BOARD STATEMENT

This report outlines the Annual Sustainability Report[1] of Plato Capital Limited ("**Plato**" or the "**Company**") for the financial year 1 January 2017 to 31 December 2017 ("**FY2017**"). There were no significant changes to the organisation's structure and ownership during this reporting period.

The Board is pleased to demonstrate our commitment to create long-term sustainable value and business growth for all internal and external stakeholders. 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, 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	Potential Issues	Mode of Communication
Customers	- Product and service quality - Leakage of customer data and private information	- Customer feedback surveys - Personal Data Protection Act ("**PDPA**") policy in place to protect customer's data and privacy
Investors	- Economic performance	- Announcement of financial results on the SGX - Reports on on-going or planned corporate actions as and when required - Annual General Meeting
Management	- Economic performance	- Budget and forecast with variance analysis provided during monthly exco meeting - Reports on on-going or planned corporate actions as and when required - Board Meeting
Employees	- Talent attraction and retention - Employees' life-long learning	- Team building activities - Internal and external staff trainings - Performance review
Community	- Operations with implemented local communities, impact assessment and development program	- Company website - SGX announcement - Annual General Meeting
Government and regulatory bodies	- Compliance issues with laws and regulations	- Advice from professionals such as lawyer, external auditor, tax agent, etc.

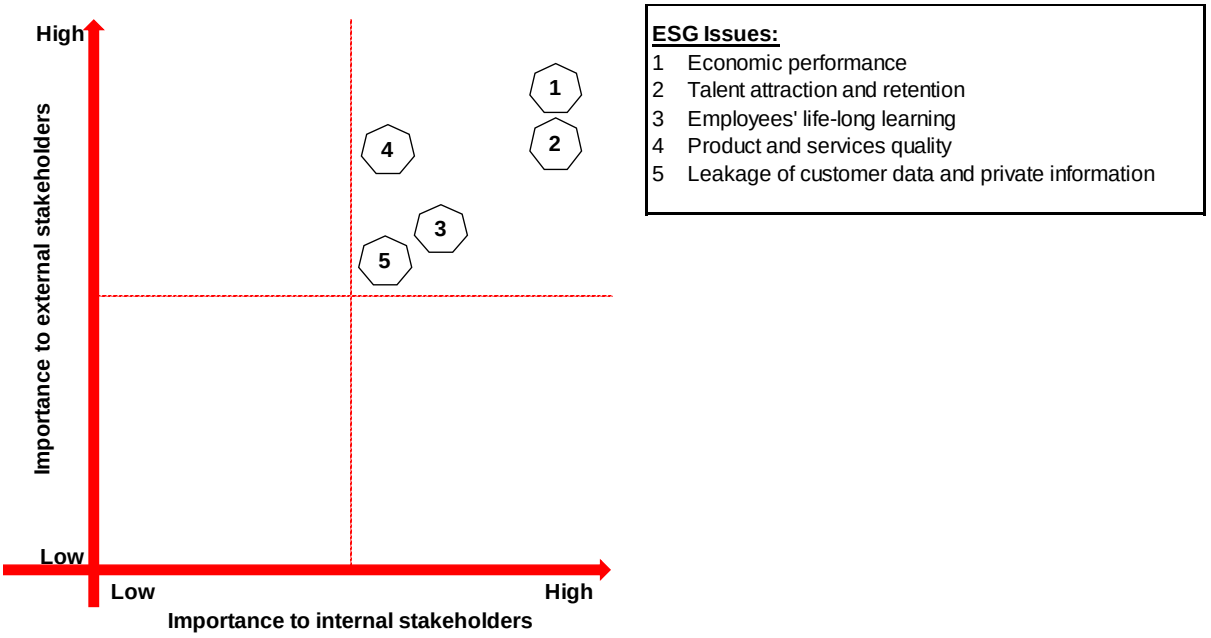
[1] For the purpose of this report, only the Group's subsidiaries are included. The subsidiaries of the Group are principally engaged in provision of systems integration related activities and eCommerce systems and services, development and operation of hotel, provision of credit facilities, and investment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

MATERIALITY ASSESSMENT

This Sustainability Report has been guided and prepared by reference to the globally recognised Global Reporting Initiative ("**GRI**") Standards and the Singapore Exchange's ("**SGX**") Sustainability Reporting Guidelines. 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 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 to the Group's business, and against their importance to both internal and external stakeholders.

Figure 1: Materiality Matrix



Material Aspects and Indicators

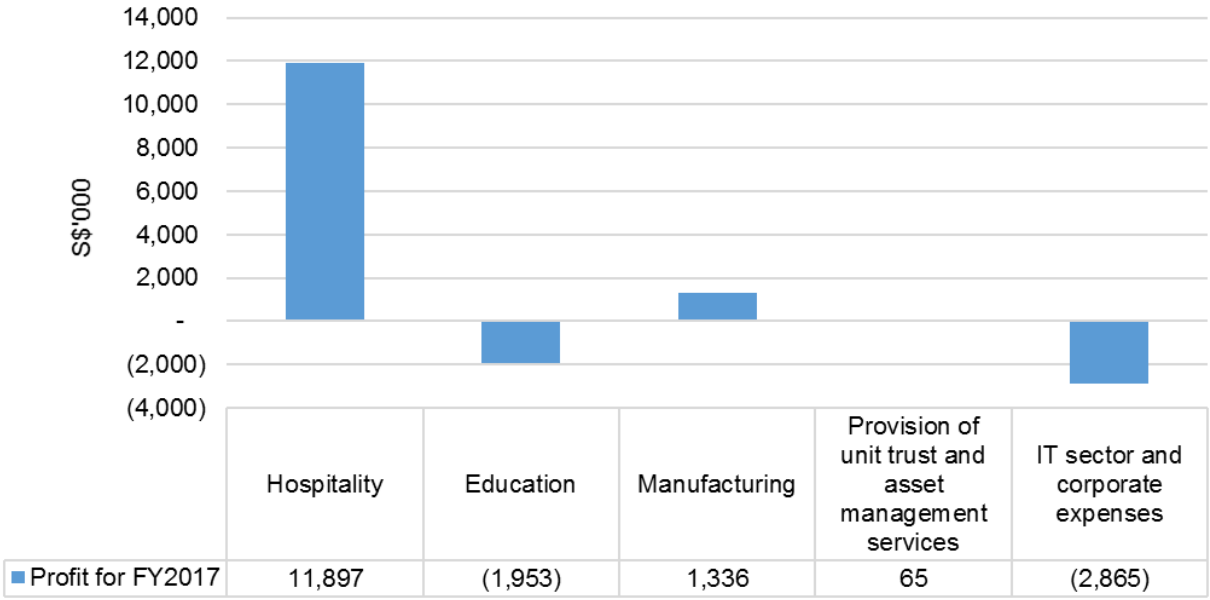
Category	ESG Factors	GRI ref	Where the Impact Occurs
Economic	Economic performance	201: Direct economic value generated and distributed	Within and outside the Group
People	Talent attraction and retention	401: Total number and rates of new employee hires and employee turnover by age group, gender and region	Within the Group
People	Employees' life-long learning	404: Average hours of training per year per employee by gender, and by employee category	Within the Group
Marketplace	Product and services quality	102: Results of surveys measuring customer satisfaction	Outside the Group

Category	ESG Factors	GRI ref	Where the Impact Occurs
Marketplace	Leakage of customer data and private information	418: Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Outside the Group

ECONOMIC

Financial Highlights

Figure 2: Profit for FY2017 (in S$'000)



For more details on financial performance for FY2017, please refer to the Chairman's Statement and the Group's financial statements on pages 3 and 42 to 112 of the Company's Annual Report 2017 despatched to shareholders of the Company on 28 March 2018, respectively.

PEOPLE

Labour Practices

Employee is the key driver of an organisation to ensure sustainable business growth. To achieve talent attraction and retention, the Group's workforce practice and behaviour are to provide fair and equal opportunity based on qualification, skills and competency of employees. The Group is also committed to protect and respect human rights of employees in accordance with relevant laws and regulations as well as ensuring the employee safety and well-being.

Management continues to practise diversity in workforce as seen through our employees' demographics in Figure 3. As at the end of FY2017, the Group reported a total headcount of 25 people, of which 44% are male and 56% are female. The Group also encourage our employees to work beyond the statutory retirement age.

Figure 3: Workforce Composition in FY2017

By Gender	Total Headcount	%
Male	11	44%
Female	14	56%
Total	**25**	**100%**

By Age Group	*Total Headcount*	*%*
< 30 years old	6	24%
30 – 50 years old	13	52%
> 50 years old	6	24%
Total	**25**	**100%**

Management believes that the level of compensation is one of the key aspect to all employees. We open equal opportunity to all new hires regardless gender and age group. For existing employees, Management reviews the remuneration and staff benefits at least on annual basis based on employee's job performance and reference to the market rate aiming to create a productive and motivated workforce.

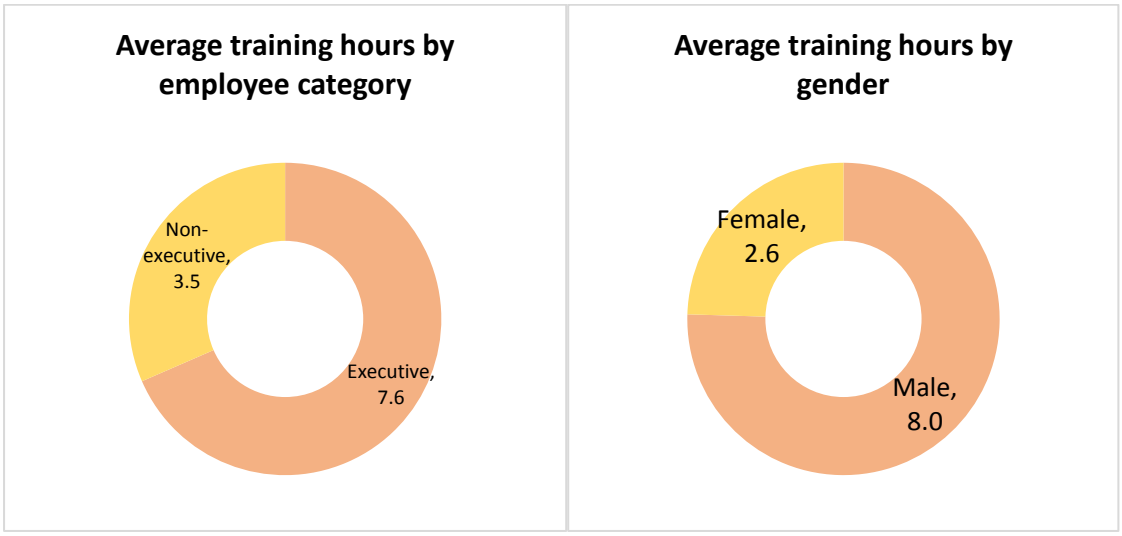
We also introduced whistle-blowing policy that serves to provide a platform to employees to report in good faith and in confidence, without fear of reprisals and concerns, about any improper conduct within the Group. During the year, the Group has not received any grievances on labour practices and human rights.

Training and Learning

Enhancing the skills of an employee is important towards sustainability and growth of a business enterprise. Our approach to develop our talent is to build a strong culture of learning and continuously improving their skills through on-the-job and off-the-job training in achieving high job performance, skills enhancement as well as supporting their career development. The Group also encourages employees who wish to pursue continuous professional development to gain further qualifications. The Group is committed to provide equal opportunities and appropriate level of training and development to all employees within the organisation.

During the year, our employees had participated in a range of training courses, either internally or externally, relating to the enhancement of skills and knowledge for their current role in the organisation. These include accounting and information technology ("**IT**") training and job specific training.

Figure 4: Average Hours of Training in FY2017



MARKETPLACE

Customer Satisfaction

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

Customer Privacy

The Group is committed to ensure the customer's personal data are kept confidential in compliance with the PDPA. We highly respect personal data privacy and will not disclose these data without consent unless it is required by law.

The Group aims for zero complaint and there were no reported complaint concerning breaches or leakage of customer privacy data during the year.

ENVIRONMENT

Getting a greener workplace can minimise negative environmental and social impacts. The Group encourages the employees to turn off lights when not using them, energy-saving settings for computers and other devices and make sure to shut them down when leave for the day. The Group also promotes eco-friendly practices in workplace such as using recycled paper, and also reusable office supplies such as refillable pens, reusable cartridge, rechargeable batteries, etc.

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 32 of the Annual Report, with reference to the principles of the Code of Corporate Governance 2012 and the disclosure guide developed by the Singapore Exchange Securities Trading Limited in January 2015.

This sustainability report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this report.

This sustainability report has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this report, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this report.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).