

MARY CHIA HOLDINGS LIMITED

2024

SUSTAINABILITY REPORT

SUSTAINABILITY REPORT 2024

ABOUT THE SUSTAINABILITY REPORT

This Sustainability Report (“**Report**”) specifies the sustainability activities, challenges and measures being taken by Mary Chia Holdings Limited (the “**Company**” or “**Mary Chia**”) and together with its subsidiaries (the “**Group**” or “**We**”) during the financial year ended 31 March 2024 (“**FY2024**”).

This Report covers the Group’s sustainability practices across four of the Group’s operating segments in Singapore, where it is headquartered. The segments include a) beauty, slimming and spa treatment for women; b) beauty, slimming and spa treatment for men; c) direct selling; and d) investment holding. This Report presents and summarises the Group’s policies, practices and performances relating to the environmental, social and governance (“**ESG**”) aspects that are applicable to the said operations. As at the date of this Report, the Group has eight (8) outlets under the beauty, slimming and spa treatment for men and women segments. Going forward, the Management and the Board (“**Board**”) of directors (“**Directors**”) of the Company will work towards strengthening its sustainability practices and continue to expand its scope of disclosure subject to materiality assessment and necessity.

The Group publishes its sustainability reports on an annual basis. The Report has been reviewed and approved by the Board, and the sustainability reporting process has also been subject to an internal review by our outsourced internal auditors. In the future, we may consider seeking external independent assurance to provide additional transparency and assurance to our stakeholders. The Report is available on SGXNet and the Group’s website from 26 July 2024.

REPORTING FRAMEWORK

This Report has been prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) with reference to the guidance set out in the SGX-ST’s Sustainability Reporting Guide under Practice Note 7F of the Catalist Rules and the Global Reporting Initiative (“**GRI**”) Standards published in 2021. The Group has chosen to report its sustainability practices under the GRI Standards as it is a globally recognised sustainability reporting standard which sets out generic sustainability factors, general principles and indicators for the Group to report on sustainability policies, practices, performances and targets that are in line with the global best practices for reporting on economic, environmental and social topics. The preparation approach of the Report is consistent with that of the financial year ended 31 March 2023 (“**FY2023**”).

In specific, the Report made reference to GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, GRI 3: Material Topics 2021, and the following Topic Standards:

- GRI 201: Economic Performance 2016
- GRI 205: Anti-corruption 2016
- GRI 302: Energy 2016
- GRI 303: Water and Effluents 2018
- GRI 305: Emissions 2016
- GRI 401: Employment 2016
- GRI 404: Training and Education 2016
- GRI 405: Diversity and Equal Opportunity 2016
- GRI 406: Non-discrimination 2016
- GRI 408: Child Labour 2016
- GRI 416: Customer Health and Safety 2016
- GRI 417: Marketing and Labelling 2016
- GRI 418: Customer Privacy 2016

STATEMENT FROM THE BOARD OF DIRECTORS

The Board is pleased to present this Report and believes it has provided a transparent presentation of its ESG initiatives, plans and performances. It also serves as a good communication platform with its stakeholders to demonstrate its ongoing commitment to sustainable development.

The Board has considered sustainability issues as part of its strategic formulation, determined the material ESG factors and overseen the management and monitoring of the material ESG factors. The Board believes that it is vital for the Group to consider the impact brought by the businesses to stakeholders in formulating its strategy and maintaining sustainable corporate development. The Board is responsible for setting the sustainability agenda and overseeing the sustainability performance of the Group. The Board considers ESG factors such as recruitment and remuneration, customer health and safety, etc., crucial to the Group's long-term development. Therefore, a sustainability working group comprising senior management has been formed to plan for, implement and integrate sustainability into the Group's operations and strategies. The strategy has always been a combination of consistent and repeatable growth in the existing market while identifying potential opportunities for expansion in new markets.

"Customers, team, and passion" are the keys to the Group's success. These components are highly recognised and incorporated throughout its business strategies. Therefore, the Group works tirelessly to understand and satisfy customers' needs, recruit and retain talents, and provide training to enrich employees with related knowledge.

Meanwhile, the Group has not forgotten the importance of sustainability in its development. The Group strongly believes maintaining a good relationship with stakeholders is crucial for its success. The Group has actively engaged its stakeholders, including customers, employees, shareholders and investors, suppliers, government and regulators across its operations. Stakeholder engagement allows the Group to understand the concerns and expectations of key parties, incorporate their opinions into the Group's business strategies, continuously enhance its business prospects, and increase customer loyalty.

Last but not least, the Board would like to express its sincere appreciation for the support of all employees, customers and business partners over the past years. By adopting sustainable practices, the Group will continue to contribute more to sustainable corporate development.

STAKEHOLDER ENGAGEMENT

The Group values its stakeholders (individuals and organisations with interests affected or that could be affected by its activities) and their feedback regarding its businesses and sustainability aspects. To understand and address their key concerns, the Group has maintained close communication with key stakeholders, including but not limited to customers, employees, shareholders and investors, suppliers, government and regulators.

In formulating operational strategies and ESG measures, the Group considers the stakeholders' expectations and strives to improve its performance through mutual cooperation with stakeholders, creating greater value for them by utilising diversified communication channels, as shown below.

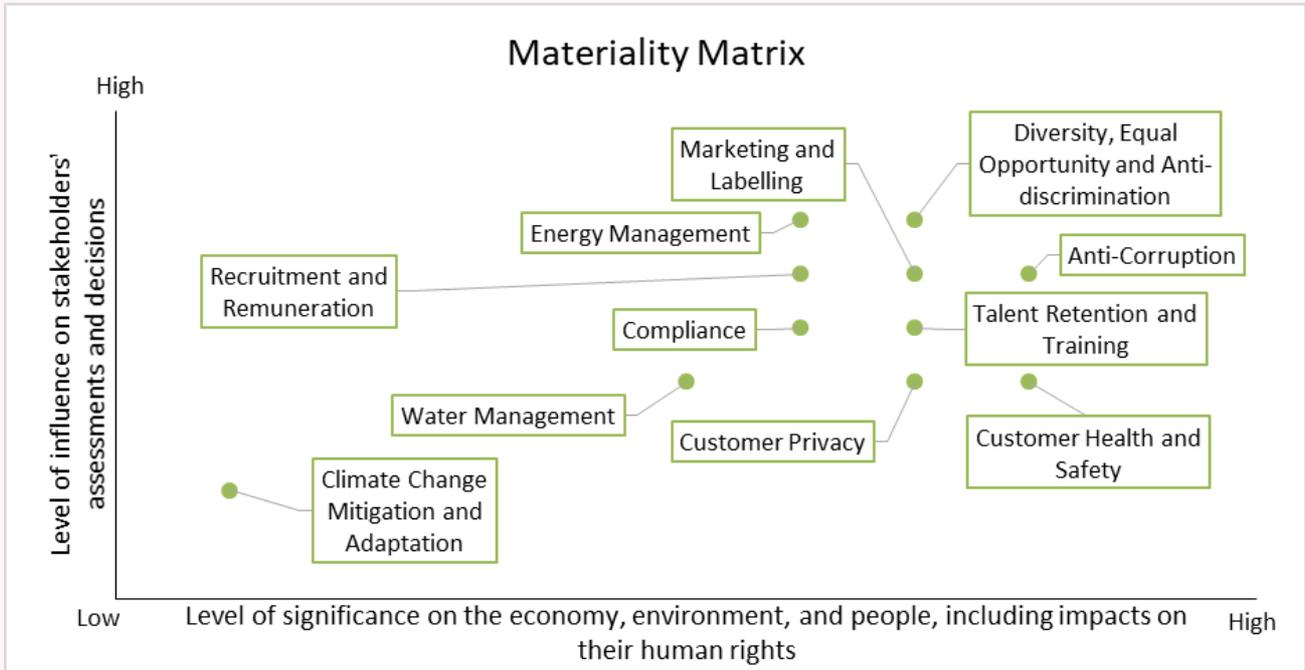
Details of key stakeholder engagement channels

Stakeholders	Engagement channels	Engagement frequency	Key topics / concerns
Customers	<ul style="list-style-type: none"> ● Online feedback ● Social media 	<ul style="list-style-type: none"> ● Throughout the year 	<ul style="list-style-type: none"> ● Quality of goods and services provided ● Areas for improvement ● Customer privacy ● Compliance with related laws and regulations
Employees	<ul style="list-style-type: none"> ● Performance appraisals and trainings 	<ul style="list-style-type: none"> ● Throughout the year 	<ul style="list-style-type: none"> ● Service improvement ● Get together (Festive celebration, etc.) ● Remuneration and benefits ● Fair and competitive employment practices and policies ● Safe and healthy work environment ● Focus on employee development and well-being
	<ul style="list-style-type: none"> ● Team building activities 	<ul style="list-style-type: none"> ● Quarterly 	
Shareholders and investors	<ul style="list-style-type: none"> ● Annual General Meeting ● Sustainability reports 	<ul style="list-style-type: none"> ● Annually 	<ul style="list-style-type: none"> ● Sustainable profitability and shareholder return ● Long-term growth of the business ● Transparent reporting ● Sound corporate governance policies
	<ul style="list-style-type: none"> ● Extraordinary General Meeting ● Release of financial results and other relevant disclosures through SGXNet and the Group's website 	<ul style="list-style-type: none"> ● Throughout the year 	
Suppliers	<ul style="list-style-type: none"> ● Supplier management meetings and events ● Supplier audit 	<ul style="list-style-type: none"> ● Throughout the year 	<ul style="list-style-type: none"> ● Fair and open procurement
Government and regulators	<ul style="list-style-type: none"> ● Annual reports 	<ul style="list-style-type: none"> ● Annually 	<ul style="list-style-type: none"> ● Compliance with relevant laws and regulations ● Compliance with industry standards and guidelines
	<ul style="list-style-type: none"> ● Announcements on SGXNet ● Written response to public consultation ● Ongoing dialogues 	<ul style="list-style-type: none"> ● Throughout the year 	

MATERIALITY ASSESSMENT

The Group has considered regulatory requirements, industry benchmarks, and feedback from relevant stakeholders in determining its material sustainability aspects to be covered in this Report. The senior management team and representatives from various departments are invited to participate in a regular materiality assessment survey to prioritise material sustainability issues based on the significance of the Group’s impact on the economy, environment and people, including impacts on their human rights, and the importance of these issues to the Group’s stakeholders.

The materiality matrix of the Group is presented as follows:



List of material topics	
Anti-corruption	Compliance
Energy Management	Climate Change Mitigation and Adaptation
Water Management	Recruitment and Remuneration
Diversity, Equal Opportunity and Anti-discrimination	Talent Retention and Training
Customer Health and Safety	Customer Privacy
Marketing and Labelling	

The Group updated the list of material topics for FY2024 to ensure its sustainability strategy and reporting remain responsive to evolving stakeholder priorities and the changing business landscape. The Group will continuously adapt its focus to address the most significant and emerging ESG factors relevant to its operations and stakeholders.

In this Report, the Group will further disclose its performance in terms of relevant aspects, and the results will serve as important reference points for sustainability management planning in the next financial year. The Group confirmed that appropriate and effective management and internal control policies for ESG factors are in place.

CONTACT US

The Group welcomes comments and suggestions from its stakeholders. You may provide your comments on this Report or towards the Group’s ESG performance via email to corporate@marychia.com.

SUSTAINABILITY PERFORMANCE SUMMARY

Material ESG factors and aspects	Indicators	Units	Performance for FY2024	Performance for FY2023
Anti-corruption	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	Case	Nil	Nil
	Public legal cases regarding corruption brought against the organisation or its employees	Case	Nil	Nil
Compliance	Total number of incidents of non-compliance with laws and/or regulations related to environmental, social, and economic areas for which fines and non-monetary sanctions were incurred	Case	Nil	Nil
Energy Management ¹	Petrol consumption	kWh	2,697.49	2,247.91
	Electricity consumption ²	kWh	95,684.35	276,370.23
	Total energy consumption	kWh	98,381.84	278,618.14
	Total energy consumption intensity	kWh/employee	1,405.45	2,341.33
Climate Change Mitigation and Adaptation ³	Direct (Scope 1) GHG emissions	tCO ₂ e	0.64	0.53
	Energy indirect (Scope 2) GHG emissions ²	tCO ₂ e	39.88	112.12
	Total GHG emissions	tCO ₂ e	40.52	112.65
	Total GHG emissions intensity	tCO ₂ e/employee	0.58	0.95
Water Management	Total water consumption	m ³	296.70	1,883.60
	Total water consumption intensity	m ³ /employee	4.24	15.83
Recruitment and Remuneration	Number of incidents involving child labour and young workers exposed to hazardous work	Case	Nil	Nil
Diversity, Equal Opportunity and Anti-discrimination	Total number of employees	Person	70	119
	Number of employees by gender	Person (%)	Male: 8 (11.43) Female: 62 (88.57)	Male: 34 (28.57) Female: 85 (71.43)
	Number of employees by employment type	Person (%)	Permanent part-time staff: - (-) Fixed-term part-time staff: - (-) Permanent full-time staff: 70 (100.00) Fixed-term event staff: - (-)	Permanent part-time staff: 4 (3.36) Fixed-term part-time staff: - (-) Permanent full-time staff: 111 (93.28) Fixed-term event staff: 4 (3.36)
	Number of employees by age group	Person (%)	Below 30: 10 (14.28) 30-50: 31 (44.29) Over 50: 29 (41.43)	Below 30: 23 (19.33) 30-50: 53 (44.54) Over 50: 43 (36.13)
	Number of individuals within the governance bodies by gender	Person (%)	Male: 4 (80.00) Female: 1 (20.00)	Male: 2 (50.00) Female: 2 (50.00)
	Number of individuals within the governance bodies by age group	Person (%)	Below 30: - (-) 30-50: 2 (40.00) Over 50: 3 (60.00)	Below 30: - (-) 30-50: - (-) Over 50: 4 (100.00)
	Total number of incidents of discrimination	Case	Nil	Nil

Material ESG factors and aspects	Indicators	Units	Performance for FY2024	Performance for FY2023
Talent Retention and Training	Total number and rate of new employee hires ⁴	Person (%)	17 (24.29)	61 (51.26)
	Number and rate of new employee hires by gender ⁴	Person (%)	Male: 6 (75.00) Female: 11 (17.74)	Male: 15 (44.12) Female: 46 (54.12)
	Total number and rate of employee turnover ⁵	Person (%)	66 (94.29)	80 (67.23)
	Number and rate of employee turnover by gender ⁵	Person (%)	Male: 32 (400.00) Female: 34 (54.84)	Male: 28 (82.35) Female: 52 (61.18)
	Average training hours per employee, per year	Hour	24.00	96.00
	Average training hours per employee, per year by gender	Hour	Male: - Female: 24.00	Male: 96.00 Female: 96.00
Customer Health and Safety	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services	Case	Nil	Nil
Customer Privacy	Total number of substantiated complaints received concerning breaches of customer privacy	Case	Nil	Nil
Marketing and Labelling	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labelling	Case	Nil	Nil
	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship	Case	Nil	Nil

Notes:

1. The unit conversion method of energy consumption data is formulated based on the “Energy Statistics Manual” issued by the International Energy Agency.
2. The source of electricity consumption and scope 2 GHG emissions includes electricity used for daily operations and electric vehicles.
3. GHG emissions data are calculated based on, including but not limited to “The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards” issued by the World Resources Institute and the World Business Council for Sustainable Development, “Appendix to Part II: Monitoring Plan of Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines” published by National Environment Agency and emission factor published by the Energy Market Authority in 2022.
4. Rate of new employee hires in the category = (number of new hires in the category during the financial year ÷ number of employees in the category at the end of the financial year) × 100%
5. Rate of employee turnover in the category = (number of resigned employees in the category during the financial year ÷ number of employees in the category at the end of the financial year) × 100%

SUSTAINABILITY TARGETS FOR UPCOMING YEARS

Material ESG factors and aspects	Targets for upcoming financial years
Anti-corruption	Maintaining zero corruption cases by educating staff and other stakeholders through anti-corruption training, promotion and education.
Compliance	Upholding the same high standard of conduct and maintaining zero non-compliance cases with laws and/or environmental, social and economic regulations.
Energy Management	<p>Short-term: Maintaining or reducing the current total energy consumption intensity level.</p> <p>Long-term: Reducing the total energy consumption intensity by 5% by the financial year ended 31 March 2027 (“FY2027”) compared to the baseline of the financial year ended 31 March 2022 (“FY2022”).</p>
Climate Change Mitigation and Adaptation	<p>Short-term: Maintaining or reducing the current level of total GHG emissions intensity.</p> <p>Long-term: Reducing the total GHG emissions intensity by 5% by FY2027 compared to the FY2022 baseline.</p>
Water Management	<p>Short-term: Maintaining or reducing the current total water consumption intensity level.</p> <p>Long-term: Reducing the total water consumption intensity by 5% by FY2027 compared to the FY2022 baseline.</p>
Recruitment and Remuneration	<p>Short-term: Upholding the same high standard of conduct and maintaining zero child labour incidents.</p> <p>Long-term: Improve transparency in remuneration practices by providing employees with clear information on how their compensation is determined by the financial year ending 31 March 2029.</p>
Diversity, Equal Opportunity and Anti-discrimination	Enhance diversity by maintaining the existing ratio of employees with varied expertise and broader backgrounds.
Talent Retention and Training	<p>Short-term: Maintaining or reducing the current level of turnover rate and average training hours per employee.</p> <p>Long-term: Reducing the employee turnover rate to 20% by FY2027.</p>
Customer Health and Safety	Upholding the same high standard of conduct and maintaining zero non-compliance cases.
Customer Privacy	Upholding the same high standard of conduct and maintaining zero non-compliance cases.
Marketing and Labelling	Upholding the same high standard of conduct and maintaining zero non-compliance cases.

BUSINESS STRATEGIES

The Group has implemented strategic business planning to strive to be a leader in the lifestyle and wellness industry, with continuous improvement driven by employee support and customer feedback. The Group's strategic business planning and development have led to its various successes over the years, receiving recognition from prestigious certifications and awards, including ISO 9001:2015 certification, Singapore Prestige Brand Award – Heritage Brand, ASEAN Outstanding Business Award – Master Class Award in Beauty and Slimming Industry Development, Singapore Service Class awarded by Spring Singapore and Superbrands – Singapore's Choice. The Group was awarded as one of the Top 3 Wellness Providers by AsiaOne's readers in 2010. The achievement of certifications and awards demonstrates the effectiveness of the Group's business strategies.

The Group's Executive Chairman and Chief Executive Officer, Ms. Wendy Ho, was awarded as the winner of the Outstanding Category under Retail Industry in the Asia Pacific Entrepreneurship Awards in 2019. This award recognises Asia's outstanding entrepreneurs and enterprises for demonstrating sustainable growth, responsible leadership and operational excellence. Obtaining this award assured the Group's business strategies and development direction.

More details of the Group's financial performance for FY2024 can be referred to in the Annual Report 2024 published by the Company in July 2024 and the unaudited FY2024 financial results released on SGXNet on 30 May 2024.

BUSINESS ETHICS AND INTEGRITY

Anti-corruption

The Group believes having a clean corporate culture is the key to success. The Group has adopted a framework of corporate governance policies and practices to promote high standards of corporate governance and transparency and enhance shareholders' value. It has also implemented a Whistle Blowing Policy. Such frameworks and policies are applied to the Group's operations, and all employees are educated and informed of the Group's expectations during their induction.

The Group had instituted a Whistle Blowing Policy to provide a channel for employees of the Group to report, in good faith and confidence, without fear of reprisals, on possible improprieties in financial preparation and reporting, as well as other matters. The policy's objective ensures an independent investigation of such issues, and appropriate follow-up actions will be taken. The Audit Committee (“AC”) exercises the oversight function over policy administration. Staff is given direct access to the AC via email or mail. Once a complaint is lodged, the AC will conduct an independent investigation and review any report findings and follow-up actions. The whistleblower's identity will be kept confidential, and the Group is committed to protecting the whistleblower against detrimental or unfair treatment.

During FY2024, the Group complied with relevant laws and regulations relating to bribery, fraud and money laundering, including but not limited to the Prevention of Corruption Act. The Group has achieved the target of maintaining zero corruption cases by educating staff and other stakeholders, including the Board, through anti-corruption training, promotion and education.

Compliance

As a socially responsible corporation, the Group strictly complies with laws and regulations relating to environmental, social and economic areas. All employees share the responsibility of monitoring the Group's performance in upholding these compliance requirements. Employees are also encouraged to report any suspected cases of violation of any laws and regulations. Meanwhile, the management of the Group regularly reviews the business activities and proactively establishes clear policies and procedures to prevent potential infringement of any relevant laws and regulations.

During FY2024, the Group achieved the target of maintaining no cases of non-compliance with laws and/or regulations relating to environmental, social and economic areas.

ENVIRONMENTAL PERFORMANCE

Energy Management

The Group has developed an energy management policy to strive for energy conservation, which is one of the Group’s fundamental policies. All employees should implement the adopted measures whenever appropriate, including purchasing energy-efficient products and services, and are responsible for the Group’s overall energy efficiency. Through adopting energy management and conservation policies and practices, the Group has set energy targets and regularly reviewed and adjusted these targets to enhance the Group's energy performance.

The energy management system is implemented with an annual review to assist in achieving its energy-saving objectives and targets. Moreover, monthly monitoring of the usage of electricity, water and other materials is implemented. Unexpected high electricity consumption will be investigated to determine the root cause, and preventive measures will be taken. The Group has performed the following measures relating to reducing energy consumption and raising staff’s environmental awareness:

- Switched from the diesel car to the electric car, thereby reducing carbon footprint;
- Adopted higher energy-efficiency office equipment in the workplace;
- Encouraged its staff to utilise teleconferences and video conferences, thereby reducing the need to commute to work or for meetings when appropriate;
- Publicised environmental protection messages to its staff; and
- Encouraged its staff to participate in campaigns and activities relating to promoting a green environment.

The Group’s major sources of energy consumption were the combustion of petrol for vehicle use, the electricity supplied by the relevant service providers for the Group’s operations, and the use of electric vehicles. As a result of the closure of outlets and the liquidation of the hairdressing segment, the Group’s total energy consumption and intensity have decreased compared to FY2023 and, therefore, achieved the target of reducing the total energy consumption intensity. The Group is committed to executing the measurement and tracking the effectiveness strictly. The Group will continue to set the target of maintaining or reducing the current level of total energy consumption intensity in the short term and reduce the intensity by 5% in the long term by FY2027 compared to the FY2022 baseline, which was approximately 2,039.48 kWh/employee.

Climate Change Mitigation and Adaptation

Climate risk considerations have stood out as a critical aspect of business continuity that needs to be addressed. By adopting the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) framework, we assess the impact of key climate-related risks and opportunities and disclose climate action strategy under four overarching elements, including governance, strategy, risk management and metrics and targets.

<i>Governance</i>	We have established a robust governance structure. The Board has oversight of the Group’s sustainability in formulating its strategy and approving the disclosures on the Group’s climate-related risks and opportunities and its responding actions to enhance climate resilience. The sustainability working group, which is comprised of senior management, has been formed to plan for, implement, and integrate sustainability into the Group’s operations and strategies.
<i>Strategy</i>	<p>We acknowledge that climate change brings risks and opportunities to our business. Our physical risks primarily result from the increasing frequency and severity of extreme weather, such as extreme heat and heavy rainfall. These events may disrupt the supply of materials and utilities, increasing operating costs and repair and replacement expenses. Extreme weather conditions may also cause injuries and casualties; thus, the Group may need to bear the corresponding legal and financial responsibilities.</p> <p>Government of Singapore has been accelerating the transition to a low-carbon economy and imposing stricter emission reduction requirements. Therefore, the Group may also be exposed to transition risks and may have to incur higher operating costs to comply with the regulatory changes. Failure to meet climate change compliance requirements may expose the Group to the risk of claims and litigation, which may result in a possible loss of corporate reputation.</p> <p>Customers and investors are increasingly concerned about climate-related issues. As a result, the transition to a low-carbon business model can bring opportunities. By integrating more green practices into its operations, the Group may be able to reduce operational costs and seize more business opportunities from customers who recognise the Group’s environmental initiatives. Furthermore, the</p>

	Group will explore and implement climate scenario analysis over different time horizons to bolster its understanding of the potential impact of climate change on its business operations in the future.
<i>Risk Management</i>	<p>To strengthen our understanding of climate-related issues, the Group has considered climate risks and strives to keep abreast of the latest climate adaptation and mitigation trends through stakeholder engagement. The Group has actively taken the following measures in response to the potential climate-related risks.</p> <p>The Group has prepared for extreme weather events to minimise its potential financial impact. The Group closely monitors the latest weather news and suggestions issued by the local government and has established special work arrangements to ensure that all personnel at its offices and outlets are prepared to deal with such extreme weather conditions.</p> <p>Furthermore, the Group will regularly monitor existing and emerging climate-related trends to avoid reputation risk due to slow response. It will also pay attention to policies and regulations and obtain compliance advisory services when necessary. The Group intends to maintain high transparency in sustainability reporting and its related activities, establishing trust and confidence in its relationship with investors and customers. In the future, the Group will integrate climate change into the internal control or enterprise risk management processes to enhance its effectiveness in climate-related risk management.</p> <p>Meanwhile, the Group has also captured the opportunity brought by climate change to improve its energy management practices and thus reduce its emissions and energy expenses by adopting energy-saving measures described in the “Energy Management” section.</p>
<i>Metrics and Targets</i>	<p>The Group followed the best practice of prioritising active emissions reduction measures and continued monitoring its GHG emissions performance. The Group’s major sources of GHG emissions were direct (Scope 1) GHG emissions generated from the combustion of petrol for vehicle use and energy indirect (Scope 2) GHG emissions generated from the electricity supplied by the relevant service providers for the Group’s operations and electric car use. Energy conservation initiatives and policies are adopted to reduce GHG emissions, which are detailed in the “Energy Management” section.</p> <p>Due to the increased use of vehicles in business activities, the direct (Scope 1) GHG emissions have increased by approximately 20.75%. However, the energy indirect (Scope 2) GHG emissions have decreased by approximately 64.43% due to the closure of outlets and the liquidation of the hairdressing segment. The Group’s total GHG emissions and intensity have decreased compared to FY2023 and therefore achieved the target of reducing the total GHG emissions intensity. We will continue to set the target of maintaining or reducing the current level of total GHG emissions intensity in the short term and reduce the intensity by 5% in the long term by FY2027 compared to the FY2022 baseline, which was approximately 0.79 tCO₂e/employee to echo the global decarbonisation vision.</p>

Water Management

The local water suppliers provide water consumed by the Group, mainly used for its beauty and wellness treatment and cleaning of its outlets and offices. The Group generates effluents, primarily domestic wastewater, which are discharged to the municipal pipeline network. All of our discharges complies with legislative requirements, and no water sources were significantly affected. To effectively manage its water consumption, the Group has formulated relevant procedures for water management and water conservation measures.

The Group has also encouraged employees and customers to consciously develop the habit of conserving water. The Group has been strengthening its water-saving promotion by posting slogans around the offices and outlets and educating employees to use water reasonably.

Due to the closure of outlets and the liquidation of the hairdressing segment, the Group’s total water consumption and intensity have decreased compared to FY2023 and, therefore, achieved the target of reducing the total water consumption intensity. The Group will continue striving to maintain or reduce the current level of total water consumption intensity in the short term and reduce the intensity by 5% in the long term by FY2027 compared to the FY2022 baseline, which was approximately 101.44 m³/employee.

SOCIAL PERFORMANCE

Recruitment and Remuneration

The Group values human resources as they are the foundation in supporting the development of the Group. Hence, the Group has established the Employment Policy and Procedures to fulfil its people-oriented management principle and realise its employees' full potential. The Employment Policy and Procedures are formally documented, covering the aspects of recruitment, compensation, promotion, working hours and rest periods, diversity and equal opportunity, etc. For instance, full-time employees are provided with benefits, including life insurance, health care, and disability and invalidity coverage. The Group periodically reviews the Employment Policy and Procedures and its employment practices to ensure compliance with relevant employment standards.

The Group applies robust and transparent recruitment processes based on merit selection against the job criteria and recruits individuals based on their suitability for the position and potential to fulfil the Group's current and future needs. The Group has formulated related employment policies governing the recruitment process and strictly complies with the Employment Act. The Group establishes a complete recruitment process to examine candidates' backgrounds.

In addition, the Group strives to prevent child labour in its operations. The Group's employment practices strictly abided by the statutory requirements. New employees are required to provide true and accurate personal data when they join the Group. The Group's Human Resource Department rigorously reviews entry data such as identity cards and academic credentials to ensure no child labour is employed. Regular reviews and inspections are conducted to prevent any child labour in the operation. During FY2024, the Group was not considered to have a significant risk for incidents of child labour or young workers exposed to hazardous work.

The basis for compensation and promotion are job-related skills, qualifications and performances, ensuring that the Group treats and evaluates employees and applicants fairly and compensates employees relative to the industry and local labour markets in which it operates. The benchmarking exercise also assesses competitive fixed and variable compensation levels, including cash and other benefits, such as holidays, annual leave, sick leave, medical insurance and discretionary bonuses.

Apart from the Employment Policy and Procedures, the Group also has a Remuneration Committee to ensure a formal and transparent procedure for developing policies on executive remuneration and fixing individual directors' remuneration packages. Key terms of reference can be referred to the Group's Annual Report 2024.

Diversity, Equal Opportunity and Anti-discrimination

The Group recognises the value of a diverse and skilled workforce and is committed to creating and maintaining an inclusive and collaborative workplace culture where all can thrive. The Group will also endeavour to develop and implement a board diversity policy that addresses gender, skills, experience, and any other relevant aspects of diversity, and relevant details are disclosed in its annual report.

The Group is dedicated to providing equal opportunity in all aspects of employment and maintaining a workplace that is free from discrimination and physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation. This covers all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training. During FY2024, there were no incidents of discrimination.

In order to ensure that complaints, grievances and concerns are dealt with promptly and confidentially and to promote a higher standard of corporate governance and corporate transparency, the Group has adopted the Whistle Blowing Policy. Employees can raise concerns and make reports without fear of reprisals. Anyone found to be engaging in any type of discrimination will be subject to disciplinary action, up to and including termination of employment.

Due to the Group's business nature, there were more female employees than male employees in the Group. The male-to-female ratio was approximately 1:8 in FY2024. Due to the closure of outlets and the liquidation of the hairdressing segment, the Group is unable to achieve the same male-to-female ratio as in FY2023. The Group will continue to strive its best to achieve the target ratio it has set.

Talent Retention and Training

In order to train employees to meet the requirements of the job as well as develop their fullest potential and to provide employees with the opportunities to move laterally and vertically in tandem with their abilities and aspirations, the Group

has established relevant training guidelines and provides training and development activities to its employees on an ongoing basis. During FY2024, the Group provided employees with in-house product and services training. This ensures they are equipped with sufficient knowledge and skills to demonstrate their duties. These trainings are conducted in mixed mode (i.e., employees participate in-person or online through Zoom Meetings). The Group also provides its employees with the Training Evaluation Form to evaluate the effectiveness of the courses and learning activities they have attended. In addition, all Directors are required to attend annual training related to sustainability issues to enhance their management skills and knowledge related to ESG matters and thus help embed effective sustainability into the Group's strategies. The Directors participated in training sessions focused on sustainability issues, including but not limited to understanding ESG matters, systematic thinking for ecosystem collaboration and learning relevant corporate governance practices. The training has enhanced their comprehension of the Group's business activities' environmental, social and economic impacts and provided them with the expertise necessary to integrate sustainability into the Group's business. Due to the loss of some training records, the training data of the Group is incomplete. The Group will continue to improve the data collection system to better monitor and maintain or increase the existing average training hours per employee.

On top of providing continuous training and development activities to staff, the Group recognises the importance of talent retention. The Group believes employees are the most valuable resource and play a critical role in the overall success of the Group. To improve the retention rate of employees, the Group unleashes the potential of its employees by offering training opportunities and fostering an environment in which they can thrive and achieve career aspirations. The Group also provides flexibility for its employees in the workplace to broaden their job responsibilities and gain more exposure to other areas that interest them. In addition, the Group strives to develop a sense of belonging in the workplace by celebrating special days and festivals such as company dinners, lantern festivals, and Christmas with its employees. This aims to build trust and foster strong relationships between employees and the Group.

As a result of the closure of outlets and the liquidation of the hairdressing segment, the employee turnover of the Group has increased compared to FY2023. The Group will continue striving to maintain or reduce the existing employee turnover rate in the short term and targets to reduce it to 20% in the long term by FY2027. The Group has also adopted an employee share incentive scheme to retain employees and lower employee turnover rates. As part of the scheme, fully paid shares will be awarded to employees to recognise their exceptional achievements and motivate them towards better performance through dedication and loyalty.

Customer Health and Safety

As a corporation providing lifestyle and wellness services, including selling skincare products and providing beauty treatments, customers' health and safety are paramount to the Group. The Group has established appropriate policies and measures to maintain product and service quality to protect customer health and safety. The relevant policies and measures instruct the appropriate and standardised steps employees take when providing services to their customers.

During FY2024, the Group has also complied with relevant laws and regulations concerning products' health and safety impacts, including but not limited to the Health Products Act. The Group achieved the target of upholding the same high standard of conduct and maintaining zero non-compliance cases.

Customer Privacy

In case of any customer complaints and/or regulators' notification, the Group will immediately follow up on the issues with relevant stakeholders per the established customer service policies and procedures. Customers' satisfaction will be evaluated after complaints are settled. The management team will also assess the risks of the service and product quality issues and take further follow-up actions if required. All customer personal and complaint data will be handled carefully to ensure customer privacy. During FY2024, the Group has complied with relevant laws and regulations concerning customer privacy, including but not limited to the Personal Data Protection Act, and achieved the target of maintaining zero non-compliance cases.

Marketing and Labelling

Product information is included in bottles and packaging in accordance with Health Science Authority requirements. There is also related training conducted in mixed mode, with training notes being disseminated to the staff concerned after training to provide sufficient guidance on marketing and promotion policies and practices. During FY2024, the Group complied with relevant laws and regulations pertaining to product and service information and labelling, as well as marketing communications (including advertising, promotion and sponsorship), and achieved the target of maintaining zero non-compliance cases.

SGX CONTENT TABLE

S/N	Primary Component	Section Reference
1	Material ESG Factors	MATERIALITY ASSESSMENT
2	Climate-related Disclosures	ENVIRONMENTAL PERFORMANCE - Climate Change Mitigation and Adaptation
3	Policies, Practices and Performance	BUSINESS ETHICS AND INTEGRITY, ENVIRONMENTAL PERFORMANCE, SOCIAL PERFORMANCE
4	Targets	SUSTAINABILITY TARGETS FOR UPCOMING YEARS
5	Sustainability Reporting Framework	REPORTING FRAMEWORK
6	Board Statement	STATEMENT FROM THE BOARD OF DIRECTORS

GRI CONTENT INDEX

GRI Indicator	Description	Section / Explanation
	Statement of use	Mary Chia and its subsidiaries have reported the information cited in this GRI content index for the period from 1 April 2023 to 31 March 2024 with reference to the GRI Standards.
	GRI 1 used	GRI 1: Foundation 2021
GRI 2: General Disclosures 2021		
2-1	Organisational details	ABOUT THE SUSTAINABILITY REPORT
2-2	Entities included in the organisation's sustainability reporting	ABOUT THE SUSTAINABILITY REPORT
2-3	Reporting period, frequency and contact point	ABOUT THE SUSTAINABILITY REPORT, CONTACT US
2-4	Restatements of information	Nil
2-5	External assurance	No external assurance has been received for this Report.
2-7	Employees	SUSTAINABILITY PERFORMANCE SUMMARY
2-9	Governance structure and composition	Annual Report 2024; STATEMENT FROM THE BOARD OF DIRECTORS
2-12	Role of the highest governance body in overseeing the management of impacts	STATEMENT FROM THE BOARD OF DIRECTORS
2-13	Delegation of responsibility for managing impacts	STATEMENT FROM THE BOARD OF DIRECTORS
2-14	Role of the highest governance body in sustainability reporting	STATEMENT FROM THE BOARD OF DIRECTORS
2-17	Collective knowledge of the highest governance body	SOCIAL PERFORMANCE - Talent Retention and Training
2-22	Statement on sustainable development strategy	STATEMENT FROM THE BOARD OF DIRECTORS, SUSTAINABILITY PERFORMANCE SUMMARY
2-27	Compliance with laws and regulations	SUSTAINABILITY PERFORMANCE SUMMARY, BUSINESS ETHICS AND INTEGRITY - Compliance
2-29	Approach to stakeholder engagement	STAKEHOLDER ENGAGEMENT
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	MATERIALITY ASSESSMENT
3-2	List of material topics	MATERIALITY ASSESSMENT
3-3	Management of material topics	BUSINESS ETHICS AND INTEGRITY, ENVIRONMENTAL PERFORMANCE, SOCIAL PERFORMANCE
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Annual Report 2024
201-2	Financial implications and other risks and opportunities due to climate change	ENVIRONMENTAL PERFORMANCE - Climate Change Mitigation and Adaptation
GRI 205: Anti-corruption 2016		
205-3	Confirmed incidents of corruption and	SUSTAINABILITY PERFORMANCE SUMMARY

	actions taken	
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	SUSTAINABILITY PERFORMANCE SUMMARY
302-3	Energy intensity	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	ENVIRONMENTAL PERFORMANCE - Water Management
303-2	Management of water discharge-related impacts	ENVIRONMENTAL PERFORMANCE - Water Management
303-5	Water consumption	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	SUSTAINABILITY PERFORMANCE SUMMARY
305-2	Energy indirect (Scope 2) GHG emissions	SUSTAINABILITY PERFORMANCE SUMMARY
305-4	GHG emissions intensity	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	SUSTAINABILITY PERFORMANCE SUMMARY
404-2	Programs for upgrading employee skills and transition assistance programs	SOCIAL PERFORMANCE - Talent Retention and Training
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 408: Child Labour 2016		
408-1	Operations and suppliers at significant risk for incidents of child labour	SOCIAL PERFORMANCE - Recruitment and Remuneration
GRI 416: Customer Health and Safety 2016		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 417: Marketing and Labelling 2016		
417-2	Incidents of non-compliance concerning product and service information and labelling	SUSTAINABILITY PERFORMANCE SUMMARY
417-3	Incidents of non-compliance concerning marketing communications	SUSTAINABILITY PERFORMANCE SUMMARY
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SUSTAINABILITY PERFORMANCE SUMMARY

This sustainability report has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (the "Sponsor"). This sustainability report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST"), and the SGX-ST assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The contact person for the Sponsor is Mr Jerry Chua (Tel: (65) 6241 6626), at 138 Robinson Road, #13-02 Oxley Tower, Singapore 068906.

