disclosed in this Report.

Processes involved are shown in the chart below:



Context

Understand the Group's context by considering its activities, business relationships, stakeholders, and sustainability context of all the entities it controls or has an interest in, including minority interests



Identification

Identify actual and potential impacts on the economy, environment, people and their human rights



Assessment

Assess the significance of impacts



Prioritisation

Prioritise the most significant impacts to determine the key Sustainability Factors for reporting



Review

In each reporting period, review the key Sustainability Factors from the previous reporting period to account for changes in impacts which can result from feedback received from engagement with stakeholders, organisational and external developments

MATERIALITY ASSESSMENT

The materiality assessment considers the likelihood of the occurrence of actual and potential negative and positive impacts (“**Likelihood of Impact**”) and significance of our impacts on the economy, environment, people and their human rights, which in turn can indicate our contribution (negative or positive) to sustainable development (“**Significance of Impact**”).

PERFORMANCE TRACKING AND REPORTING

We track our key Sustainability Factors by identifying the relevant data points and measuring them. In addition, performance targets that are aligned with our strategy will be set to ensure that we maintain the right course in our path to sustainability. We also consistently enhance our performance-monitoring processes and improve our data capturing systems.

KEY SUSTAINABILITY FACTORS

A materiality assessment was conducted by the SC to understand the concerns and expectations of our stakeholders. Through the materiality assessment, factors with significant impacts on the economy, environment, people and their human rights were updated. In this Report, we have also reported our progress in managing these factors and set related targets to improve our sustainability performance.

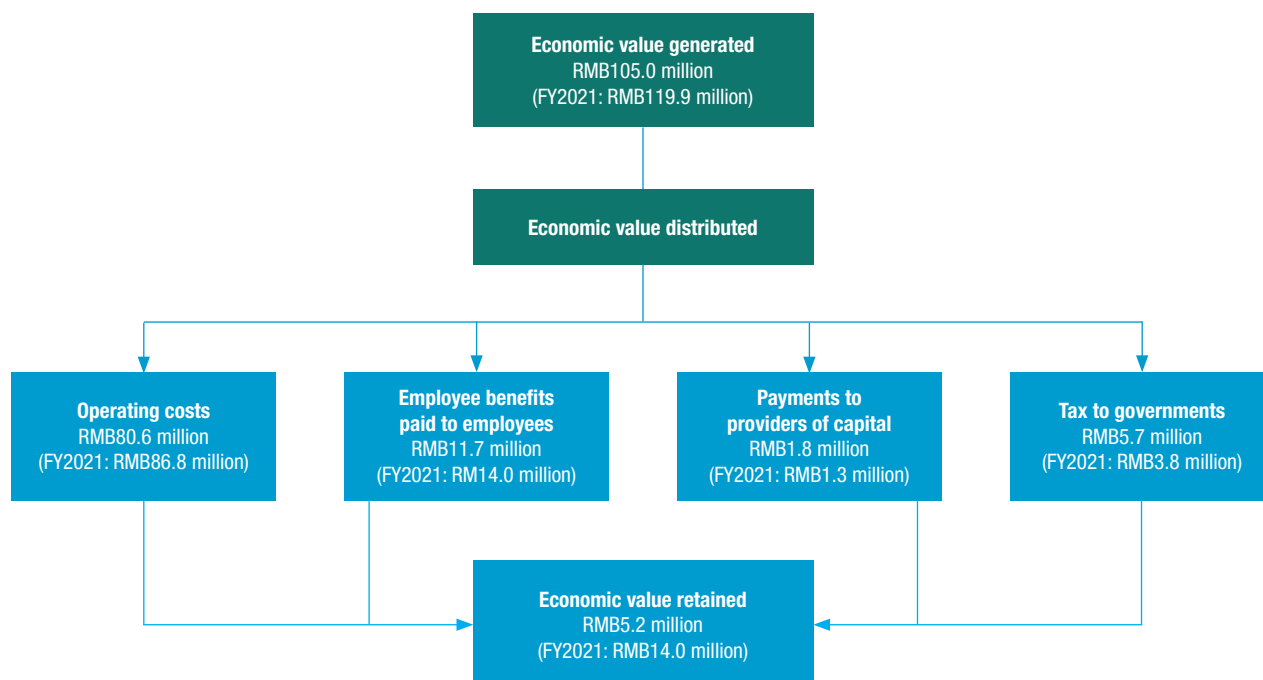
S/N	Key Sustainability Factor	SDG	Key stakeholder
Economic			
1	Sustainable business performance	Decent work and economic growth	<ul style="list-style-type: none"> Customers Employees Suppliers Regulators Shareholders
Environmental			
2	Water conservation	Clean water and sanitation	<ul style="list-style-type: none"> Communities Shareholders
3	Energy conservation and emissions reduction	Affordable and clean energy	<ul style="list-style-type: none"> Communities Shareholders
Social			
4	Occupational health and safety	Good health and well-being	<ul style="list-style-type: none"> Employees Regulators
5	Employee development and retention	Quality education	Employees
6	Diversity and equal opportunity	Reduced inequalities	Employees
Governance			
7	Robust corporate governance framework	Peace, justice and strong institutions	<ul style="list-style-type: none"> Regulators Shareholders



SUSTAINABILITY REPORT

SUSTAINABLE BUSINESS PERFORMANCE

The Group believes in the creation of long-term economic value and consistent economic performance for the Group and its stakeholders. In line with the commitment to provide value to various stakeholders and to enable a more sustainable future, economic value generated in FY2022 is distributed as follows:



Further details of our financial performance can be found in the financial contents and audited financial statements of this Annual Report.

WATER CONSERVATION

Proper and efficient management of water is important in addressing global water scarcity and reducing wasteful water consumption. We are committed to the responsible usage of water resources through enhancing our water consumption efficiency. To run our operations, we rely on water resources mainly in our office environment and public amenities for cleaning purpose, restrooms and pantries.

Key statistics on water consumption during the Reporting Period are as follows:

Performance indicator	Unit of measurement	FY2022 ¹²
Water consumption	CuM	149

Our water conservation initiatives include placing notices within the premises and public amenities to remind users to save water, performing regular tracking and analysis of water consumption trends and taking corrective actions when unusual consumption patterns are observed.

ENERGY CONSERVATION AND EMISSIONS REDUCTION

We are committed to the responsible usage of energy resources and emissions reduction to combat climate change. To run our operations, we rely on purchased electricity mainly in our office environment and public amenities for lighting, heating and cooling (Scope 2¹³). Other than indirect GHG emissions (Scope 2), we do not generate significant direct GHG emissions (Scope 1) from operations that are controlled by the Group. Accordingly, no separate disclosure is made on direct GHG emissions (Scope 1) but we will continue to monitor such emissions and to disclose in future, as and when applicable.

Key statistics on electricity consumption and GHG emissions during the Reporting Period are as follows.

Performance indicator	Unit of measurement	FY2022 ¹²
Energy consumption		
Electricity consumption	kWh	17,587
GHG emissions		
Indirect GHG emissions (Scope 2)	tonnes CO2e	10

¹² No comparative data is available due to non-availability of information. We have strengthened our data collection process and disclosed the relevant information in FY2022.

¹³ GHG emissions from electricity purchased by the Company (Scope 2) are calculated based on the emissions factors published by the local authorities.

Our energy conservation initiatives include placing notices within the premises and public amenities to remind staff and publics to save electricity, performing regular tracking and reviewing of spending on energy consumption to control usage and taking corrective actions when there are unusual consumption patterns.

OCCUPATIONAL HEALTH AND SAFETY

We recognise the importance of health and safety in its development of a competitive workforce. We aim to provide a hazard-free workplace by monitoring and assessing the Group's risks on an ongoing basis. Measures taken include conducting fire safety and electrical safety training for employees and placing notices within the premises to remind employees to be careful and avoid electric shock, installing adequate fire-fighting equipment within the operating premises.

We also actively support the People's Republic of China's ("PRC")'s containment measures in response to the COVID-19 outbreak. These measures are necessary to contain COVID-19 and protect the health of our employees and include work from home and flexible working arrangements. With PRC's COVID-19 reopening after the Reporting Period, we remain vigilant and will continue to do our part to ensure that our employees continue to work in a safe and healthy environment.

During the Reporting Period, we encountered zero work-related fatalities, zero high-consequence work-related injuries, zero recordable work-related injuries and zero recordable work-related ill health cases in FY2022 (FY2021: zero work-related fatalities, zero high-consequence work-related injuries, zero recordable work-related injuries and zero recordable work-related ill health cases).

EMPLOYEE DEVELOPMENT AND RETENTION

We firmly believe that our success comes from continued investment in employees. Our sustainable development and growth depend on a steadfast strategy of hiring, retaining and nurturing qualified and experienced personnel. Our Human Resources strategy recognises the importance of social equity and the provision of equal opportunities for the development and retention of our employees.

As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of listing rule 720(7) of SGX-ST, we confirm that all of our 5 directors have attended one of the approved sustainability training courses during the Reporting Period.

We provide comprehensive training and development opportunities that enhance professional and technical expertise of our employees, so that they can continuously improve their skills and grow within the Group. The training programmes provided include training courses on employee induction, human resources procedures, management skills, property management services, market expansion, cleaning procedures and telecom fraud prevention. During the Reporting Period, a total of 13,946 training hours were provided for our full-time employees and they received an average of 254 training hours per employee.

We also believe that employees' mental and physical health and wellness are of equal importance for employee retention. To meet such needs, we provide regular medical and physical check-ups for them to monitor their health and well-being. We also organised activities and events in promoting healthy living.

To retain employees, we provide reasonable incentives and competitive salaries. All employees are entitled to annual leave based on their job grade and there is no differentiation of pay packages between male and female employees. We also contribute social insurance and housing funds for employees to protect their interests and provides pro-family benefits such as paid maternity leave for our female employees.

In FY2022, our employee turnover rate is approximately 6% (FY2021: approximately 8%). We will work towards improving our turnover rate.

DIVERSITY AND EQUAL OPPORTUNITY

We practice fair hiring without prejudice, regardless of age, gender, religion and ethnicity. In accordance with the PRC's Labour Law and the Law on Protection of Minors (《中华人民共和国劳动法》和《中华人民共和国未成年人保护法》), we strictly forbid our sub-contractors to hire child labour. During the Reporting Period, there is no (FY2021: zero) reported incident of unlawful discrimination against employees.

As at 31 December 2022, the Group has 55 (FY2021: 55) full-time employees, the majority of whom are stationed in the PRC.

We view gender diversity in the Board level as an essential element in supporting sustainable development. We have a female representation of one member (FY2021: one) in the Board or 20% (FY2021: 20%) of the Board. Key statistics on gender diversity of our full-time employees are as follows:

Disclosure	FY2022		FY2021	
	Male	Female	Male	Female
Overall	60%	40%	65%	35%
Management level				
Top management	57%	43%	60%	40%
Middle management	67%	33%	79%	21%
Staff	42%	58%	61%	39%

In the Group, matured workers are valued for their experience, knowledge and skills. Key statistics on age diversity of our full-time employees are as follows:

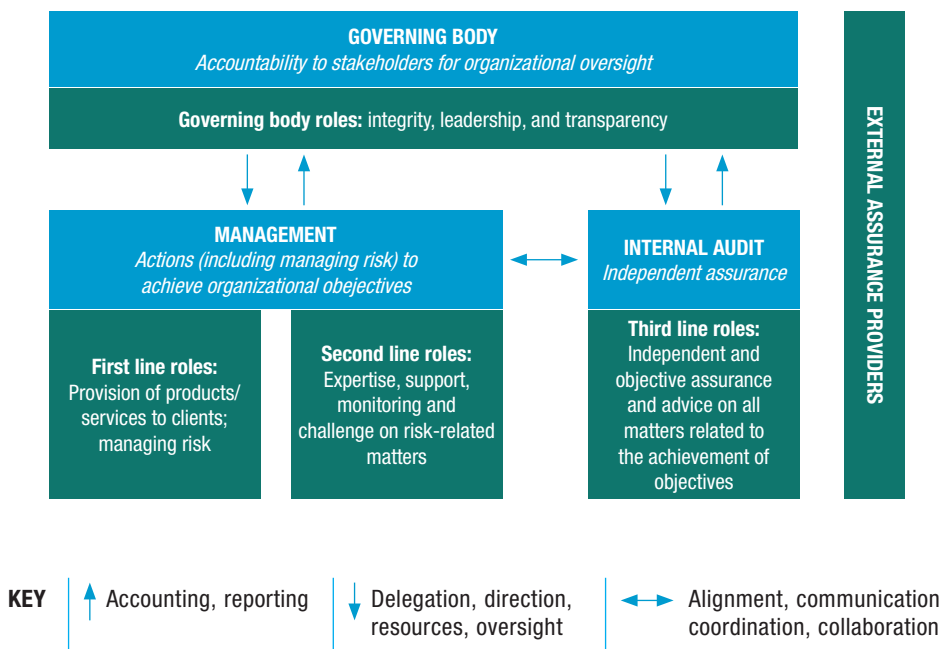
Disclosure	FY2022			FY2021		
	Below 30	30-50	Above 50	Below 30	30-50	Above 50
Overall	16%	82%	2%	16%	82%	2%
Management level						
Top management	—	86%	14%	—	86%	14%
Middle management	33%	67%	—	25%	75%	—
Staff	14%	86%	—	17%	83%	—

SUSTAINABILITY REPORT

ROBUST CORPORATE GOVERNANCE FRAMEWORK

A high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interest and maximising long-term shareholder value. The Board recognises the importance to maintain a sound system of risk management and internal controls to safeguard the interests of the Group and its shareholders.

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("IIA"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third-line roles) and the relationship among them are defined as follows:



Source: Three Lines Model issued by the IIA

The Group has in place an enterprise risk management ("ERM") framework to identify, evaluate and monitor the Group's significant risks. We regularly assess and review our businesses and operational environment to identify and manage emerging and strategic risks that may impact our sustainability. With a positive and proactive attitude, we believe that risks faced by the Group could be converted into opportunities and favourable results.

The Group is also committed to upholding integrity and combating corruption in all its forms. The Group requires all employees to comply with the relevant anti-corruption legislations in all markets where it operates and has a whistle-blowing policy in place to encourage and provide a channel for employees to raise their concerns about possible improprieties in financial reporting or other matters without fear of reprisals. Details of the whistle-blowing policy are made available to all employees.

In FY2022, there is no (FY2021: zero) incident of major corruption for the Group.

You may refer to Corporate Governance Report of this Annual Report for details of our corporate governance practices.

SUSTAINABILITY TARGETS

For our Sustainability Factors identified, we have set targets as follows:





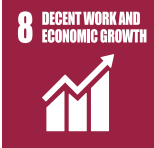


S/N	Sustainability Factor	Target for FY2023
Economic		
1	Sustainable business performance	Maintain or improve our economic value generated subject to economic conditions
Environmental		
2	Water conservation	Maintain or reduce water consumption
3	Energy conservation and emissions reduction	Maintain or reduce GHG emissions
Social		
4	Occupational health and safety	Maintain zero work-related fatalities, high-consequence work-related injuries, recordable work-related injuries and ill health cases (ongoing and long term)
5	Employee development and retention	<ul style="list-style-type: none">• Maintain or reduce employee turnover rate• Provide training opportunities for development and growth to keep our employees motivated and engaged
6	Diversity and equal opportunity	Maintain zero incident of unlawful discrimination against employees (ongoing and long term)
Governance		
7	Robust corporate governance framework	Maintain zero incident of major corruption (ongoing and long term)



SUSTAINABILITY REPORT

SUPPORTING THE UN SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership. We believe that everyone plays an important part in advancing sustainable development and we have identified SDGs which we can contribute to sustainability development through our business practices, products and services. The SDGs that we focused on and the related Sustainability Factors are as follows:

SDG		Our effort
	Ensure healthy lives and promote well-being for all at all ages	<u>Occupational health and safety</u> We implement measures to ensure a safe and secure working environment for our employees.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities	<u>Employee development and retention</u> We invest in training, education and development of our people to enhance our business competencies.
	Ensure availability and sustainable management of water and sanitation for all	<u>Water conservation</u> We implement checks and measures to reduce water wastage in our business operations, which in turn help us to work towards achieving sustainable management and efficient use of natural resources.
	Ensure access to affordable, reliable, sustainable and modern energy for all	<u>Energy conservation and emissions reduction</u> We implement measures to reduce our energy consumption as not only does it help to improve energy efficiency and reduce GHG emissions, it also helps us to reduce costs incurred to support our business operations.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<u>Sustainable business performance</u> We contribute to economic growth through creating long-term value for our stakeholders.
	Reduce inequality within and among countries	<u>Diversity and equal opportunity</u> We create a diverse and inclusive workplace that will bring new perspectives to our business and strengthen our ability to overcome new challenges.
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<u>Robust corporate governance framework</u> We maintain a high standard of corporate governance to safeguard our shareholders' interest and maximise long-term shareholders' value and carry out business with integrity by avoiding corruption in any form.

SUPPORTING THE TCFD

We are committed to support the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas:

Key area	Our approach
Governance	<p>The Board oversees the management and monitoring of the Sustainability Factors and consider climate-related issues in determining the Group's strategic direction and policies. Our sustainability strategy is developed and directed by the Group's SC in consultation with the Board. The SC is led by our CEO and comprises representatives from key Group functions.</p> <p>The responsibilities of the SC include considering climate-related issues in the development of sustainability strategy and policy, target setting, collection, monitoring and reporting of performance data, as well as management of risks and opportunities including those associated with climate change.</p>
Strategy	<p>The climate-related risks and opportunities identified by the Group during the ERM exercise includes the following:</p> <ul style="list-style-type: none">• Adverse weather condition – Severe and prolonged weather events may adversely affect the Group's business operations and financial performance. Conversely, this also presented an opportunity for the Group to review and assess its value chain to identify new products and services. <p>We are currently looking into conducting climate-related scenario analysis consistent with the TCFD's recommendation, wherever possible, using commonly agreed sector/subsector scenarios and time horizons, to anticipate and manage climate change impacts.</p>
Risk management	<p>An ERM framework is in place to guide the Group in the identification, analysis and evaluation of risks, implementation of risk treatment plans and continuous monitoring of risks.</p> <p>The Group's climate related risks and opportunities are identified and assessed during an ERM exercise. The climate-related risks and their related opportunities and treatment plans are also reviewed and updated during the ERM exercise and are presented to the Audit and Risk Committee along with the other Group's key risks. We also manage our climate-related risks by monitoring the trend of climate-related performance indicators.</p>
Metrics and targets	<p>We track, measure and report on our environmental performance, including energy, GHG emissions and water management and disclose related metrics in our sustainability report. Monitoring and reporting these metrics help us in identifying areas with material climate-related risks and enabling us to be more targeted in our efforts.</p> <p>To support the climate change agenda, we disclose our Scope 2 GHG emissions in the sustainability report and set climate-related targets such as those related to energy, GHG emissions and water management. We will continue to monitor our emissions and disclose Scope 1 and Scope 3 GHG emissions wherever applicable and practicable.</p>