

**Renaissance United
Limited**

Sustainability Report 2023

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1. Our business

1.1 Background

We are an investment holding company with a diversified portfolio of strategic investments. Our investment portfolio comprises strategic stakes in various key sectors as follows:

- Supplying gas to households, commercial and industrial users in the People’s Republic of China (“China”), herein referred to as the “Gas Distribution Business”;
- Specialising in Burn-in Board design and manufacturing for the semiconductor industry, herein referred to as the “Electronics and Trading Business”;
- Real estate residential development in the United States of America (“USA”), herein referred to as the “Property Development Business”.

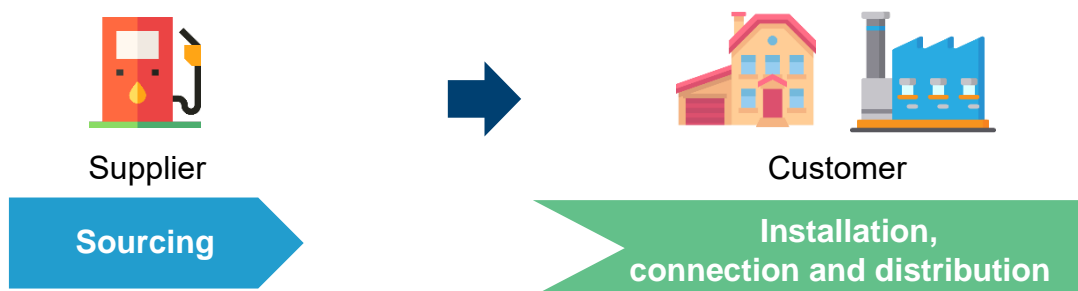
Our geographical presence is as follows:



1.2 Value chain

The supply chain for our revenue streams are as follows:

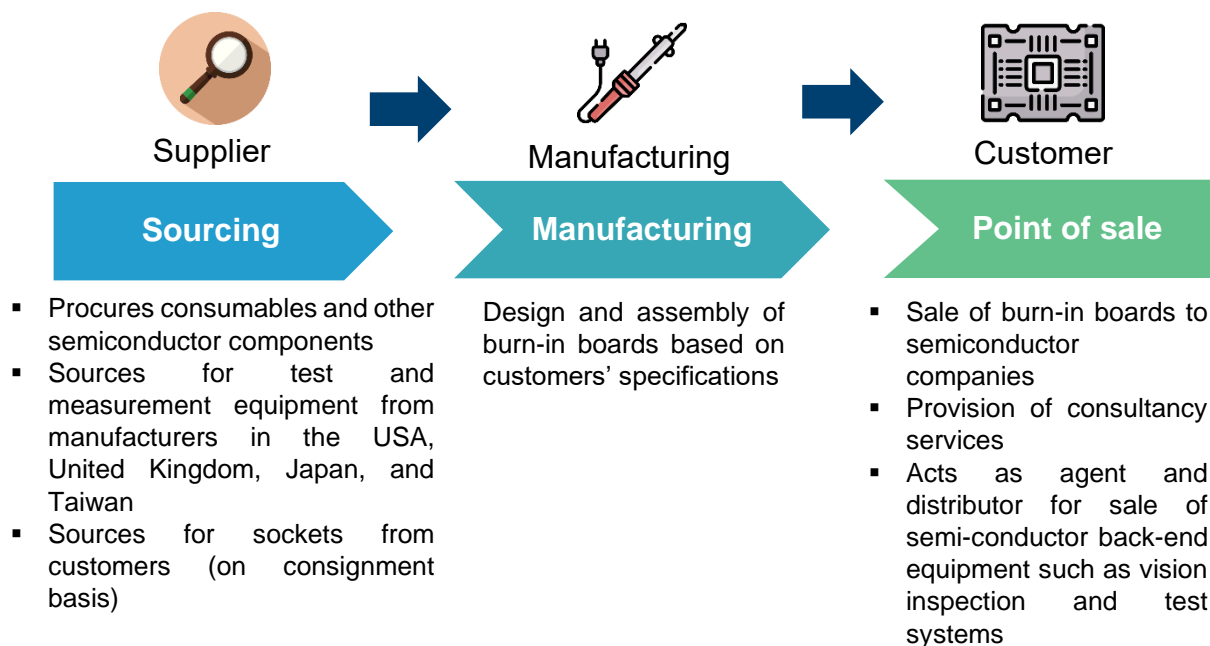
Gas Distribution Business



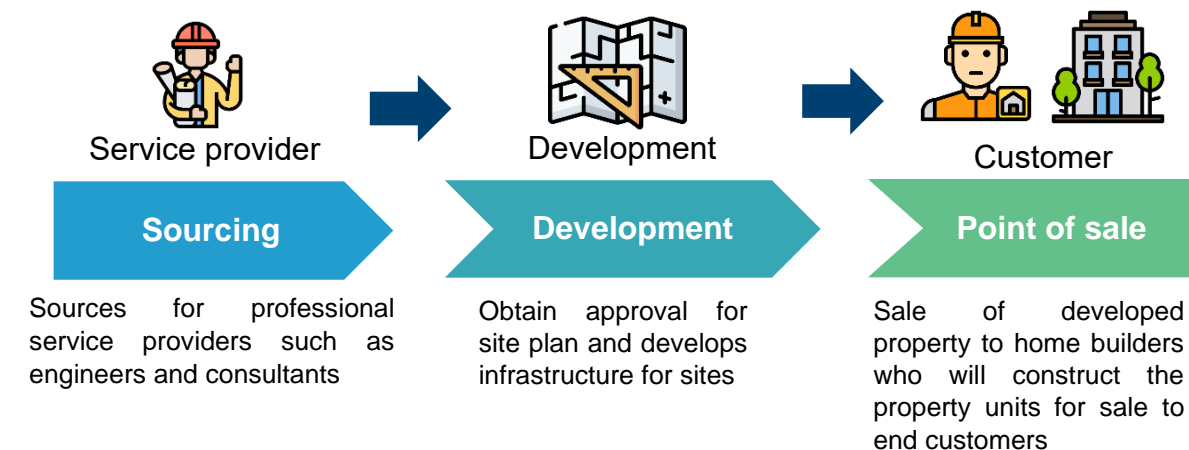
- Procures compressed natural gas and liquefied natural gas from major local gas suppliers
- Procures pipes, valves, gas meters and other materials to develop pipeline network

A last-mile natural gas pipeline network is built to connect our residential and industrial customers to the national pipeline network

Electronics and Trading Business



Property Development Business



1.2 People

As at 30 April 2023, we have a workforce of 310 employees and the breakdown of our workforce by country is as follows:

	Singapore	China	Total
Overall			
	78	232	310
Full-time			
	78	218	296
Part-time¹			
	-	1	1
Non-guaranteed hours³			
	-	13	13

¹ Part-time employees and non-guaranteed hours employees are excluded in the Group's diversity ratios, turnover rate and new hires rate as they constituted respectively to 0.3% and 4.2% of the Group's headcount, which are deemed immaterial as a proportion of the Group's headcount.

2. Board statement

We reaffirm our commitment to sustainability with the publication of our sustainability report (“Report”). For this Report, we provide insights into the way we do business, while highlighting our environmental, social, governance (“ESG”) factors, economic performance and customer experience (collectively as “Sustainability Factors”).

Whilst mindful of our profit-oriented objective, we are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of Renaissance United Limited (the “Company”) and its subsidiaries (the “Group”). The Board having considered sustainability issues as part of its strategic formulation, determined the material Sustainability Factors, monitored them and oversaw their management.

In line with our commitment to sustainability, the Board emphasises on improving our corporate governance practices across the Group.

A sustainability policy (“SR Policy”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material 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 material 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 key stakeholders in our value chain and their inputs drive our sustainability focus on our material Sustainability Factors and the SDGs as follows:



A summary of our key sustainability performance is as follows:

Sustainability factor	Performance indicator	Sustainability performance	
		FY2023	FY2022
Customer experience	Market standards adopted	The Electronic and Trading Business is certified under the ISO 9001: 2015	The Electronic and Trading Business is certified under the ISO 9001: 2015
Economic ²	Turnover	S\$74.2 million	S\$75.4 million
	Loss for the financial year	S\$7.4 million	S\$12.3 million
Environmental	Water consumption intensity (CuM/ revenue S\$'000)	0.025	0.014
	Greenhouse gas ("GHG") emissions (tonnes CO ₂ e)	890	906
	GHG emissions intensity (tonnes CO ₂ e/ number of employees)	3.0	3.0
Social	Number of workplace fatalities	-	-
	Number of high-consequence ³ work-related injuries	-	-
	Number of recordable work-related injuries	-	-
	Number of work-related ill health cases	-	-
	Employee's overall turnover rate	7%	8%
	Number of reported incidents of unlawful discrimination ⁴ against employees	-	-
Governance	Number of incidents of serious offence ⁵ reported	-	-

3. Reporting framework

This Report has been prepared in accordance with 711A and 711B of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Rules. The Company has reported this Report for the period from 1 May 2022 to 30 April 2023 with reference to the Global Reporting Initiative ("GRI") Standards. We have chosen to report using the GRI Standards as it is an internationally recognised reporting framework. The GRI content index can be found in Section 11 of this Report.

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 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. Internal review on the sustainability reporting process has been incorporated as part of our internal audit review cycle and we will work towards external assurance for our future sustainability reports.

² Economic performance is extracted from the full year unaudited financial results announcement released on 29 June 2023. These figures are subjected to statutory audit and the audited financial statements will be set out in the Annual Report 2023 which is expected to be published by 15 September 2023.

³ 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.

⁴ Unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to the Group.

⁵ A serious offence is defined as an incident that involves fraud or dishonesty and is being or has been committed against the Group by officers or employees of the Group. The serious offence incident is one that 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.

4. Reporting scope

The reporting period for this Report is aligned with the Group's financial year ("FY") ended 30 April 2023 ("FY2023" or "Reporting Period") and a report will be published annually in accordance with our SR Policy.

This Report covers the following operating entities within our key business segments which contributed to 100% (FY2022: 100%) of our total revenue for the Reporting Period:

S/N	Entity	Country of operation	Business segment
1	Hubei Zonglianhuan Energy Investment Management Inc.	China	Gas Distribution Business
2	ESA Electronics Pte Ltd	Singapore	Electronics and Trading Business
3	Capri Investments LLC	United States of America	Property Development Business

5. Feedback

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: corp@ren-united.com.

6. Stakeholder engagement

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, shareholders and suppliers. Key stakeholders are determined for each material Sustainability Factor identified, based on the extent of which their interests are affected or can be affected by activities of the Group.

We actively engage our stakeholders through the following channels:

S/N	Key stakeholder	Engagement channel	Frequency of engagement	Key concern raised
1	Communities	Community campaigns	Ongoing	<ul style="list-style-type: none"> ▪ Environmental conservation ▪ Accessibility to natural gas supply
2	Customers	<ul style="list-style-type: none"> ▪ Face-to-face meetings ▪ Email communications ▪ Phone calls ▪ Teleconferences 	Regularly	Product quality and safety
		Factory audits	As and when required	
3	Employees	<ul style="list-style-type: none"> ▪ Email communications ▪ Face-to-face meetings ▪ Online meetings on video conferencing platforms 	Regularly	<ul style="list-style-type: none"> ▪ Safe working environment ▪ Equal employment opportunity ▪ Job security ▪ Remuneration
4	Regulators	Consultations and briefings organised by key regulatory bodies such as Singapore Stock Exchange and relevant government agencies/bodies	As and when required	Corporate governance

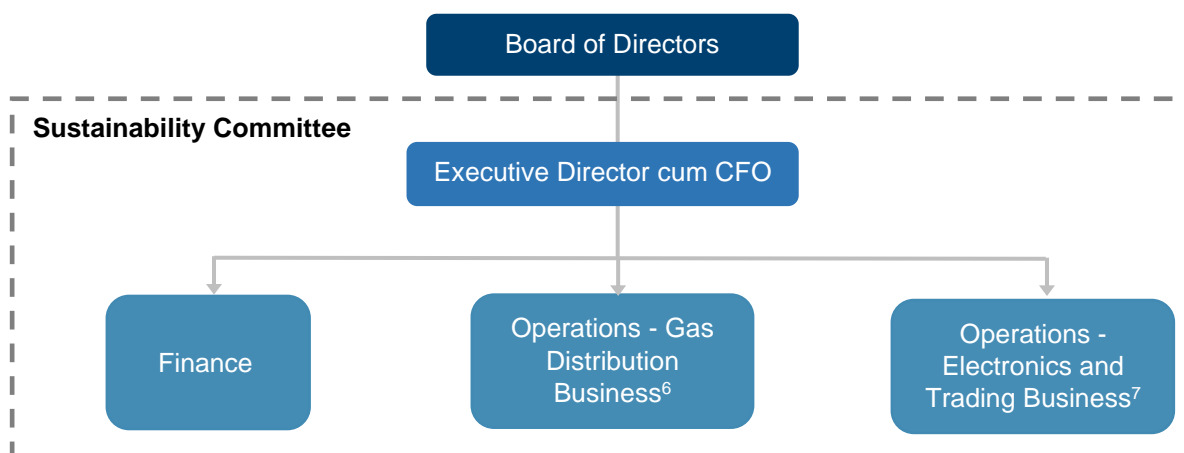
S/N	Key stakeholder	Engagement channel	Frequency of engagement	Key concern raised
5	Shareholders	Announcements on SGXNet	Quarterly	<ul style="list-style-type: none"> Sustainable business performance Market valuation Corporate governance
		<ul style="list-style-type: none"> Annual general meetings Annual reports 	Annually	
		<ul style="list-style-type: none"> Investor relations email account Business publications Investors' relation events 	Regularly or when needed	
6	Suppliers	<ul style="list-style-type: none"> Email communications Face-to-face meetings Online meetings on video conferencing platforms 	As and when required	<ul style="list-style-type: none"> Demand Pricing volatility

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

7. Policy, practice and performance reporting

7.1 Reporting structure

Our sustainability strategy is developed and directed by the senior management in consultation with the Board of Directors. The Group's Sustainability Committee, which includes senior management executives from various support units, is led by our Executive Director cum Chief Financial Officer ("CFO"), and tasked to develop the sustainability strategy, review its material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report performance data for this Report.

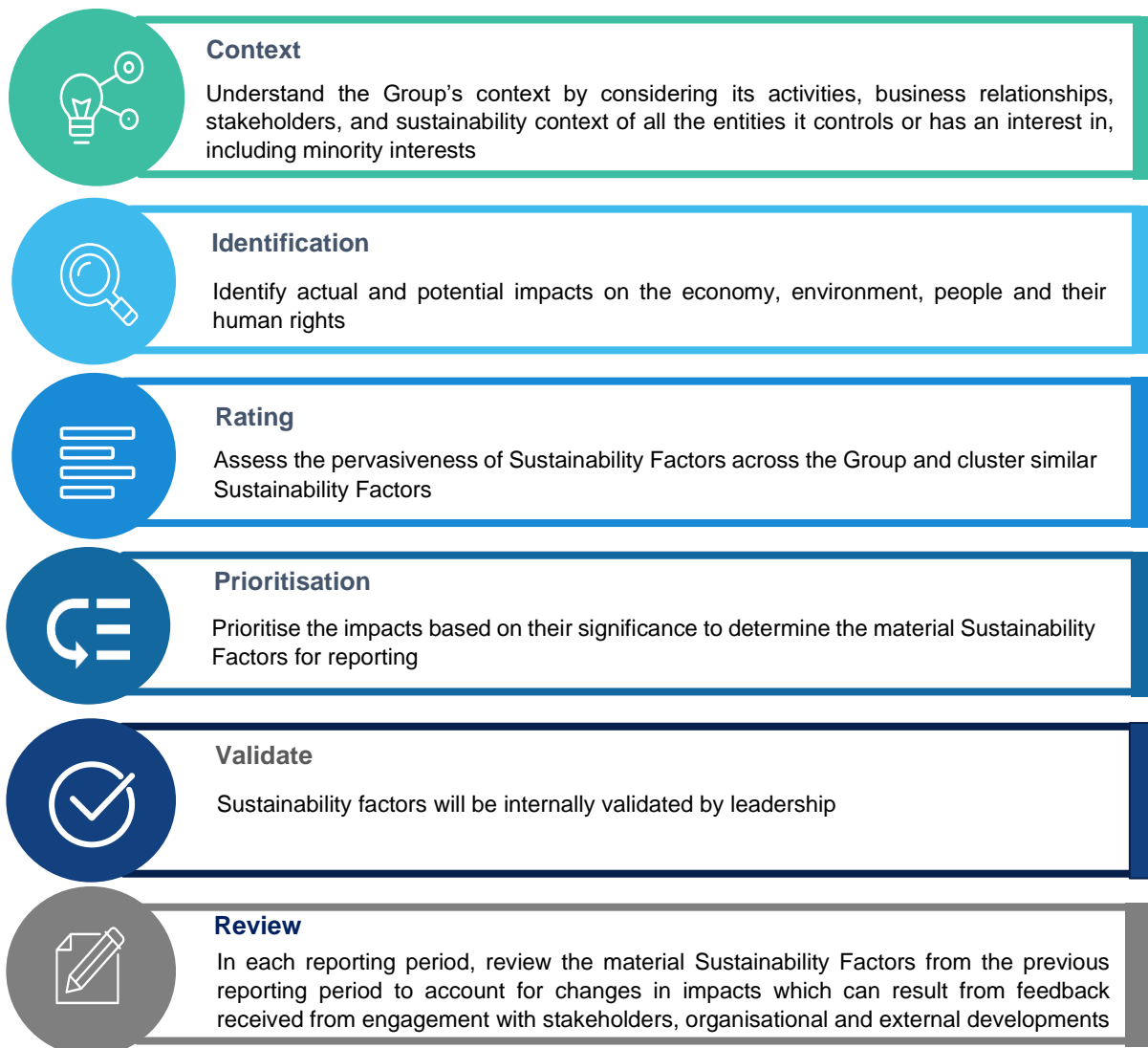


⁶ Operations - Gas Distribution Business include business functions relating to human resources, engineering, production operations, safety supervision and marketing.

⁷ Operations - Electronics and Trading Business include business functions relating to human resources, procurement, production, sales and marketing and business development.

7.2 Sustainability reporting processes

Under our SR policy, our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised as material factors which are then validated. The end result of this process is a list of material Sustainability Factors disclosed in this Report. Processes involved are as shown in the chart below:



7.3 Materiality assessment

We constantly refine our management approach to adapt to the changing business landscape. The Group performs an annual materiality assessment to ensure that issues disclosed in our sustainability reports remain current, material, and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders. Impacts, positive and negative, actual and potential, are assessed based on: (i) the likelihood of occurrence ("Likelihood of Impact"); and (ii) their significance on the economy, environment, people and their human rights and contribution to sustainable development ("Significance of Impact").

7.4 Performance tracking and reporting

We track our material 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.

8. Material Sustainability Factors

Our materiality assessment performed for FY2023 involved our Senior Management in identifying Sustainability Factors with significant impacts on the economy, environment, people and their human rights so as to allow us to channel our resources judiciously to create sustainability value for our stakeholders.

Presented below is a list of material Sustainability Factors applicable to our Group:

S/N	Material Sustainability Factor	Key stakeholder	SDG
Customer experience			
1	Total customer satisfaction	Customers	Decent work and economic growth
Economic			
2	Sustainable business performance	Shareholders	Decent work and economic growth
Environmental			
3	Water conservation	<ul style="list-style-type: none"> ▪ Communities ▪ Shareholders 	Clean water and sanitation
4	Energy conservation and emissions reduction	<ul style="list-style-type: none"> ▪ Communities ▪ Shareholders 	Affordable and clean energy
5	Responsible waste management	<ul style="list-style-type: none"> ▪ Communities ▪ Shareholders 	Responsible consumption and production
Social			
6	Safe working environment	Employees	Good health and well-being
7	Talent management	Employees	Decent work and economic growth
8	Equality and diversity in the workplace	Employees	Reduced inequalities
9	Ongoing community engagement	Communities	Reduced inequalities
Governance			
10	Robust corporate governance framework	<ul style="list-style-type: none"> ▪ Regulators ▪ Shareholders 	Peace, justice and strong institutions

We will update the material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholder's feedback and sustainability trends. The details of each material Sustainability Factor are presented as follows:

8.1 Total customer satisfaction

Our strategies towards customer satisfaction are as follows:

Adoption of market standards on product quality and safety

For our Electronics and Trading Business, our operations are certified under the ISO 9001:2015 standards to maintain product quality and safety. The adoption of such standards supports our ability to consistently provide products and services that meet customers' needs and expectations.

Maintain presence and proximity to whom we serve

For our Electronics and Trading Business, we have set up a network of operations in Singapore, China, United States of America, Taiwan and Europe (collectively referred to as "Key Markets"). Our Regional Customer Service Engineers are trained to handle customer requests in a timely manner.

For our Gas Distribution Business, we maintained a network of service centres that are strategically located near our customers to serve their needs. We have also arranged with our gas-meter service providers to enable customers to make on-line payments.



Nurture a team of highly-trained and experienced employees

We are dependent on our highly-trained and experienced professional staff in supporting customers for the products and services we carry. We also place priority on the competency development of our employees such as encouraging our technical staff to attain technical certifications relevant to their work. Refer to Section 8.7 for further details on talent management.

Target for FY2023	Performance in FY2023	Target for FY2024
Adhere to the market standards and best practices in operations	Target met as follows: Market standards and best practices are adopted in our operations to ensure quality and safety in our products and services	Adhere to the market standards and best practices in operations

8.2 Sustainable business performance

We believe in creating long-term economic value for shareholders by striking a balance between rewarding shareholders by way of delivering profits and maintaining a robust balance sheet with strong operating cash flows.

Our Group generated a turnover of S\$74.2 million for FY2023 (FY2022: S\$75.4 million). The Group reported a loss of S\$7.4 million for FY2023 (FY2022: loss for the financial year of S\$12.3 million).

The above economic performance is extracted from the full year unaudited financial results announcement released on 29 June 2023. The figures are subjected to statutory audit and the audited financial statements will be set out in the Annual Report 2023 which is expected to be published by 15 September 2023.

Target for FY2023	Performance in FY2023	Target for FY2024
Improve or maintain our financial performance subject to market conditions	Target partially met as follows: Decrease in turnover, but decrease in loss for the financial year	Improve our financial performance subject to market conditions

8.3 Water conservation

We are committed to responsible usage of water resources through enhancing our water consumption efficiency. We rely on water resources mainly for washing of printed circuit boards in our Electronics and Trading Business.

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

Resource	Water consumption (CuM)		Water consumption intensity (CuM/ revenue S\$'000)	
	FY2023	FY2022	FY2023	FY2022
Water	346	211	0.025	0.014

The increase in water consumption intensity is mainly due to requirements from certain customers of the Electronics and Trading Business who require more stringent washing process of the printed circuit boards.

Our water conservation initiatives include tracking and reviewing spending on water consumption regularly to control usage. Corrective actions are taken when there are unusual consumption patterns. We constantly encourage staff to use water responsibly.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain or reduce water consumption intensity	Target not met as follows: Increase in water consumption intensity	Maintain or reduce water consumption intensity

8.4 Energy conservation and emissions reduction

We are committed to preserve the environment in which we operate in and our environmental initiatives are as follows:

Provide cleaner energy solutions

China produces the highest amount of carbon dioxide in the world⁸. The use of natural gas in power generation provides a cleaner alternative to other fossil fuels by reducing carbon and other environmentally harmful emissions. We strongly believe that the natural gas provided by our Gas Distribution Business provides long-term health benefits for the public and contributes to environmental conservation.

Promote energy conservation in business operations

In our day-to-day operations, we rely mainly on electricity for operating machinery, equipment and office work which produces indirect GHG emissions (Scope 2⁹). Other than indirect GHG emissions (Scope 2), our operations produce immaterial direct GHG emissions (Scope 1¹⁰). Therefore, no separate disclosure is made on direct GHG emissions (Scope 1) but we will continue to monitor such emissions and disclose in future, as and when applicable.

Key statistics on energy consumption and GHG emissions during the Reporting Period are as follows:

Performance indicator	Unit of measurement	FY2023	FY2022
Electricity consumption			
Electricity consumption	kWh	1,683,506	1,634,836
Electricity consumption intensity	kWh/ number of employees	5,688	5,395
GHG emissions			
Indirect GHG emissions (Scope 2 ¹¹)	tonnes CO ₂ e	890	906
GHG emissions intensity	tonnes CO ₂ e/ number of employees	3.0	3.0

We track and review spending on energy consumption regularly to control usage. Corrective actions are taken when there are unusual consumption patterns. We constantly remind our staff on some basic and socially responsible habits in administrative office environment, such as adopting greener work ethics, switching off appliances when not in use, enabling power save modes and other related practices.

Target for FY2023	Performance in FY2023	Target for FY2024
Reduce GHG emissions intensity	No material changes in GHG emissions intensity	Maintain or reduce GHG emissions intensity

8.5 Responsible waste management

We believe that environmental preservation through efficient waste management such as reusing and recycling allows us to operate in a conducive and sustainable environment and minimise adverse impacts on human health and the environment. It also helps us in achieving both short and long-term cost savings which enhances returns to our shareholders.

In line with our commitment to minimise waste generated from operations, we aim to move towards a paperless working environment. Under our Electronics and Trading Business, we have deployed an integrated business system to minimise usage of transit documents, whereby electronic version of operations related documents is generated wherever practicable. During the Reporting Period, we used approximately 10,250 (FY2022: 11,083) pieces of paper per month. The decline in the monthly paper usage is mainly attributable to a reduction of paper usage for purchase orders in the purchasing process.

⁸ Extracted from Distribution of carbon dioxide emissions worldwide in 2021, by select country (2022). Source: <https://www.statista.com/statistics/271748/the-largest-emitters-of-co2-in-the-world/#statisticContainer>

⁹ Scope 2 GHG emissions arise from the generation of purchased electricity consumed by a reporting entity. Scope 2 emissions physically occur at the facility where electricity is generated.

¹⁰ Scope 1 GHG emissions occur from sources that are owned or controlled by the reporting entity.

¹¹ GHG emissions from electricity purchased by the Company (Scope 2) are calculated based on the latest respective emissions factors published by the Energy Market Authority and the Ministry of Ecology and Environment of China for our Electronics and Trading Distribution Business and Gas Distribution Business.

Target for FY2023	Performance in FY2023	Target for FY2024
Improve or maintain waste management through reducing paper usage	Target met as follows: Decrease in paper usage	Improve or maintain waste management through reducing paper usage

8.6 Safe working environment

A safe working environment allows our employees to work safely without fear of getting injured and helps us to build loyalty amongst our employees to support the sustainability of our businesses. We are committed to maintain a safety-conscious culture amongst our employees at all levels.

For both the Electronics and Trading and Gas Distribution Businesses, we recorded zero (FY2022: zero) workplace fatality, zero (FY2022: zero) high-consequence work-related injuries, zero (FY2022: zero) recordable work-related injuries and zero (FY2022: zero) work-related ill health cases during the Reporting Period. Nonetheless, we remain committed to maintain a safe working environment and ensure that lessons from the workplace accidents are shared across business units to prevent recurrence. We will continuously work towards minimising both the occurrence and severity of workplace accidents.

Key measures we adopted to manage health and safety in the workplace environment are as follows:

- A set of safety rules and regulations is in place; and
- New employees are briefed on safety procedures during orientation.

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero workplace fatalities, high-consequence work-related injuries, recordable work-related injuries and ill-health cases	Target met as follows: Maintained zero workplace fatalities, high-consequence work-related injuries, recordable work-related injuries and ill-health cases	<u>On-going and long-term target</u> Maintain zero workplace fatalities, high-consequence work-related injuries, recordable work-related injuries and ill-health cases

8.7 Talent management

The sustainability of our business depends on the attraction and retention of a skilled and experienced workforce to support and meet the needs of our customers. We strive to take care of the well-being of our employees by offering benefits such as medical coverage for our employees based in Singapore, social insurance and housing funds for our employees based in China. We also provide pro-family benefits such as maternity leave for our employees.

We believe that low turnover and fair employment improve the sustainability of our operations and allow us to contribute positively to the development of social and human capital.

Key statistics on employee turnover and new hires of our full-time employees are as follows:

Employee turnover

Disclosure	FY2023		FY2022	
	Number of turnovers	Rate of turnover	Number of turnovers	Rate of turnover
Gender				
Male	10	7%	11	7%
Female	10	7%	13	9%
Age				
Below 30	10	42%	8	28%
30 to 50	9	4%	12	5%
Above 50	1	2%	4	7%
Overall turnover	20	7%	24	8%

We will continue to work towards reducing our turnover rates.

New hires

Disclosure	FY2023		FY2022	
	Number of new hires	Rate of new hires	Number of new hires	Rate of new hires
Gender				
Male	6	4%	6	4%
Female	6	4%	12	8%
Age				
Below 30	5	21%	6	21%
30 to 50	7	3%	12	5%
Above 50	-	-	-	-
Overall new hires	12	4%	18	6%

We are committed to competency development which is essential for employee retention, enhancement of our human capital and customer satisfaction. We encourage our technical staff to attain relevant technical certifications and provide relevant employees with opportunities to attend external training courses covering areas such as quality control, service quality and skills development to promote professional development in technical competencies, functional competencies and personal effectiveness. Key statistics on our training hours are as follows:

Disclosure	FY2023	FY2022
Overall		
Total training hours	56	13,140
Average training hours per relevant employee	3	60
Gender (Male)		
Total training hours	16	6,600
Average training hours per relevant employee	3	59
Gender (Female)		
Total training hours	40	6,540
Average training hours per relevant employee	3	60
Management		
Total training hours	16	2,520
Average training hours per relevant employee	2	59
Non-management		
Total training hours	40	10,620
Average training hours per relevant employee	4	60

The decrease in training hours is mainly due to a higher investment in external training during FY2022.

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 directors have attended at least one of the approved sustainability training courses.

Target for FY2023	Performance in FY2023	Target for FY2024
Improve or maintain employee retention rate	Target met as follows: Reduction in overall employee turnover rate	Improve or maintain employee retention rate

8.8 Equality and diversity in the workplace

We are committed to the goals of diversity and equal opportunity in employment by providing a work environment for our employees that fosters fairness, equality and respect for social and cultural diversity, regardless of their gender and age. To promote equal opportunity, we cultivate an all-inclusive work culture where people of different age groups, ethnicities and genders work together in harmony. We also provide equal opportunities to our employees and ensure that all terms and conditions of employment, along with policies and procedures, comply with relevant regulations, strict human rights and labour practices.

During the Reporting Period, we have zero (FY2022: zero) reported incident of unlawful discrimination against employees. The total number of full-time employees within our Group as at 30 April 2023 is 296 (as at 30 April 2022: 303). Key statistics on our employee demographics are as follows:

Gender diversity (%)

On gender diversity, the percentage of female to total full-time employees is 50% (as at 30 April 2022: 50%), whilst the percentage of female managers is 29% (as at 31 April 2022: 30%) of total managers. We will continuously move towards a more balanced gender ratio. Key statistics on gender diversity of our employees are as follows:

Disclosure	FY2023		FY2022	
	Male	Female	Male	Female
Overall	50%	50%	50%	50%
Management level				
Management	71%	29%	70%	30%
Non-management	46%	54%	46%	54%
Employment type				
Full-time	50%	50%	50%	50%

Age diversity (%)

On age diversity, matured workers are valued for their experience, knowledge and skills. As at 30 April 2023, 18% (as at 30 April 2022: 18%) of our total full-time employees is above 50 years old, whilst 35% (as at 30 April 2022: 33%) of our managers is above 50 years old. Key statistics on age diversity of our employees are as follows:

Disclosure	As at 31 March 2023			As at 31 March 2022		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	8%	74%	18%	9%	73%	18%
Management level						
Management	-	65%	35%	-	67%	33%
Non-management	9%	76%	15%	10%	74%	16%
Employment type						
Full-time	8%	74%	18%	9%	73%	18%

Educational diversity (%)

On educational diversity, our employees are from different educational background and we seek to create an inclusive environment for them. Our workforce is predominantly non-tertiary educated with most of them employed under the Gas Distribution Business. Such employees contribute to approximately 83% (as at 30 April 2022: 83%) of our total workforce as at 30 April 2023. We invest continuously in our employees through the conduct of in-house training courses to improve their skills. As at 30 April 2023, the breakdown of employees by educational level is as follows:

Educational qualification	As at 30 April 2023	As at 30 April 2022
Tertiary	17%	17%
Non-tertiary	83%	83%
Total	100%	100%

Target for FY2023	Performance in FY2023	Target for FY2024
Maintain zero incident of unlawful discrimination against employees	Target met as follows: Maintained zero incident of unlawful discrimination against employees	<u>On-going and long-term target</u> Maintain zero incident of unlawful discrimination against employees

8.9 Ongoing community engagement

We strive to set a good example and encourage individuals and other corporations to embrace the spirit of giving as we recognise that the long-term success of our business is closely related with the health and prosperity of the community which we operate in. Various initiatives engaged to help the communities are as follows:

Improve the quality of life for our residential customers

The natural gas pipeline network in China does not cover all parts of the country, more so in less developed areas. The last-mile natural gas distribution network built by our Gas Distribution Business connects our customers to the national pipeline network and allows our customers to have access to the much-needed natural gas supply mainly for residential, commercial and industrial uses. For our residential customers, our gas supply improves their quality of life, especially in areas with harsh winter conditions.

As at 30 April 2023, we supplied natural gas to approximately 240,000 households with a pipeline network that spanned more than 2,700 kilometres.

Construction is underway on the new natural gas pipeline spanning approximately 28km from Xiaochang to Anlu to improve operational efficiency and provide undisrupted supply of natural gas to more households, in which the construction is expected to be completed in the third quarter of FY2024.

Retrain retired soldiers and integrate them in our workforce

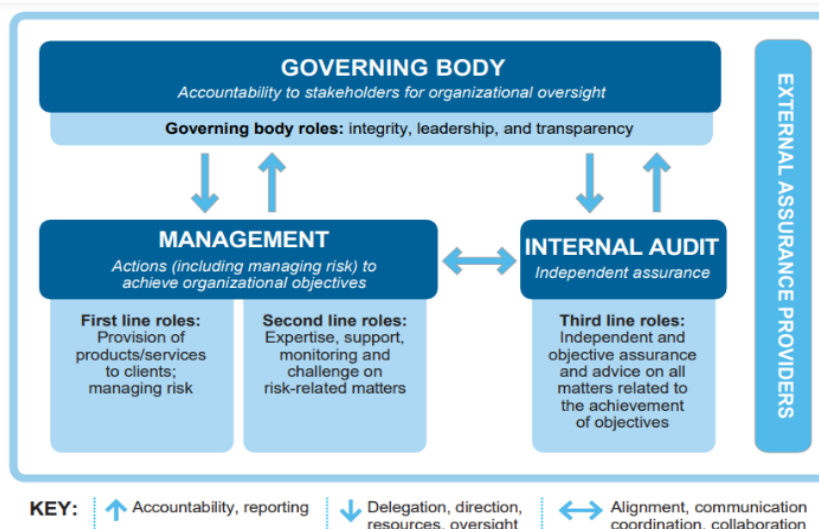
For our Gas Distribution Business in China, we hire retired soldiers for their discipline, management capabilities and integrate them in our workforce. As at 30 April 2023, we employed 16 retired soldiers. This initiative allows retired soldiers to transition into the commercial workforce and provides them with a livelihood. It is also a gesture of the Group to show appreciation for their dedicated services to China.

Target for FY2023	Performance in FY2023	Target for FY2024
Continue with existing campaigns to help the communities	Target met as follows: Continued with various campaigns to help the communities	Initiate various campaigns or continue with existing campaigns to help the communities

8.10 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.

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 Board has put in place a code of conduct and ethical policies which set the desired tone in terms of the organizational culture and accountability it expects of its Directors and Management. All Directors recuse themselves from voting for transactions they are interested in or if there appears to be a conflict of interest. New directors are appointed by the Board after the Nominating Committee (“NC”) has reviewed and recommended their appointments. The NC formally discusses and agrees on the re-appointment of current Directors in a formal and open process during an NC meeting and makes its recommendation to the Board thereafter. The Remuneration Committee reviews and recommends remuneration policies and packages that attract, retain and motivate Directors and key management personnel to run the business successfully.

In line with our commitments, our corporate governance practices are set up with reference to the Singapore Code of Corporate Governance 2018. We take a zero-tolerance approach to bribery and corruption and prohibit corruption in all forms, including extortion and bribery. We have a whistle blowing policy in place to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others. During the Reporting Period, there was no incident of serious offence reported (FY2022: none).

Target for FY2023	Performance in FY2023	Target for FY2024
No incident of serious offence	Target met as follows: Maintained zero incident of serious offence	<u>On-going and long-term target</u> No incident of serious offence

9. Supporting the UN Sustainable Development Goals

We have incorporated the SDGs under the 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, where appropriate, as a supporting framework to shape and guide our sustainability strategy. The results shown below are how our material Sustainability Factors relate to these SDGs:

SDG	Our effort
<p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<p><u>Section 8.6 Safe working environment</u> We implement measures to ensure a safe and secure working environment for our employees.</p>

SDG		Our effort
	<p>Ensure availability and sustainable management of water and sanitation for all</p>	<p><u>Section 8.3 Water conservation</u> We perform regular tracking and reviewing of water consumption and encourage staff to use water responsibly to reduce water wastage, which in turn help us to work towards achieving sustainable management and efficient use of natural resources.</p>
	<p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<p><u>Section 8.4 Energy conservation and emissions reduction</u> We supply natural gas which is a cleaner alternative to other fossil fuels and implement measures to reduce our energy consumption rate.</p>
	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p><u>Section 8.1 Total customer satisfaction</u> We are determined to bring outstanding products and services to our customers through maintaining product quality and safety, being attentive and responsive to customer requests and maintaining a team of highly trained and experienced employees.</p> <p><u>Section 8.2 Sustainable business performance</u> We contribute to economic growth through creating long-term value for our stakeholders.</p> <p><u>Section 8.7 Talent management</u> We believe in creating decent and fulfilling jobs and a rewarding working environment for our employees which in turn contributes to economic growth through offering our employees opportunities to attend in-house and external training courses and providing various employee benefits such as medical coverage and maternity leave.</p>
	<p>Reduce inequality within and among countries</p>	<p><u>Section 8.8 Equality and diversity in the workplace</u> We create a diverse and inclusive workplace that will bring new perspectives to our business and strengthen our ability to overcome new challenges.</p> <p><u>Section 8.9 Ongoing community engagement</u> We initiate various campaigns to promote social inclusion and sustainable communities.</p>
	<p>Ensure sustainable consumption and production patterns</p>	<p><u>Section 8.5 Responsible waste management</u> We constantly enhance our operating systems to move towards a paperless working environment.</p>
	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<p><u>Section 8.10 Robust corporate governance framework</u> We maintain a high standard of corporate governance to safeguard our shareholders' interest and maximise long-term shareholders' value.</p>

10. Supporting the TCFD

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

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.</p> <p>Our sustainability strategy is developed and directed by the Group's Sustainability Committee in consultation with the Board. The Group's Sustainability Committee includes senior management executives from various support units. The responsibilities of the Sustainability Committee include considering climate-related issues in the development of sustainability strategy, materiality assessment, target setting, as well as collection, verification, monitoring and reporting of performance data.</p>
Strategy	<p>The climate-related risks and opportunities identified by the Group during the climate-related risk assessment exercise includes the following:</p> <ul style="list-style-type: none"> ▪ China's energy mix policy may be subject to changes and a raise in the non-fossil fuel¹² share of total energy consumption in China will lead to a reduction in the market size for our operations in China. <p>On the other hand, a change in the energy mix policy raises climate awareness amongst our employees and with more defined job responsibilities and training, the Group will be in a better position to meet the rising environmental needs and expectations of regulators and customers.</p> <ul style="list-style-type: none"> ▪ In view of global transition to a low-carbon economy, the Group will be subjected to enhanced emissions reporting requirements. <p>This raises environmental awareness amongst our employees and reduce our environmental impact through initiatives such as energy efficiency measures and operational optimisation to reduce energy use where practicable.</p> <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>The Group's climate related risks and opportunities are identified and assessed during a climate-related risk assessment exercise. 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 water, energy and GHG emissions and disclose related metrics in our sustainability report. Monitoring and reporting these metrics help us in identifying areas with key 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 emissions¹³ in the Report and set climate-related targets such as those related to energy, GHG emissions and waste management. We will continue to monitor our emissions and disclose Scope 1 and Scope 3 GHG emissions wherever applicable and practicable.</p>

¹² Our product for the Gas Distribution Business, natural gas, is considered a fossil fuel.

¹³ Scope 1 GHG emissions is not disclosed as it is not material.

11. GRI content index

Statement of use	Renaissance United Limited has reported the information cited in the GRI content index for the period from 1 May 2022 to 30 April 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisational details	3, 5, Back page
	2-2 Entities included in the organisation's sustainability reporting	5
	2-3 Reporting period, frequency and contact point	5
	2-4 Restatements of information	None
	2-5 External assurance	4
	2-6 Activities, value chain and other business relationships	1 - 2
	2-7 Employees	2
	2-8 Workers who are not employees	None
	2-9 Governance structure and composition	6
	2-10 Nomination and selection of the highest governance body	15
	2-11 Chair of the highest governance body	6
	2-12 Role of the highest governance body in overseeing the management of impacts	6
	2-13 Delegation of responsibility for managing impacts	6
	2-14 Role of the highest governance body in sustainability reporting	6
	2-15 Conflicts of interest	15
	2-16 Communication of critical concerns	15
	2-17 Collective knowledge of the highest governance body	12
	2-18 Evaluation of the performance of the highest governance body	15
	2-19 Remuneration policies	15
	2-20 Process to determine remuneration	15
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	3 - 4
	2-23 Policy commitments	14 - 17
	2-24 Embedding policy commitments	14 - 15
	2-25 Processes to remediate negative impacts	14 - 15
	2-26 Mechanisms for seeking advice and raising concerns	14 - 15
	2-27 Compliance with laws and regulations	13, 15
	2-28 Membership associations	Our Gas Distribution Business is a member of the Hubei Gas Association (湖北省燃气协会).
	2-29 Approach to stakeholder engagement	5 - 6
	2-30 Collective bargaining agreements	None of our employees are covered by collective bargaining agreements.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	7
	3-2 List of material topics	8
	3-3 Management of material topics	8 - 15
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	9
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	15

GRI standard	Disclosure	Location
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	10
GRI 303: Water and effluents	303-5 Water consumption	9
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	10
	305-4 GHG emissions intensity	10
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	10
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	11 - 12
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	11
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	11
	403-10 Work-related ill health	11
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	12
	404-2 Programs for upgrading employee skills and transition assistance programs	12
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	13
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	13
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	14

Renaissance United Limited

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