

NICO STEEL HOLDINGS LIMITED



CREATING GLOBAL OPPORTUNITIES

SUSTAINABILITY REPORT 2021



TABLE OF CONTENTS

- 02 About This Report**
- 03 Board Statement**
- 04 Corporate Profile**
 - About Nico Steel
 - Our Philosophy
 - Our Corporate Value
- 06 Sustainability Committee**
- 07 Engaging Our Stakeholders**
 - Communication With Stakeholders
 - Stakeholders Engagement
- 08 Focus Area**
- 08 Materiality Assessment Framework**
- 09 Commitment and Disclosure of Key Performance Indicators (“KPIs”)**
- 10 Economic Performance**
- 11 Water Resource Management**
 - Water Conservation
 - Water Discharge
- 12 Waste and Effluent**
- 13 Health & Safety**
- 14 Employee Engagement & Turnover**
 - Profile of Our Workforce
 - Diversity and Equality
 - Training and Education
- 17 Non-Compliance with Environment Laws and/or Regulations**
- 17 Socioeconomic**
- 17 Indirect Economic Impacts**
- 18 Supply Chain and Procurement Policy**
- 18 Local Suppliers**
- 19 Recycle Aluminium Content**
- 20 Governance Disclosure**
 - Risk Management and Internal Control
 - Customer Privacy
 - Whistle-Blowing
 - Anti-Bribery and Corruption Policy
- 21 Global Reporting Initiative (“GRI”) Index**

ABOUT THIS REPORT

Nico Steel Holdings Limited 尼尔金属控股有限公司 (“**Nico Steel**” and together with its subsidiaries, the “**Group**”) publishes an annual sustainability report detailing our policies, practices and performances with regards to environmental, social and governance (“**ESG**”) matters. This report highlights the key ESG related initiatives carried with regards to the Group’s operations in Singapore, China and Thailand throughout a 12-month period, from 1st March 2020 to 28th February 2021 (“**FY2021**”).

This sustainability report (“**Report**”) has been prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards – “**Core**” and the requirements of Listing Rules 711A and 711B of Singapore Exchange (“**SGX**”). We have chosen GRI Standards as our reporting framework because of its internationally-recognised, robust guidance and universal application, which makes our performance comparable. This report is also in compliance with the SGX Sustainability Reporting Guide to meet primary components and sought external assurance on the disclosures in seeking of independent verification for sustainability reporting.

We welcome stakeholders to provide us with feedback and suggestion on this Report. For any queries in relation to this Report, you may contact us at **info@nico.com.sg**

A copy of the Group’s FY2021 annual report (“**AR2021**”) can be downloaded at **<http://www.nicosteel.com>**.



BOARD STATEMENT

The Board of Nico Steel (the “**Board**”) is pleased to present our fourth sustainability report (“**Report**”) for FY2021. While we continue to grow and pursue new business opportunities, we continue to acknowledge our stakeholders needs to be engaged in our sustainable growth strategies and practices.

Together with the Board’s leadership, Management is committed to manage and communicate ESG practices and economic performance. As we continue on our sustainability journey, metrics and targets that are material to our business will be progressively added, which will provide more insights in our subsequent reports. As a group, we are committed to creating and delivering long-term and sustainable value to our stakeholders through responsible practices in the countries where we operate.

This Report does not evaluate performance against any established targets as yet, but the Group remains committed to setting targets and goals in terms of sustainability reporting as we mature in this connection.



CORPORATE PROFILE

About Nico Steel

Nico Steel is a specialist in ferrous and non-ferrous metal alloys with a focus on customising technologically innovative metal materials under its proprietary “Nico” brand.

The Group’s proprietary patented production technology allows it to customise metallurgical solutions to meet the evolving requirements of its broad base of customers, particularly in the mobile communications, consumer electronics, industrial and automotive sectors.

Well-established in the upstream metal material industry, the Group drives through (i) providing customised solutions as value-added services to components and contract manufacturers to meet their metal fabrication requirements, and (ii) cultivating demand from brand owners and leaders of mobile communications, consumer electronics, industrial and automotive sectors for its proprietary “Nico” brand of specialised metal alloy materials that will meet the evolving and stringent requirements of new digital devices.

Headquartered in Singapore, the Group owns and operates processing and production facilities in China and Thailand, while the production facility in Singapore acts as its Research & Development (“R&D”) centre.

Nico Steel is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 7th April 2005 and was upgraded to the Mainboard on 5th January 2009 under the stock code 5GF. On 16 November 2020, Nico Steel’s shares were suspended from trading and continue to be suspended pursuant to the delisting notification from the SGX-ST.

Our Philosophy

VISION

Nico Steel’s vision is to be Asia’s most innovative metallurgical solutions provider in the mobile communications, high-tech electronics and automotive industries.



MISSION

Nico Steel will meet our customers’ demands for innovative and state-of-the-art solutions through unique partnerships with their suppliers in the value chain.



CORPORATE PROFILE

Our Corporate Value

Nico Steel's **DRIVE** distinguishes Nico Steel and its employees. At Nico Steel, we embrace and live by these values throughout our organisation and also with our customers and suppliers. We call this "**Inside-Out Branding**".

This involves breaking out of established patterns and problem-solving in order to look at things from a fresh perspective.

D
**DARING
CREATIVITY**

R
**REGARDS CHANGE AS
AN OPPORTUNITY**

Nico Steel is always sensitive to the evolving change in the business environment, locally and globally, to seize opportunities.

It is Nico Steel's attitude that we have the capabilities and efforts to deliver to our customers, from concept to reality.

I
**INTENSE
PASSION**

V
**VISIONARY
PARTNERSHIP**

Nico Steel's strategy of collaborating with our customers and suppliers is pivotal in achieving the desired performance of end-user electronic devices.

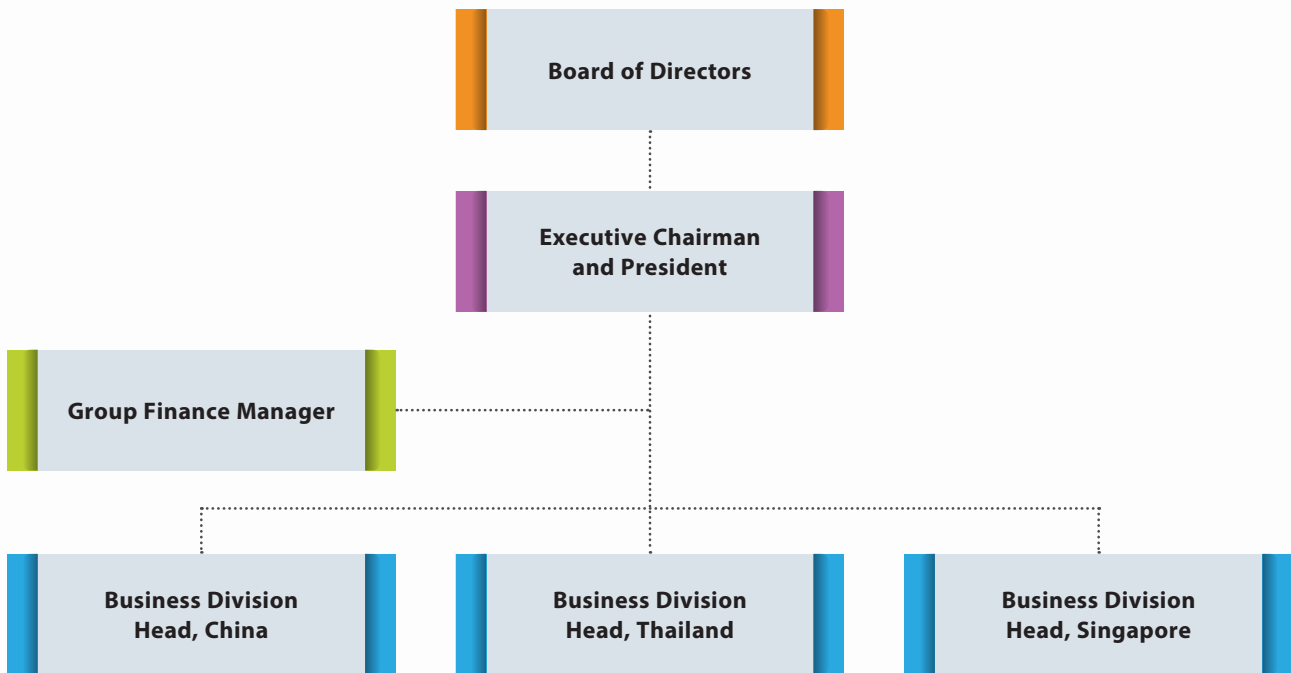
The culture of excellence at Nico Steel has instilled pride and motivation in our employees and is the driving force behind our innovative spirit.

E
EXCELLENCE

SUSTAINABILITY COMMITTEE

Nico Steel's sustainability agenda is developed and directed by senior management with guidance from the Board. Our sustainability approach is focused on providing superior services and products to our customers and developing good sustainable relationships with our suppliers which we believe will in turn generate stable and sustainable value for our shareholders. We use our best endeavours to identify and manage foreseeable economic, environmental and social risks that may have an adverse impact on our business. Through market research and knowledge, we seize opportunities present in the business section we operate in.

The Group's Sustainability Committee includes senior management executives, led by the Executive Chairman & President and Group Finance Manager who report to the Board. The Sustainability Committee is responsible for reviewing the Group's sustainability performance, material topics, stakeholder concerns, setting targets and goals that will enhance and sustain our performance both economically and socially and establishing systems to collect, verify, monitor and report information required for our sustainability reporting.



The Sustainability Committee meets at least once a year proposes, coordinates and promotes the Group's main sustainability initiatives. The Sustainability Committee is also regularly updated on the progress of the Group's sustainability efforts.

ENGAGING OUR STAKEHOLDERS

Communication With Stakeholders





The Group is committed to continually strengthening our relationship with our shareholders and stakeholders. Nico Steel holds analyst media briefings when announcing half-year and year-end results. Full transcripts of the proceedings are made available of SGXNet and our website at <http://www.nicosteel.com>.

Financial results and price-sensitive announcements are releasing in a timely manner through press releases and announcements via SGXNet. The Group's website is also another important source of information for our shareholders and stakeholders.

A detailed report on our governance disclosures can be found on pages 13 to 41 as set out in our AR2021.

Stakeholders Engagement

The Group place great importance on open and transparent engagement with our key stakeholders. Stakeholders play an important role in ensuring the sustainability of our business and products. We use a combination of formal and informal engagement methods to interact with various stakeholder groups. A summary of how we go about accomplishing this is identified and summarised as follows:

Our Stakeholders	Stakeholders' Expectations	Mode of Engagement	Our Initiatives and Responses
 <p>Employees</p>	<ul style="list-style-type: none"> • Career growth • Training opportunities • Competitive salaries and incentives • A pleasant, non-discriminatory and safe working environment 	<ul style="list-style-type: none"> • Regular internal communications • Regular review of working environment and welfare • Employee feedback 	<ul style="list-style-type: none"> • Ensure effective implementation of HR policies • Regular internal meetings to review on safety • Annual review on performance
 <p>Customers</p>	<ul style="list-style-type: none"> • Customer privacy • Quality control • On-time delivery and services • Technical support • Reasonable payment terms • Competitive pricing 	<ul style="list-style-type: none"> • Customer feedback management (survey, face-to-face meetings) • Regular sales calls and meetings 	<ul style="list-style-type: none"> • Active follow-up on customers' needs • Regular internal meetings to review on customers' fulfilment and new requirements • Update customers on new products and solutions • Provide timely feedback to customers
 <p>Shareholders & Investors</p>	<ul style="list-style-type: none"> • Higher financial returns • Industry conditions • Market presence • Profitability • Transparency & corporate governance 	<ul style="list-style-type: none"> • Announcements on SGXNet • Annual General Meeting • Investor road shows • Analyst meetings • Electronic communications through investor relations • Annual reports 	<ul style="list-style-type: none"> • Regular and timely updates via announcements and press releases as and when required • Ensure sustainable business growth
 <p>Government & Regulators</p>	<ul style="list-style-type: none"> • Regulatory compliance • Occupational health & safety • Environmental issues • Social issues 	<ul style="list-style-type: none"> • Meetings • Electronic communications 	<ul style="list-style-type: none"> • Ensure compliance with applicable laws • Meetings with relevant authorities on an as necessary basis

FOCUS AREA

To better align our efforts with our long-term strategy, we have identified four Focus Areas with relevant and material ESG factors, using our material assessment framework. The material ESG factors, which may have a group-wide impact have also been reviewed and approved by our Sustainability Committee and our Board.



MATERIALITY ASSESSMENT FRAMEWORK

As part of the GRI Standards disclosures, Nico Steel has adopted the recommended approach of the four reporting principles, namely stakeholder inclusiveness, sustainability context, its materiality, and completeness when determining material, strategic and reporting issues.

The table below shows the most relevant concerns for Nico Steel that were identified in the internal materiality analysis. As we plan to engage a wider group of stakeholders (as we grow in maturity in our sustainability report) to better understand their materiality concerns, this list of material topics may in the future to include issues which we have not previously considered.








Compliance with Laws and Regulations	Environmental Protection	Responsible Procurement	Care for Our Employees
<ul style="list-style-type: none"> Socioeconomic compliance (GRI 419-1) Environmental compliance (GRI 307-1) 	<ul style="list-style-type: none"> Effluents and Waste (GRI 306-2) Water discharge (GRI 303-4) 	<ul style="list-style-type: none"> Supplier Management (GRI 414-1) 	<ul style="list-style-type: none"> Employment (GRI 401-1) Occupational Health and Safety (GRI 403-2)

COMMITMENT AND DISCLOSURE OF KEY PERFORMANCE INDICATORS (“KPIs”)

All data in the SR was extracted from internal documents and/or records. While the SR does not yet specifically evaluate performance against established targets, the Group is committed to setting target and goals for future reporting.

Where any data is inadequate or not available for presentation, we have included an explanatory note. The Group hopes to establish and implement data tracking and gathering mechanisms for improved reporting going forward.

The following baselines were put in place to commit to certain targets using key performance indicators.

Performance Indicators	Commitment (Target)	KPIs
 <p>Economic Performance</p>	<ul style="list-style-type: none"> • Grow profits and improve cash flow 	<ul style="list-style-type: none"> • Revenue • Operating costs • Profit after tax • Sustainable Dividend
 <p>Water Conservation</p>	<ul style="list-style-type: none"> • Maintain and ideally reduce water consumption and encourage use of treated/recycled water 	<ul style="list-style-type: none"> • Water consumption
 <p>Waste Management</p>	<ul style="list-style-type: none"> • Encourage more use of recycled materials 	<ul style="list-style-type: none"> • Recycling rate of waste
 <p>Occupational Health & Safety</p>	<ul style="list-style-type: none"> • Provide a safe and health work environment. Reduce the injury rate and lost day rate year on year 	<ul style="list-style-type: none"> • Work-related fatalities • Injury rate • Lost day rate • Absentee rate
 <p>Employee</p>	<ul style="list-style-type: none"> • Improve employees' competencies 	<ul style="list-style-type: none"> • Programs implemented • Training hours per staff • Amount spent per employee
 <p>Customer Health & Safety</p>	<ul style="list-style-type: none"> • Ensure legal compliance in all areas of operations; ethical dealings in business conduct and practices 	<ul style="list-style-type: none"> • Reduce non-compliant incidents with regulations and/or voluntary codes
 <p>Socio-economic Compliance</p>	<ul style="list-style-type: none"> • No incidents of non-compliance, and uphold high standards of ethical business conduct and practices 	<ul style="list-style-type: none"> • Reduce significant fines and non-monetary sanctions for non-compliance with laws and/or regulations

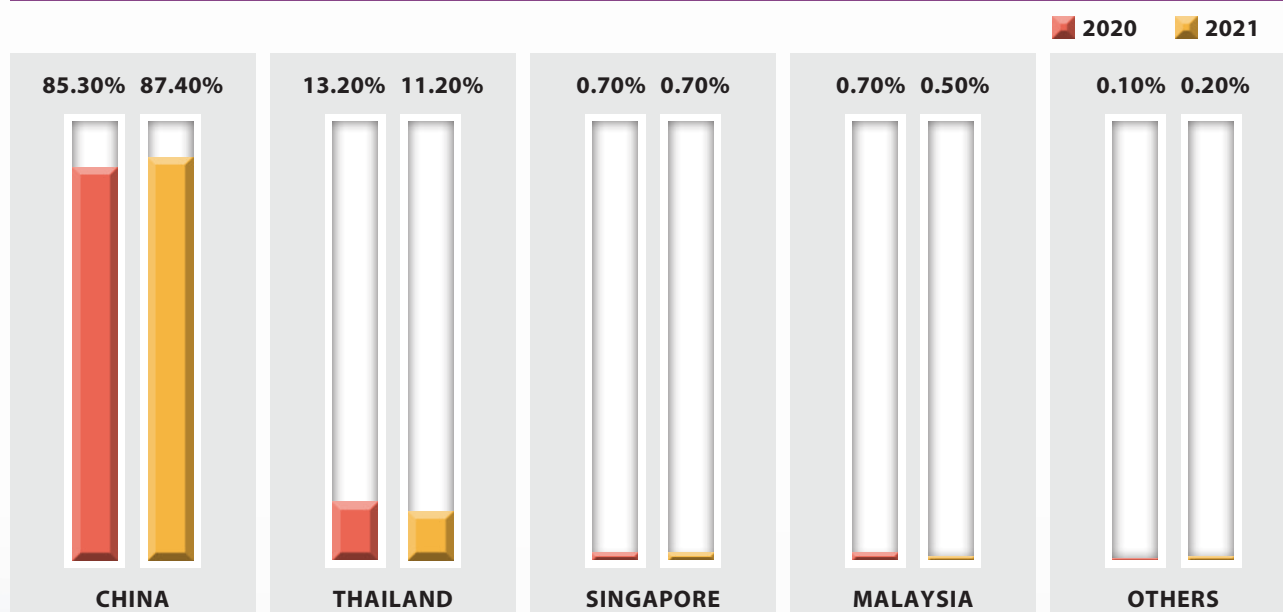
ECONOMIC PERFORMANCE

The Group continued to drive its business focusing on higher value-add services and customised metallurgical solutions with its range of proprietary NICO brand of metal alloys and material to overcome limitations, and achieve functional and high-performance applications, of its customers' end-user products. The Group's total revenue in FY2021 increased US\$3.3 million or 23.3% from FY2020 (US\$14.0 million in FY2020 to US\$17.3 million in FY2021). This was mainly due to an increase in orders from the Chinese companies.

SUMMARY OF ECONOMIC PERFORMANCE	FY2020	FY2021	+/- (%)
Revenue (US\$'000)	14,009	17,275	23%
Profit/(Loss) After Tax (US\$'000)	(1,359)	881	N.M.
Earnings/(Loss) per Share on a Fully Diluted Basis (US cents)	(0.03)	0.02	N.M.
Net Asset Value per Share (US cents)	0.3	0.3	N.M.
Dividend Paid	Nil	Nil	Nil

Remarks: N.M. denotes not meaningful

ANALYSIS OF GROUP'S REVENUE BY GEOGRAPHICAL REGIONS



For full information on our economic performance, please refer to pages 42 to 101 of our financial statement in AR2021.

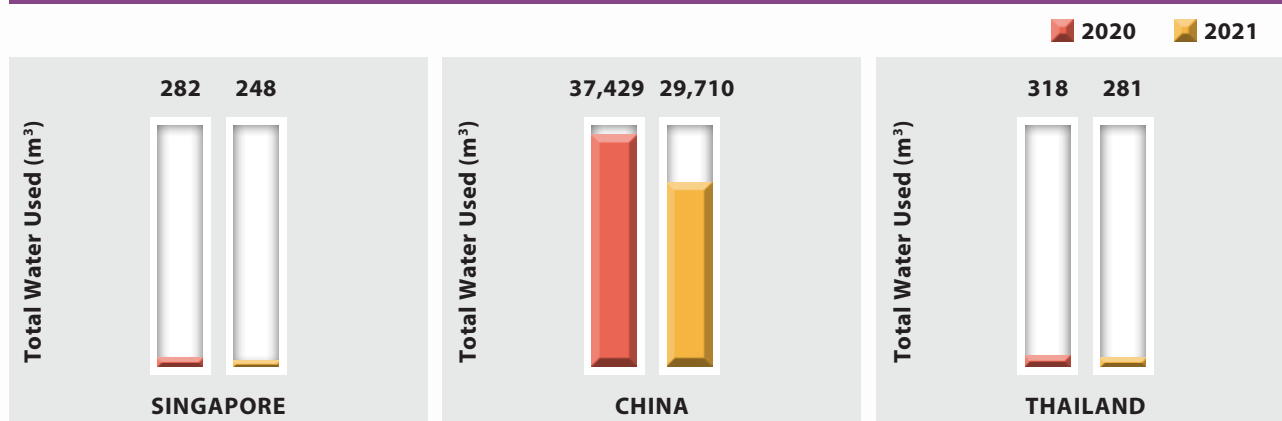
WATER RESOURCE MANAGEMENT

Water Conservation

The Group consumes large volumes of water in its manufacturing processes. The Group draws water from public utilities for its business operations. In FY2021, our total water consumption was 30,239 m³ which was a decrease of 20% from FY2020. This reduction has led to water saving of 7,790 metric tonnes and has been achieved by using customised in-house wastewater treatment.

SUMMARY OF WATER CONSUMPTION	FY2020	FY2021
Total Water Used (m³)		
Singapore	282	248
China	37,429	29,710
Thailand	318	281

Analysis of Water Consumption by Geographical Regions



Water Discharge

Water used as part of our production process is principally discharged via public sewage systems in the countries in which we operate. Currently we recycle a small amount of our water consumption. All waste water is mostly discharged through a defined discharge point into the local sewer.

Since 31st January 2019, our electroplating production facilities in China started to implement customised in-house wastewater treatment and water recycling systems to increase cost savings from the fees charged on wastewater discharged per tonne. By using this method, it is expected that the average wastewater discharged will reduce from 11 tonnes to 8 tonnes on every tonne of metal alloy being produced.

Our electroplating production facility began to be used in November 2019. Compare with actual usage of 1,889 metric tonnes as of December 2019, our water usage in FY2021 has reduced by 23% which was within the estimated range of 20% to 40% cost savings disclosed earlier. In FY2021, the Group recorded a decrease from 30,993 metric tonnes in FY2020 to 20,740 metric tonnes of actual water usage, resulting in a usage saving of 33% from the regulated fee charged for every tonne of wastewater discharged from the electroplating production facility.

In China, any unlawful discharge into the public sewage system will result in significant monetary fines. During FY2021, there was no reportable incident of any penalty for unlawful discharge of wastewater. The Group is currently reviewing additional recycling initiatives and may add more water recycling equipment at our production facilities.

WASTE AND EFFLUENT

The waste generated at our manufacturing plants included scrap metal in addition to wastewater used during the production and electroplating processes. All waste produced is disposed by our respective manufacturing plants in accordance with the prevailing laws and regulations and disposed through approved recycling centres, landfills or incineration plants. In the case of scrap metal, we engage specialist contractors to dispose of the same.

In FY2021, approximately 12 tonnes of non-hazardous waste generated by our subsidiaries in China was recycled which waste included waste paper core and waste film. The Group produced 33.9 tonnes of non-hazardous waste in total during FY2021.

Analysis of Waste by Geographical Regions					
Disposal Method		Reuse (kg)	Recycling (kg)	On-Site Storage (kg)	Total (kg)
Region					
Singapore	Hazardous	-	-	-	-
	Non-Hazardous	-	-	1,050	1,050
China	Hazardous	-	-	-	-
	Non-Hazardous	-	12,000	15,600	27,600
Thailand	Hazardous	-	-	-	-
	Non-Hazardous	-	-	5,240	5,240
Group	Hazardous	-	-	-	-
	Non-Hazardous	-	12,000	21,890	33,890



HEALTH & SAFETY

The Group is committed to providing a safe working environment for its employees and also products which are safe for its customers. Across the Group, we have obtained ISO 9001:2015 certifications for our China, Thailand and Singapore operational subsidiaries.

Each of the Group's facilities complies fully with all local occupational safety and health (OSH) regulations and no breaches have been identified in FY2021. There were no fatalities or serious work-related injuries, and neither were there any incidents of work-related diseases. Going forward, the Group intends to provide OSH data on an ongoing basis which will include injury rates, occupational disease rates, lost day rates and absentee rates.

In the light of the COVID-19 outbreak, the Group has put in place precautionary measures to prevent transmission of the virus at all its premises in China, Thailand and Singapore to safeguard its employees, business partners and the community.

These measures include safe entry, taking of temperature, wearing masks, regularly disinfecting workstations, safe-distancing and alternate meal-time arrangements. In addition, the Group also provides masks, hand sanitizers, regular reminders and guidance to its employees to ensure and achieve a safer and healthier work environment. As of the date of this SR, there has been no instance of any employee testing positive for COVID-19.



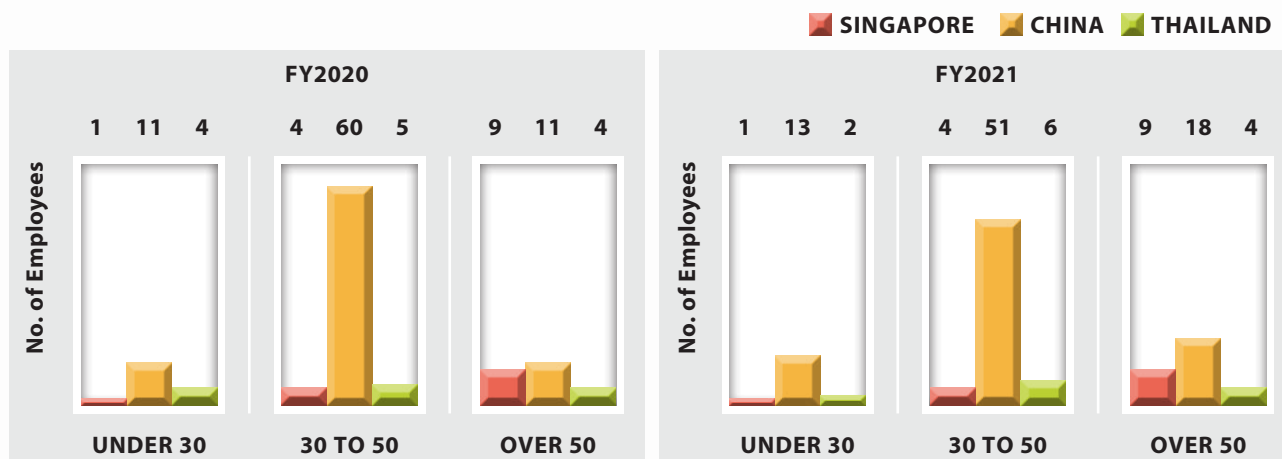
EMPLOYEE ENGAGEMENT & TURNOVER

Profile of Our Workforce

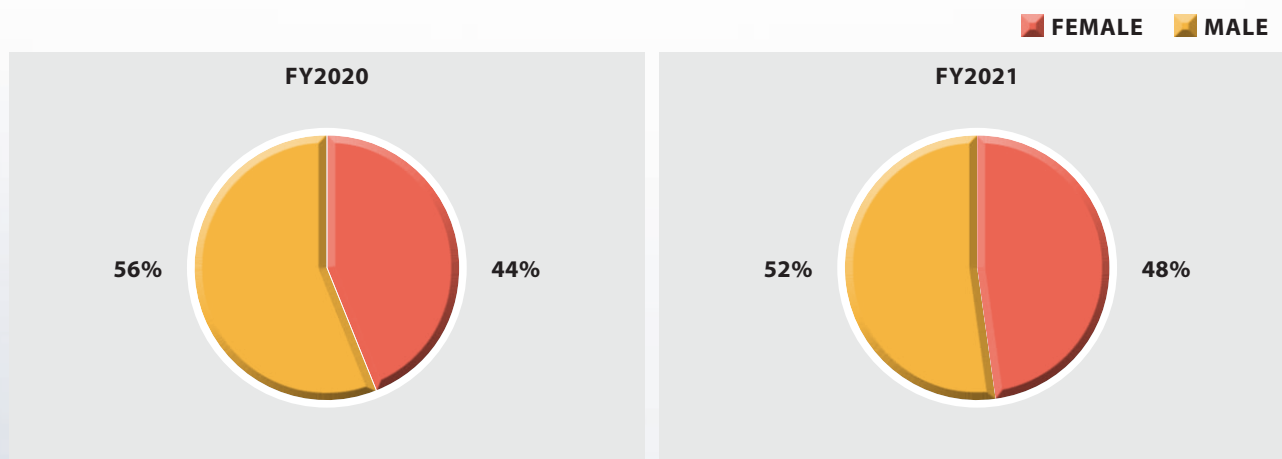
There are no significant changes to the number of our workforce which stood at 109 employees in FY2020, and at 108 employees in FY2021. These employees are mostly located at subsidiary in China. In FY2021, there were 18 new hires and 22 leavers. FY2021 recorded a higher percentage of female employees, increasing from 44% in FY2020 to 48%. No daily rated employee was hired in FY2021.

SUMMARY OF EMPLOYEES INFORMATION	FY2020	FY2021
Number of employees	109	108
Full time employees	109	108
Male employees	61	56
Female employees	48	52
Fatal accidents	Nil	Nil

No. of Employees by Age Breakdown

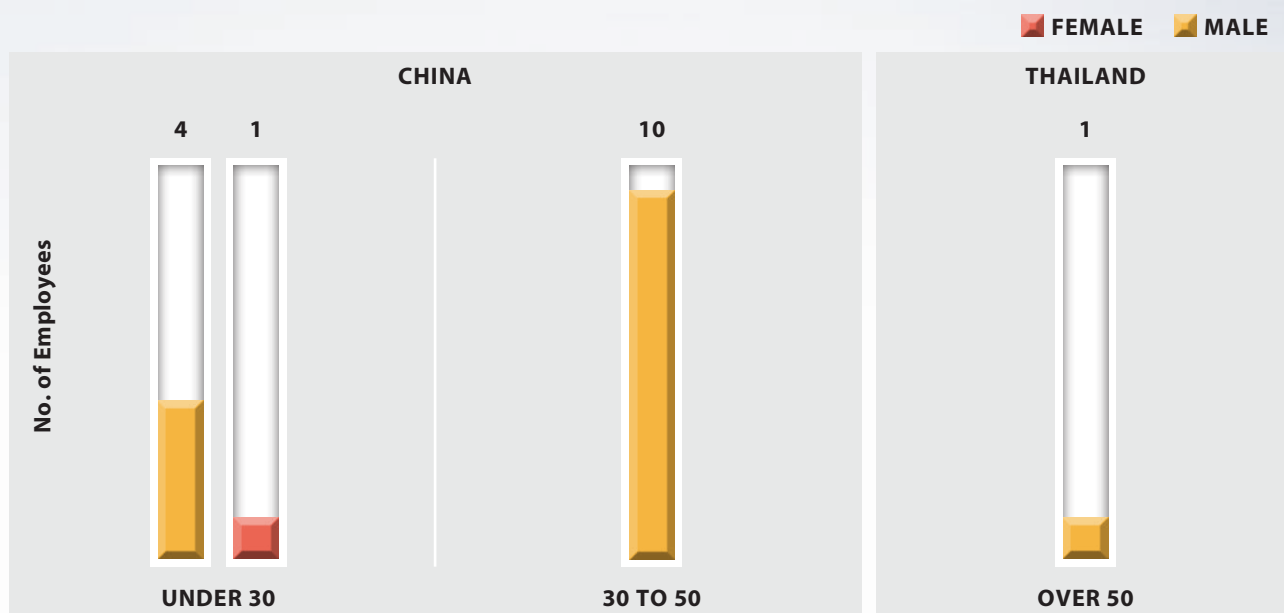


Percentage of Employees by Gender



EMPLOYEE ENGAGEMENT & TURNOVER

Turnover by Age Group, Gender and Region in FY2021



Diversity and Equality

Nico Steel is an equal opportunity and merit-based employer that does not tolerate discrimination of any form of social or racial prejudice. These were no incidents of discrimination reported in FY2021. The Group has a total of 108 employees, 48% of who are female and 52% are male in FY2021.

The Group complies with all labour laws in the regions in which we operate and has zero tolerance against child labour or forced labour, whether at our premises or by our suppliers.

Training and Education

The Group offers a range of benefits to its employees, which varies by region and includes some or all of the following – health care, parental leave, allowances and disability coverage. The Group intends to deepen our engagement with our employees, and will be monitoring and reporting on staff turnover, with the aim of improving and reducing staff turnover.

We recognise that our employees are key stakeholders and that their knowledge and skills are critical in achieving overall success for the Group. We also believe that staff retention and productivity can be improved through the personal development of our workforce. Hence, the Group provides structured training to equip our employees with the skills and knowledge required for the business and organises both in-house and external training. All employees of the Group receive regular feedback on their performance and development through appraisal.

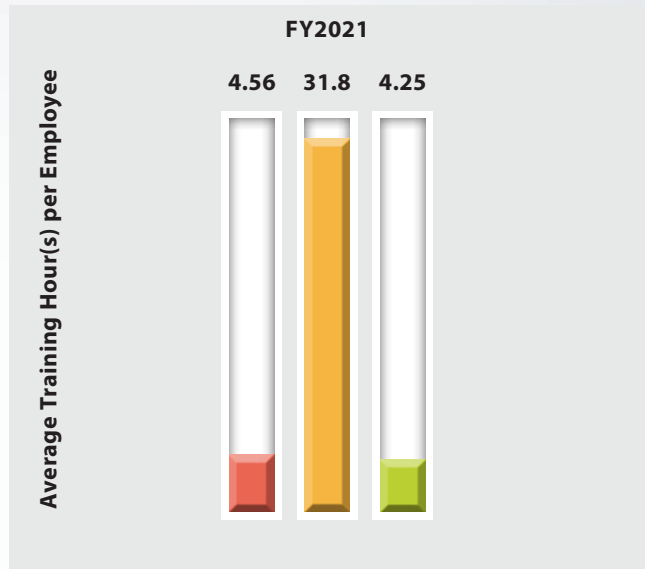
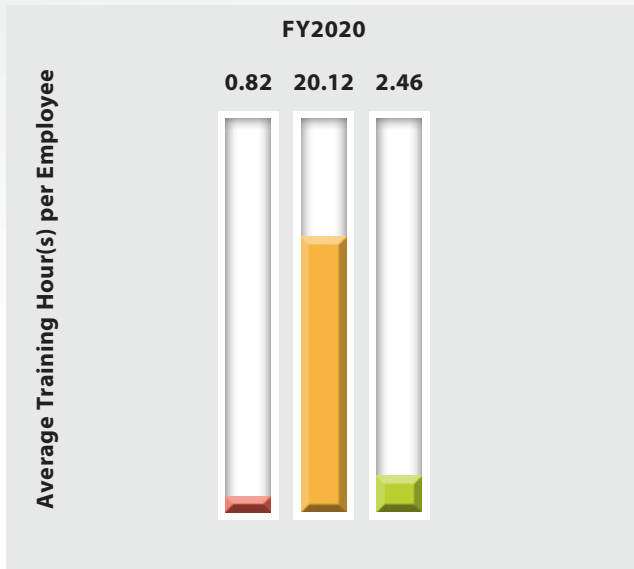
We are continuously seeking to develop and improve on our training and employee-development. In FY2021, training provided increased from 1,693.50 hours in FY2020 to 2,722.90 hours in FY2021. The Group spent an average of 25.21 hours training our employees compared to 15.54 hours in FY2020. The increase underscores the Group's objective of building and enhancing the capabilities of our employees.

AVERAGE TRAINING TIME PER EMPLOYEE (HOUR)	FY2020	FY2021
Group including of Singapore, Thailand and PRC	15.54	25.21

EMPLOYEE ENGAGEMENT & TURNOVER

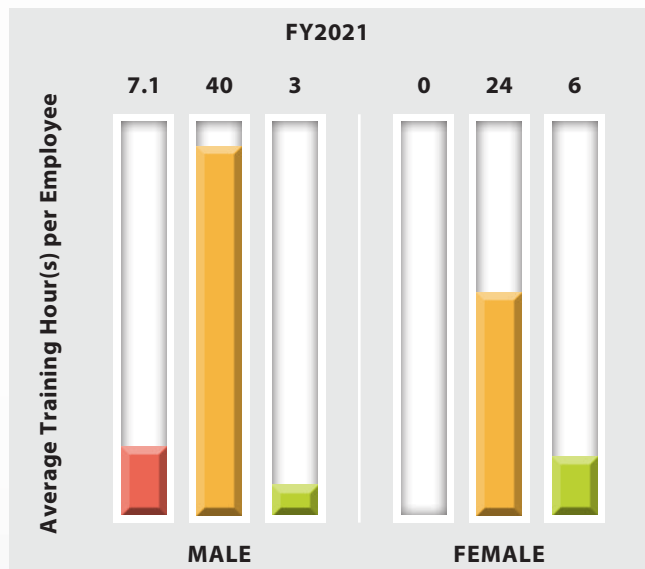
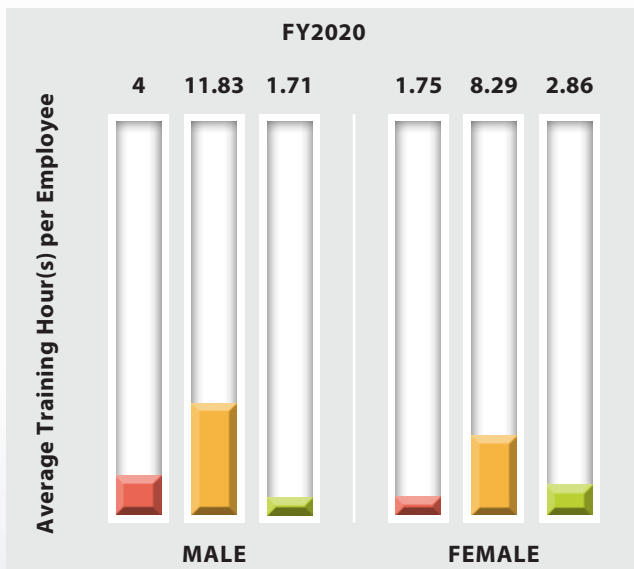
Average Training Hours per Employee by Geography

■ SINGAPORE ■ CHINA ■ THAILAND



Average Training Hours per Employee by Gender and Geography

■ SINGAPORE ■ CHINA ■ THAILAND



NON-COMPLIANCE WITH ENVIRONMENT LAWS AND/OR REGULATIONS

During FY2021, there was no significant non-compliance with applicable environmental laws and/or regulations in the countries where we operate.

SOCIOECONOMIC

FY2021 recorded no reportable incidents of significant fines due to non-compliance with applicable labour laws and/or regulations across the Group. The Group also aims to minimise its impact on the environment and takes seriously its obligations under applicable environmental legislations and standards of the regions in which we operate.

INDIRECT ECONOMIC IMPACTS

The Group's operations have contributed to the economies of the countries in which it operates. The Group is a part of the community in the places in it operates, and has created employment, up-skilled local workforces through training and on-the-job experience and contributed to tax revenues.



SUPPLY CHAIN AND PROCUREMENT POLICY

The Group recognises the crucial role that its suppliers play in achieving its overall success. We are dependent on our suppliers and it is in the Group's interest that our suppliers are successful, whilst supplying quality components at acceptable price points.

In FY2021, the Group managed to make a breakthrough into the domestic Chinese market, especially in the field of mobile communications, garnering orders from dominant Chinese brands and working directly with brand owners and key module suppliers. Amidst the pandemic, demands for electronic communication devices continue to grow which in turn create demand for all components up and down the supply chain of the Group's business. This bodes well for the Group.

LOCAL SUPPLIERS

The Group strives to keep its supply chains short and local. However, most of the components used in the Group's products, notably steel plates are sourced from large multi-national corporations and so it is not always possible to source locally. Furthermore, the need to remain competitive may lead to the sourcing of components from the most cost-effective suppliers, which may be located off-shore.



RECYCLE ALUMINIUM CONTENT

The Group has been awarded “SCS Recycled Content” certification for aluminium alloy A5052 R80 and A1060 R80 with achieving minimum 80% pre-consumer recycled aluminium content by SGS Global Services (“SCS”) through our subsidiaries located in China.



In FY2021, Nico Steel became the first company in China that can supply aluminium with a recycled content of 80% and above to achieve carbon neutrality and carbon footprint control solution for the device markets. This is particularly important due to regulations established by the European Union (“EU”) Metals Ecosystem Directive requiring high-tech electronic products to have a minimum of 50% recycled metal content before being imported into the EU by year 2025. Global brands such as Apple, Amazon, Google, Microsoft, Dell, HP, Lenovo, Facebook, Samsung and Sony are swiftly taking action in incorporating this new directive into their products. Hence, global brand users can apply for carbon credits by using Nico Steel’s SCS certified recycled materials in order to enter the EU market after year 2025.

In addition, by year 2030, major top brands in United States and Europe will have to switch their usage of current materials for ecologically recycled materials in order to achieve carbon neutrality, which the R80 recycled aluminium content currently provided by Nico Steel can achieve. With these certifications, Nico Steel can have a first-mover advantage and become the preferred supplier of designated recycled materials for our customers.

GOVERNANCE DISCLOSURE

Risk Management and Internal Control

The Board has overall responsibility for the governance of risks, safeguarding shareholders' interests and the Group's assets. The Board has engaged the services of a professional firm for the Group's internal audit function in compliance with the Code of Corporate Governance and the Listing Rules.

The AC assists the Board in providing risk management oversight while the ownership of day-to-day management and monitoring of existing internal control systems are delegated to management which comprises the Executive Chairman & President, the Group Finance Manager and Head of each business division.

Based on the Group's internal controls put in place and the procedures established and maintained by the Group, as well as work and review performed by the external auditors, the management, various Board Committees and the Board, the Board with the concurrence of the AC is of the view that the Group's risk management systems and internal control systems in place are adequate and effective in addressing financial, operational, compliance and information technology risks.

Further information on our risk management and internal controls can be found on page 29 to 33 in the Report on Corporate Governance as set out in AR2021.

Customer Privacy

The Group has not identified any substantiated complaints concerning breaches of customer privacy during FY2021. The Group has identified an in-house designated Data Protection Officer to initiate the process of overseeing customer data collection in Singapore.

Whistle-Blowing

The Group has in place a Whistle-Blowing which provides a channel for our employees to raise concerns they may have about potential or actual improprieties directly to Lead Independent Director. The Group protects whistle-blowers from any form of retaliation, harassment or other discriminatory. There were no reportable incidents of whistle blowing in FY2021.

Anti-Bribery and Corruption Policy

FY2021 Target Achieved



Zero cases of corruption, fraud or non-compliance reported with all applicable laws and regulations

Nico Steel has zero tolerance to bribery and corruption, and all employees are expected to uphold the highest standards of professional conduct. At Nico Steel, we value integrity and honesty highly. There were no reportable incidents of any employee engaging in bribery or corruption in FY2021. No monetary incentive or equivalent was provided to any politically exposed person or political parties to secure any contract.

GLOBAL REPORTING INITIATIVE (“GRI”) INDEX

GRI Standard	Disclosure	Section of Report	Page Reference	
GENERAL DISCLOSURES				
GRI 102: General Disclosures	ORGANISATIONAL PROFILE			
	102-1	Name of the organisation	Corporate Profile	4
	102-2	Activities, brands, products, and services	Corporate Profile	4
	102-3	Location of headquarters	Corporate Profile	4
	102-4	Location of operations	Corporate Profile	4
	102-5	Ownership and legal form	Public Listed Company (Limited by Share Capital)	–
	102-6	Markets served	Corporate Profile	4
	102-7	Scale of the organisation	Economic Performance	10
			Employee Engagement & Turnover	15
	102-8	Information on employees and other workers	Employee Engagement & Turnover	15
	102-9	Supply chain	Engaging Our Stakeholders	7
			Supply Chain And Procurement Policy	18
	102-10	Significant change to the organisation and its supply chain	Not Applicable	–
	102-11	Precautionary Principle or approach	Governance Disclosure	20
102-12	External initiatives	NIL	–	
102-13	Membership of associations	Member of Singapore Business Federation	–	
STRATEGY				
102-14	Statement from senior decision-maker	Board Statement	3	
INTERGRITY				
102-16	Values, principles, standards, and norms of behaviour	Corporate Profile	4-5	
102-17	Mechanisms for advice and concerns about ethics	Governance Disclosure	20	
GOVERNANCE				
102-18	Governance structure	Sustainability Committee	6	

GLOBAL REPORTING INITIATIVE (“GRI”) INDEX

GRI Standard	Disclosure	Section of Report	Page Reference	
	STAKEHOLDER ENGAGEMENT			
	102-40	List of stakeholder groups	Engaging Our Stakeholders	7
	102-41	Collective bargaining agreements	Not Applicable. (No collective bargaining agreements.)	–
	102-42	Identifying and selecting stakeholders	Engaging Our Stakeholders	7
	102-43	Approach to stakeholder engagement	Engaging Our Stakeholders	7
	REPORTING PRACTICE			
	102-44	Key topics and concerns raised	Engaging Our Stakeholders	7
	102-45	Entities included in the consolidated financial statements	Annual Report 2021	75
	102-46	Defining report content and topic Boundaries	Engaging Our Stakeholders	7
			Focus Area	8
	102-47	List of material topics	Materiality Assessment Framework	8
	102-48	Restatements of information	Not Applicable.	–
	102-49	Changes in reporting	Not Applicable.	–
	102-50	Reporting period	About This Report	2
	102-51	Date of most recent report	Nico Steel’s 2020 Sustainability Report	–
	102-52	Reporting cycle	Annual	–
	102-53	Contact point for questions regarding the report	About This Report	2
	102-54	Claims of reporting in accordance with the GRI Standards	About This Report	2
	102-55	GRI content index	Global Reporting Initiative (“GRI”) Index	21-24
	102-56	External assurance	About This Report	2
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Assessment Framework	8
	103-2	The management approach and its components	Commitment And Disclosure Of Key Performance Indicator (“KPIs”)	9
	103-3	Evaluation of the management approach	Commitment And Disclosure Of Key Performance Indicator (“KPIs”)	9

GLOBAL REPORTING INITIATIVE (“GRI”) INDEX

GRI Standard	Disclosure		Section of Report	Page Reference
TOPIC SPECIFIC GRI STANDARD DISCLOSURES				
CATEGORY: ECONOMIC				
MATERIAL ASPECT: ECONOMIC PERFORMANCE				
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Economic Performance	10
MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS				
GRI 203: Indirect Economic Impacts	203-2	Significant indirect economic impacts	Indirect Economic Impacts	17
MATERIAL ASPECT: PROCUREMENT PRACTICES				
GRI 204: Procurement Practice	204-1	Proportion of spending on local suppliers	Local Suppliers	18
MATERIAL ASPECT: ANTI-CORRUPTION				
GRI 205: Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Governance Disclosure	20
	205-3	Confirmed incidents of corruption and actions taken	Governance Disclosure	20
CATEGORY: ENVIRONMENTAL				
MATERIAL ASPECT: WATER AND EFFLUENTS				
GRI 303: Water and Effluents	303-4	Water discharge	Water Resource Management	11
	303-5	Water consumption	Water Resource Management	11
MATERIAL ASPECT: EFFLUENTS AND WASTE				
GRI 306: Effluents and Waste	306-2	Waste by type and disposal method	Waste And Effluent	12
MATERIAL ASPECT: ENVIRONMENTAL COMPLIANCE				
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Non-compliance with environment laws and/or regulations	17

GLOBAL REPORTING INITIATIVE (“GRI”) INDEX

GRI Standard	Disclosure	Section of Report	Page Reference	
CATEGORY: SOCIAL				
MATERIAL ASPECT: EMPLOYMENT				
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Employee Engagement & Turnover	14
	401-2	Benefits provided to full-time employees but are not provided to temporary or part-time employee	Employee Engagement & Turnover	15
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	Health and Safety	13
	403-9	Work-related injuries	Health and Safety	13
MATERIAL ASPECT: TRAINING AND EDUCATION				
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Employee Engagement & Turnover	15-16
	404-2	Programs for upgrading employee skills and transition assistance programs	Employee Engagement & Turnover	15-16
	404-3	Percentage of employees receiving regular performance and career development reviews	Employee Engagement & Turnover	15
MATERIAL ASPECT: NON-DISCRIMINATION				
GRI 406: Non-Discrimination	406-1	Incidents of discrimination and corrective actions taken	Employee Engagement & Turnover	15
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY				
GRI 416: Customer Health and Safety	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Socioeconomic	17
			Recycle Aluminium Content	19
MATERIAL ASPECT: CUSTOMER PRIVACY				
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance Disclosures	20
MATERIAL ASPECT: SOCIOECONOMIC COMPLIANCE				
GRI 419: Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	Socioeconomic	17
			Recycle Aluminium Content	19



Nico Steel Holdings Limited

51 Loyang Way,

Singapore 508744

Tel: (65) 6542 1886

Fax: (65) 6542 1986

corporateaffairs@nico.com.sg

www.nicosteel.com

