

ABOUT THIS REPORT

This report outlines the Annual Sustainability Report¹ of Plato Capital Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) for the financial year ended 31 December 2021 (“**FY2021**”). This Report contains sustainability data from 1 January 2021 to 31 December 2021, with 1 year of comparative historical data wherever applicable. There were no significant changes to the organisation’s structure and ownership during this reporting period.

BOARD STATEMENT

The Board of Directors (“**Board**”) is pleased to demonstrate our commitment to create long-term sustainable value and business growth for all internal and external stakeholders. The Board is committed to conduct our business in a responsible manner so as to enhance the quality of our society while pursuing business sustainability. The Board having considered sustainability issues as part of its strategic formulation, determined the material environmental, social and governance (“**ESG**”) factors and overseen the management and monitoring of the material ESG factors.

STAKEHOLDERS ENGAGEMENT

In building long-term business growth, the Group is committed to engaging all of our stakeholders as part of our continued sustainability endeavours. It is essential to understand and be responsive to the stakeholders’ concerns or expectations of the Group. The table below summarises the potential sustainability issues and the mode of communication with each stakeholder:

Stakeholders	Mode of Communication	Key Concerns
Customers	<ul style="list-style-type: none"> - Face to face or virtual interaction - Customer feedback surveys - Personal Data Protection Act policy is in place to protect customer’s data and privacy 	<ul style="list-style-type: none"> - Leakage of customer data and private information - Environmental concerns
Investors	<ul style="list-style-type: none"> - Announcement of financial results on the SGXNet - Announcement on on-going or planned corporate actions as and when required - Annual General Meeting 	<ul style="list-style-type: none"> - Economic performance
Management	<ul style="list-style-type: none"> - Budget and forecast with variance analysis provided during the monthly management meeting - Reports on on-going or planned corporate actions as and when required - Monthly business performance meetings - Board of Directors meetings 	<ul style="list-style-type: none"> - Economic performance
Employees	<ul style="list-style-type: none"> - Leadership development programs - Annual performance appraisal - Regular email communication - Internal and external staff trainings 	<ul style="list-style-type: none"> - Diversity and equal opportunity - Training and education
Community	<ul style="list-style-type: none"> - Company website - SGXNet announcements - Annual General Meeting - Media releases 	<ul style="list-style-type: none"> - Environmental concerns
Government and regulatory bodies	<ul style="list-style-type: none"> - Advice from professionals such as solicitors, auditors, tax agents and other consultants - Government publication/written communication 	<ul style="list-style-type: none"> - Corporate governance

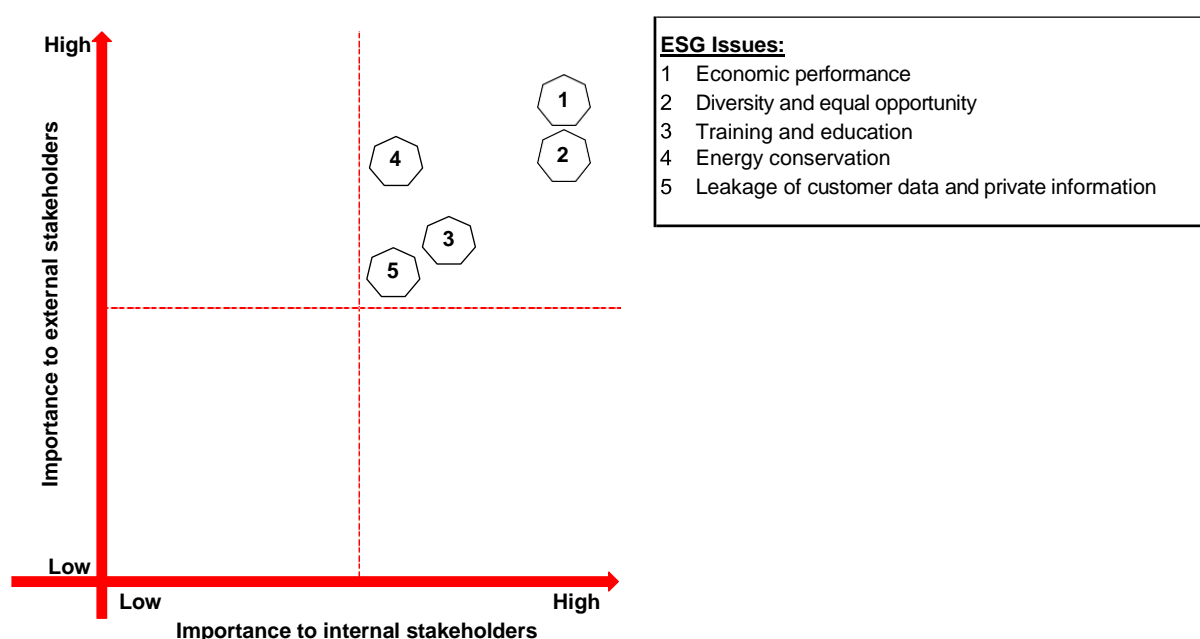
¹ For the purpose of this report, only the Group’s subsidiaries are included. During FY2021, the subsidiaries of the Group were principally engaged in the provision of systems integration related activities and eCommerce systems and services, development and operation of hotel, provision of credit facilities, and investment holding.

MATERIALITY ASSESSMENT

This Sustainability Report has been guided and prepared by reference to the globally recognised Global Reporting Initiative (“GRI”) Standards, Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (“SGX”) Listing Manual Section B: Rules of Catalyst. The GRI Standards were chosen as GRI represents the global best practices for reporting on economic, environmental and social topics. Although the data and statistics disclosed in this report have not been assured by an independent external party, internal verification has been performed to ensure their accuracy.

As guided, a materiality assessment had been conducted by the management to determine and rank the significance of the Group’s ESG issues, identify the strategic direction and set performance targets. From the above exercise, all potential material topics have been plotted in a materiality matrix as shown in Figure 1 based on their possible impact on the Group’s business, and their importance to both internal and external stakeholders.

Figure 1: Materiality Matrix



Material Aspects and Indicators

Category	ESG Factors	GRI reference	Where the Impact Occurs
Economic	Economic performance	201: Direct economic value generated and distributed	Within and outside the Group
Social - Workplace	Diversity and equal opportunity	405: Diversity of Governance bodies and employees	Within the Group
Social - Workplace	Training and education	404: Average hours of training per year per employee	Within the Group
Social - Marketplace	Customer privacy	418: Substantiated complaints concerning breaches of customer privacy and losses of customer data	Outside the Group
Environmental	Energy conservation	302: Energy consumption within the organization	Within the Group

ECONOMIC

Economic Performance

The year 2021 was another challenging year for the Group in light of the continued impact of the COVID-19 pandemic. With the implementation of effective operational and cost control measures to emerge from the pandemic, the Group experienced a lower loss of \$0.36 million in FY2021, compared to a loss of \$1.40 million in the previous financial year ended 31 December 2020 ("FY2020").

For more details on financial performance for FY2021, please refer to the Chairman's Statement on page 3 and the Group's financial statements on pages 44 to 107 of the Company's Annual Report 2021 despatched to shareholders of the Company on 13 April 2022.

SOCIAL

Diversity and Equal Opportunity

Employees are the key driver of an organisation to ensure sustainable business growth. The Group offers equal employment opportunities to all regardless of race, ethnicity, gender or age group. The Group strives to achieve workforce diversity and encourage our employees to work beyond the statutory retirement age of 60.

As at 31 December 2021, the Group has a workforce of 12 permanent employees (as at 31 December 2020: 17 permanent employees). The decrease in the number of permanent employees was due to the decision to cease the Group's information technology operations with effect from 1 January 2022, as announced on 3 December 2021 by the Company.

On gender diversity, due to the nature of our business, the workforce is predominantly female. As at 31 December 2021, the percentage of female to total permanent employees is 75% (as at 31 December 2020: 65%).

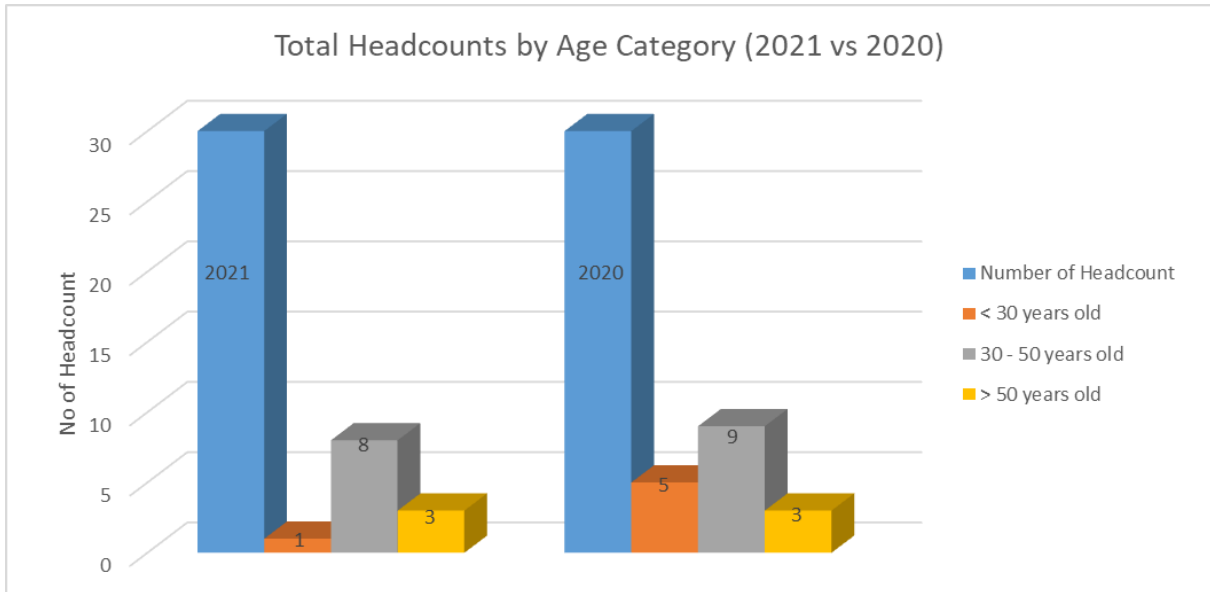
On age diversity, matured workers are valued for their working experiences, skills and knowledge. As at 31 December 2021, 67% (as at 31 December 2020: 53%) of our permanent employees are in the preferred category of the 30 to 50 age group.

Figure 2: Workforce Composition in FY2021

By Gender	Total Headcount	%	By Age Group	Total Headcount	%
Male	3	25%	under 30 years old	1	8%
Female	9	75%	30 – 50 years old	8	67%
Total	12	100%	over 50 years old	3	25%
			Total	12	100%

SOCIAL (continued)

Diversity and Equal Opportunity (continued)



On talent attraction and retention, the Group practices fair and equal employment opportunities based on qualifications, working experiences, skills and competency of employees. For existing employees, the Group reviews remuneration and staff benefits on an annual basis based on the employee’s job performance and reference to the market rate and conditions, aimed to create a productive and motivated workforce. The Group is also committed to protect and respect the human rights of employees in accordance with the relevant laws and regulations as well as ensuring the employees’ safety and well-being.

The Group has a whistle-blowing policy that serves to provide a platform for employees to report in good faith and in confidence, without fear of reprisals and concerns about any improper conduct within the Group.

Target for FY2021	Performance in FY2021	Target for FY2022
Maintain zero incidences of grievances on labour practices or human rights issues.	There was no reported incidence of grievances on labour practices or human rights issues.	Maintain zero incidences of grievances on labour practices or human rights issues.

Training and Education

The Group recognises that enhancing employees’ skills is important towards achieving sustainability and growth of organisations. The Company strives to build a strong culture of learning and to continuously improve employees’ skills through on-the-job and off-the-job trainings. The Group also encourages its employees to pursue continuous professional development to gain further qualifications.

The COVID-19 pandemic has triggered new ways of learning. The Company continued to upskill our employees during this period as they acquired new knowledge through virtual learning programmes completed on the e-learning platforms and through videoconferencing. These programmes include accounting short courses and job specific training.

SOCIAL (continued)**Training and Education (continued)**

Total employees' participation in training programmes in FY2021 totalled 97 hours (average 8 training hours per employee) as compared to 64 hours (average 4 training hours per employee) in FY2020. The distribution of the average training hours per employee by gender is as follows:

Figure 3: Average Training Hours in FY2021

Training hours	FY2021	FY2020
Average training hours per employee	8	4
Average training hours by gender		
- Male	12	5
- Female	7	3
Average training hours by employee category		
- Executive	23	13
- Non-Executive	1	1

The Group will continue to encourage its employees to attend trainings and aim to maintain the average training hours per employee of 8 hours in FY2022.

Target for FY2021	Performance in FY2021	Target for FY2022
Average training hours per employee of 8 hours.	Recorded an average of 8 hours of training per employee.	Maintain average training hours per employee of 8 hours.

Customer Privacy

The Group strives to raise customer satisfaction by offering good service to our customers and responding to their feedback promptly.

The Group is committed to ensuring customers' personal data are kept confidential in compliance with Singapore Personal Data Protection Act, 2012 and Malaysia Personal Data Protection Act, 2010. The Company highly respects personal data privacy and will not disclose these data without consent unless it is required by the law.

Target for FY2021	Performance in FY2021	Target for FY2022
Maintain zero complaints concerning breaches or leakage of customer data privacy.	There were no reported complaints concerning breaches or leakage of customer data privacy.	Maintain zero complaints concerning breaches or leakage of customer data privacy.

ENVIRONMENTAL

The Group is concerned about environmental issues such as pollution and climate change which affect everyone's quality of life. The Company is committed to minimizing, as far as possible, our environmental footprint by adopting responsible approaches to resource usage.

The Company endeavours to reduce wastage in our operations by employing the 3R concept - Reduce, Reuse and Recycle. The Company encourages our employees to reduce electricity usage wherever possible and to promote energy conservation and efficiency. Key statistics on energy consumption during the year are as follows:

Figure 4: Electricity Usage Analysis

Energy	FY2021	FY2020
Electricity consumption		
- Units (kWh)	10,609	24,189
- Amount (S\$)	1,800	4,104

The Group reduced its electricity usage by 56% from S\$4,104 in FY2020 to S\$1,635 in FY2021, exceeding the long-term target of a 5% reduction over the next three years as committed in the Sustainability Report for FY2019. The electricity usage savings in FY2021 was contributed by the work from home policy enforced by the Malaysian government during the movement restrictions.

Target for FY2021	Performance in FY2021	Target for FY2022
5% reduction in electricity consumption.	Recorded 56% reduction in electricity consumption.	Maintain or reduce electricity consumption.

CORPORATE GOVERNANCE

The Group is committed to sustainable growth by integrating strong corporate governance and risk management practices, as outlined in our Corporate Governance Report, on pages 4 to 34 of the Annual Report for FY2021, with reference to the principles of the Code of Corporate Governance 2018 as revised by the Monetary Authority of Singapore ("**2018 Code**") and the accompanying Practice Guidance as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited in January 2015 ("**Guide**"). The Group has complied with the principles, provisions and guidelines as set out in the 2018 Code and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections where there are deviations from the 2018 Code and the Guide.

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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