

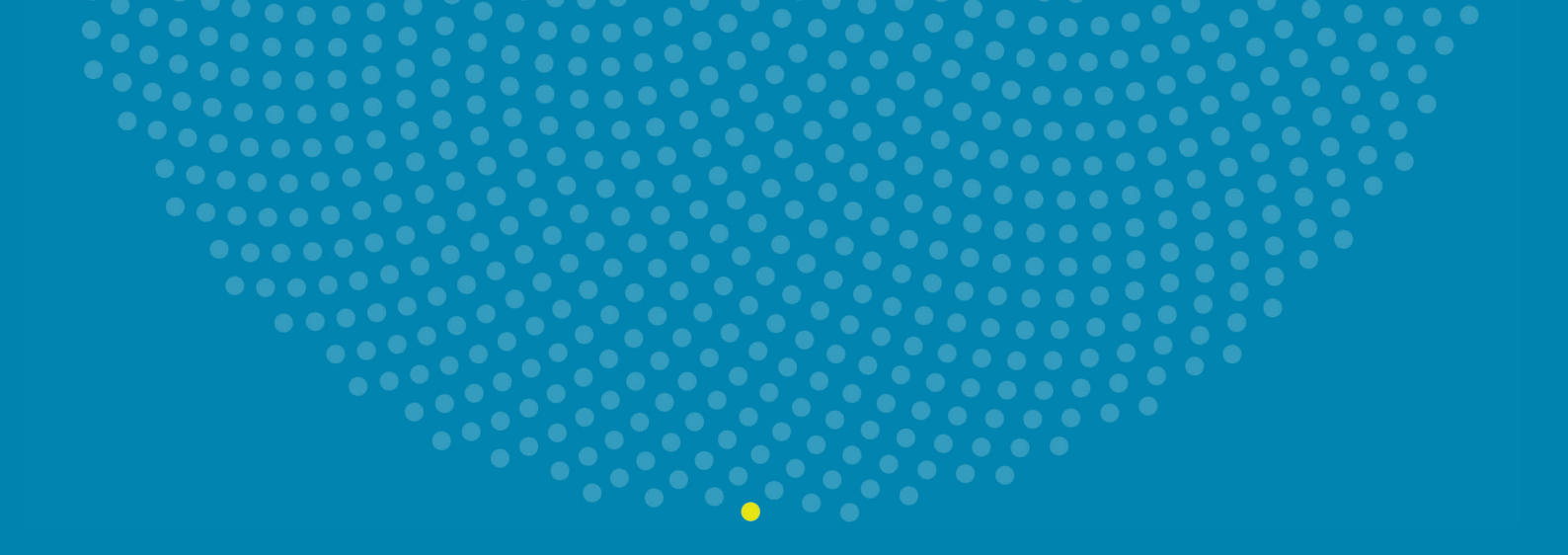


ZICO HOLDINGS INC.

SUSTAINABILITY REPORT 2020

31 MAY 2021





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ABOUT ZICO HOLDINGS INC.

ZICO Holdings Inc. (“ZHI”), together with its subsidiaries and associated companies (collectively referred to as “ZICO” or the “Group”), is a multidisciplinary professional services provider listed on the Catalist Board of the Singapore Exchange (“SGX”). ZHI is incorporated under the laws of the Federal Territory of Labuan, Malaysia.

ZICO’s two principal activities are (i) advisory and transactional services; and (ii) management, support services and licensing services. Below is an overview of the Group, its lines of business, and affiliation with the ZICOlaw network.



ZICO’s geographic focus is on Southeast Asia i.e. the Association of South East Asian Nation (“ASEAN”) bloc of countries. ZICO’s largest offices are in Singapore and in Kuala Lumpur, Malaysia. We are affiliated with sister brand ZICO Law network, the first pan-ASEAN network of independent law firms. Together with ZICO Law, ZICO operates in all 10 ASEAN countries i.e. Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam.

In this region, ZICO works with a wide range of clients. Its existing clientele consists of public sector entities, government-linked companies, global multinational corporations, multi-ASEAN companies, public listed companies, private companies, small and medium entities, family offices, and high-net-worth individuals. ZICO also works with business intermediaries such as law firms, banks and funds.

ZICO aspires to be the “go-to” professional services provider in ASEAN. As such, its solution suite is highly client centric revolving around the client’s business lifecycle needs. Its C.L.I.E.N.T. corporate values provide the framework that the group is organised and operates on.



*To be the
Go-To Professional
Services Provider
in the ASEAN region*



C ONNECT

We connect the dots. We build long-term relationships with our stakeholders. We are client-centric and provide pragmatic holistic solutions.



L EAD

We aim to be leaders. We aim to be the best-in-class. ZICO is the first listed ASEAN multi-disciplinary services firm with presence in all 10 ASEAN countries.



I NNOVATE

We believe in innovation. We continuously push boundaries and look for white spaces and blue oceans.



E NTERPRISING

We are entrepreneurs at heart. We are passionate and determined to bring value to our stakeholders.



N IMBLE

We are built to be nimble and agile. We embrace changes and respond to market demands swiftly and effectively.



T RUST

We strive to be the trusted advisors of our clients. We continuously act in a manner that builds trust with our stakeholders.

For more information on ZICO, please refer to ZHI's Annual Report on the Singapore Exchange (SGX) website at <https://www.sgx.com/securities/company-announcements> and at ZHI's website at www.zicoholdings.com under the "Newsroom and Press Releases" tab.

BOARD STATEMENT

ZICO remains committed towards demonstrating and practising responsible corporate conduct in its daily business activities across all aspects of its operations. The Board considers sustainability issues as part of its strategic formulation and sustainability reporting a tool for enterprise risk management. The Board works closely with senior management representatives to identify material ESG factors that affect the Group's operations, set meaningful goals and had oversight over the management and monitoring of said factors. No primary components of a typical sustainability report, as set out in Rule 711B of Section B: Rules of Catalist of the Listing Manual of the SGX-ST ("Catalist Rules") and paragraph 4.1 of Practice Note 7.6 Sustainability Reporting Guide dated 20 July 2016, were excluded.



MANAGING DIRECTOR'S MESSAGE

Dear Stakeholders,

We are happy to present to you here, ZICO Holding Inc.'s 2020 Sustainability Report ("SR2020" or the "Report").

At ZICO, we strongly believe in proactively staying ahead of the curve. Our multidisciplinary services platform is premised on clients' needs. We continuously innovate offerings to bring greater value to shareholders, clients, partners, and the wider community in ASEAN. In this journey, our biggest stakeholders are our employees. We take a long view with employees, likewise with our clients. We value our talent and accommodate working arrangements for greater productivity. When the global COVID-19 pandemic hit all corners of the globe in 2020, we doubled down efforts to help employees navigate this unparalleled period. By keeping our eye focused on employee wellbeing, we believe ZICO will come out of these unprecedented times, stronger and poised for continued sustainable growth.

2020 key highlights

Managing the impact of the pandemic was the highest priority of senior management. We formed the COVID-19 Risk Management Committee to maintain business operations while de-risking workplaces for the safety of our stakeholders. Heeding governments' call to action, we moved quickly to institute work-from-home ("WFH") arrangements. The iRBS transformation in 2018-2019 that resulted in streamlining of virtual communications under the Microsoft Teams platform throughout the Group helped ease the sudden transition to WFH. Upon gradual resumption of businesses, we put great effort into de-risking workplaces when lockdowns were lifted.

Employee engagement programs focusing on mental health and teamwork were rolled out to foster remote collaboration and productivity. The Total Wellness Initiative ran fitness trainings for our staff. We will continue to invest in employee wellbeing by running a structured mental health program in 2021. Our aim is to support our employees in adapting and embracing the "new normal".

ZHI continues to be recognized for its excellence in governance. In 2020, we retained the *SGX Fast Track* under the SGX's Fast Track programme that aims to affirm listed issuers that have been publicly recognised for high corporate governance standard and have maintained a good compliance track record. Ahead of Malaysia's anti-corruption law coming into force by mid-2020, ZICO rolled out the group policy on anti-bribery and corruption on 1 April 2020. We revamped ZICO's Business Continuity Plan to outline continued operations without compromising the health and safety of our employees, clients, and the people around them.

We continue to be an ethical employer, taking pride in our gender diversity and inclusivity. We take pride that women make up 63% of our workforce and 65% of management, head and shoulders above the industry average. In 2020, ZICO regrettably missed commemorating International Women's Day ("IWD") as the event clashed with the start of global lockdowns. Nonetheless, the IWD 2020 theme of *#EachforEqual* resonates as women's careers have thrived with ZICO.

I am also happy to report that in 2020, we ran the ZICO iPledge to reduce usage of single-use plastics. In just over a month, we achieved 4875 pledge days collectively with our sister brand ZICO Law. We have also begun championing the importance of ESG strategies to our clients and disseminating thought leadership with ZICO Law. In 2021, we will continue to walk the talk and ramp up on initiatives to improve governance and compliance, conduct meaningful engagements with internal and external stakeholders, as well as embrace eco-friendly initiatives in our daily operations.

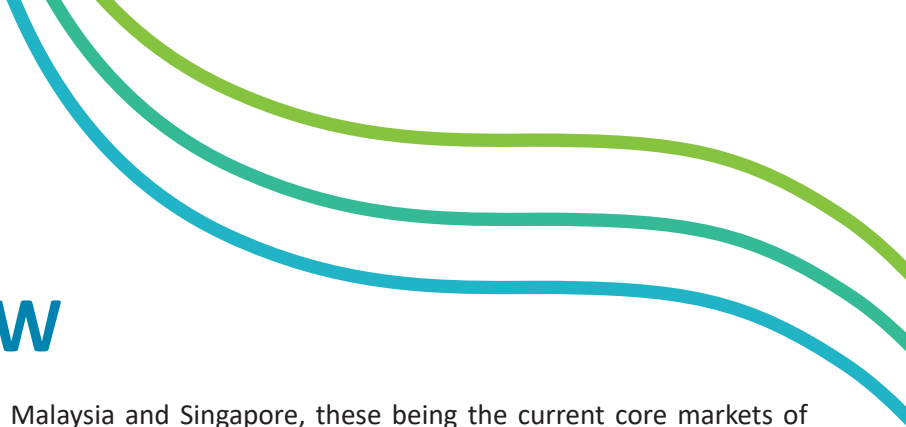
Our commitment to a sustainable future

At the time of preparation of this Report, more than 1.25 billion shots of the COVID-19 vaccine has been administered across 174 countries i.e. less than 10% of population worldwide have received at least one shot of vaccination. However, the path to global immunity and resumption of normal activities is still unclear. Many countries are currently facing massive outbreaks from new and more aggressive strains. Malaysia and Singapore, where ZICO primarily operates from, have tightened safe distancing measures, including workplaces. Nonetheless, many economies are resisting future lockdowns having barely recovered from the severe lockdowns in 2020. In addition to the challenges of COVID-19, we are monitoring the safety and welfare of our colleagues in Myanmar as the country is undergoing political unrest.

In such trying times, we reiterate ZICO's commitment to be responsible and ethical in conducting business. Our clients, employees, business partners, shareholders, and the communities around us rely on everyone to play their part as mankind faces one of the worst threats in recent history.

In the face of these challenges, we remain invested in ASEAN and the sustainability agenda in our journey to generate stakeholder value. We thank all for your continued belief in ZICO and we wish you the best of health. Stay safe.

Chew Seng Kok
Managing Director



REPORT OVERVIEW

SR 2020 primarily covers business operations in Malaysia and Singapore, these being the current core markets of the Group. Singapore and Malaysia collectively contribute 68%¹ of the Group's 2020 turnover and houses 78% of the Group staff. Unless otherwise stated, all data and information reported are in relation to the financial year 2020 i.e. from 1 January to 31 December 2020.

SR 2020 has been prepared in accordance with:

- Rule 711B of Section B: Rules of Catalist of the Listing Manual of the SGX-ST;
- the Sustainability Reporting Guide of the SGX-ST (Practice Note 7F of the Catalist Rules); and
- the Global Reporting Initiative Sustainability Reporting Standards ("GRI Standards"): Core Option.

The GRI Standards were used as the reporting framework for this Report due to its reach, usage, and comparability as the first and most widely adopted global standards for sustainability reporting.

Additionally, we take note of the announcement by the Singapore Exchange Regulation ("SGX RegCo") dated 6 July 2020. In it, SGX RegCo highlighted its expectation for sustainability reporting pursuant to the global pandemic, key extracts as follows:

*"Of particular interest is the impact of COVID-19 on the **people element** of business. The outbreak has laid bare the importance of **managing material social risks and opportunities among key stakeholder groups, such as employees, customers, suppliers and the community**. The company's response in relation to these matters **should** therefore be included in, and may even form the basis of, the social aspect of sustainability reporting."* **SGX RegCo, 6 July 2020**

In view of the COVID-19 situation in 2020 and its severe impact on business operations across the whole spectrum of the economy, the Group's sustainability approach has been slightly modified from 2019. Nonetheless, its processes for stakeholder identification and engagement (see Appendix 1) still remain unchanged from 2019. The disclosed material factors for 2020 also remain the same as in 2019, albeit with the level of impact of factors undergoing some changes as per the COVID-19 situation. Similarly, the management approach for the disclosed material factors remains the same as in 2019.

This overall continuity in approach provides both comparability and consistency across time in the Group's reporting and tracking of its sustainability performance, which is in line with the SGX Guidelines on Sustainability Reporting and with the GRI 101 Reporting Principle on Comparability.²

Each required disclosure under the *GRI Standards: Core Option* can be found in the GRI Content Index on pages 24 and 25 of this Report.

No external assurance was sought for this Report. The Sustainability Report 2020 can be accessed and downloaded via our website at www.zicoholdings.com and SGXNet. The Group welcomes feedback from its stakeholders regarding the Sustainability Report 2020. Any queries, feedback, and comments may be forwarded to joyce.yong@zicoholdings.com.

OUR SUSTAINABILITY APPROACH

Current focus

ZICO is aligned with the purposes in the ASEAN Charter “to promote sustainable development so as to ensure the protection of the region’s environment, the sustainability of its natural resources, the preservation of its cultural heritage and the high quality of life of its peoples.” ZICO’s principles on sustainability have, and will continue to be, premised on being a responsible, ethical, and inclusive service provider as we work with clients and local communities in ASEAN.



Stakeholder engagement and materiality review

Key stakeholders are those who affect ZICO’s ability to achieve its business goals while also being themselves affected by ZICO’s aspirations to become the go-to professional services provider in ASEAN. Further details of the stakeholder identification process can be found in Appendix 1. Having engaged the various stakeholders regularly and meaningfully in consideration of their relationship with ZICO, the Group has identified several key stakeholder requirements.

 Regulators	 Employees	 Shareholders	 Partners	 Clients	 Community
<ul style="list-style-type: none">• Corporate governance• Anti-corruption	<ul style="list-style-type: none">• Safe working environment• Non-discrimination• Training & development	<ul style="list-style-type: none">• Corporate governance• Shareholder activism	<ul style="list-style-type: none">• Business ethics and controls	<ul style="list-style-type: none">• Quality services• Data protection & privacy	<ul style="list-style-type: none">• Environmentally responsible policies• Community initiatives

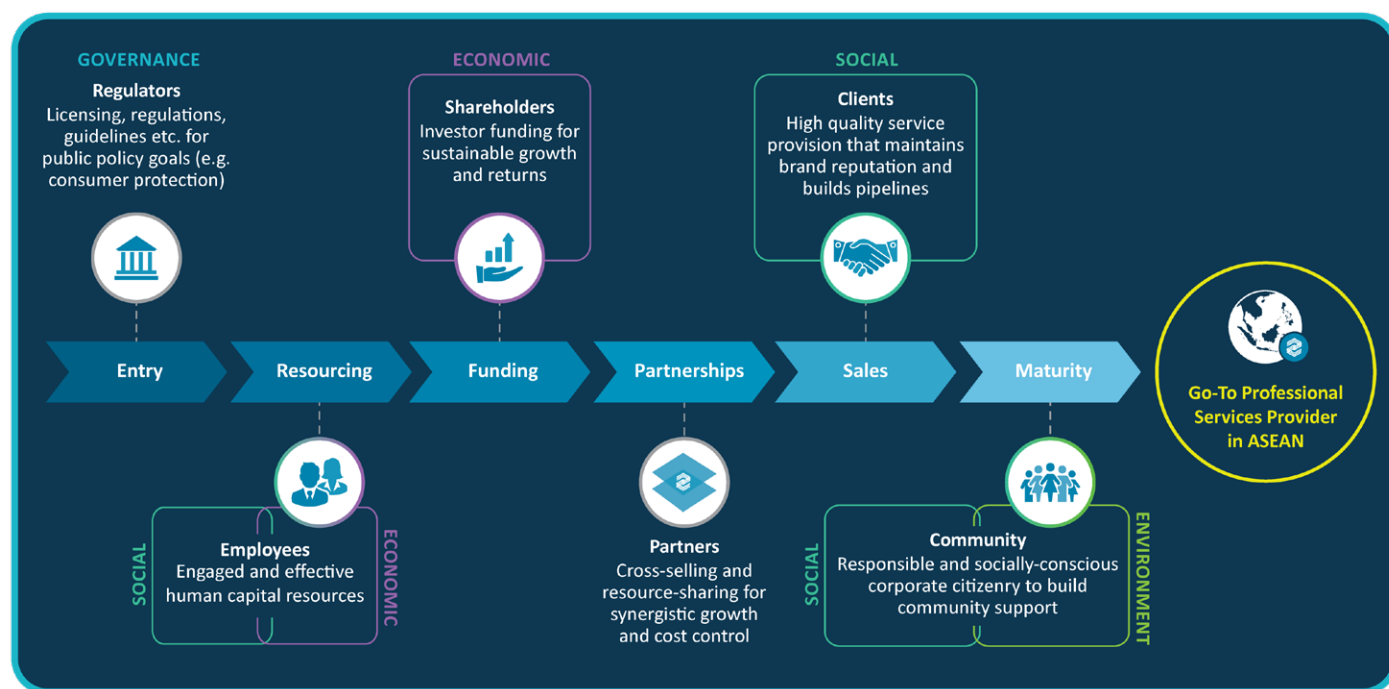


“From innovative entrepreneurs & Trusted Business Advisors to the Go-To Professional Services firm in ASEAN”



Identification of material factors

A material sustainability factor is that which reflects a reporting organization's significant impact; or that substantively influences the assessments and decisions of stakeholders.³ Based on a thorough review of ZICO's business model and its roadmap towards becoming the "Go-To Professional Services Provider in ASEAN", the Group was able to distil its risks, opportunities, and value drivers. We further took into account internal and external factors affecting ZICO's business model and the timeframe of these considerations. Together with the key issues identified during stakeholder engagements, these form a set of material sustainability factors for consideration. The material factors were then prioritized according to the degree of influence ZICO has on each sustainability area (i.e. governance, social, economic, and environmental) and on its stakeholders.



Governance

As a highly regulated professional services provider holding one of the most extensive suite of licenses, governance is a high priority sustainability area for ZICO. Regulatory compliance, internal corporate governance and codified business ethics is critical for licensing continuity and service quality. In this sense, governance is both risk and opportunity. In turn, this means that governance is an important value driver for the Group as it strives towards its business goals, whether in terms of maximizing brand equity or even just business continuity through regulatory compliance. With our geographic reach, ZICO also has the responsibility for the dissemination of good governance practices and standards beyond our immediate clients. This impact on governance touches on all stakeholders – regulators, employees, shareholders, partners, clients, and community – who rely on ZICO to perform its actions with the highest standards of integrity and professionalism. Hence, it can be established that material factors like corporate governance, anti-corruption and bribery, and adequate whistleblowing policies are of top and immediate priority for ZICO.

Social

As a multidisciplinary practice ("MDP") services firm, ZICO is in the business of people. Having access to a pool of diverse and qualified human capital is crucial for business success. The same applies to building and retaining clients' trust in our commitment to quality and controls e.g. confidentiality. Strong community relations, additionally, is a key tenet to building an extensive and insightful network throughout ASEAN. In turn, these value drivers for ZICO are also areas in which the Group creates high social impact across multiple stakeholders. For example, employee training and welfare has great impact for its employees' individual and organisational human capital development. In this pandemic era, employee wellbeing is paramount. For community, ZICO's social impact is driven by initiatives disconnected from its value chain unlike that of an organisation which procures raw inputs and materials from third parties. In times of crisis, ZICO provides support to impoverished communities whose plight have been worsened due to the pandemic. For clients, their satisfaction with ZICO's services is a major

dimension with which ZICO can measure its social impact. Having robust data protection and privacy policies is also crucial in a digitally connected society, more so in the new normal work environment. ZICO's efforts to this regard are especially important given the sensitive and confidential client information it handles as a consequence of its business. This consideration is especially salient given the global developments in data privacy and cybersecurity. Hence, given the broad and significant impact on employees, clients, and the wider community, material factors like employment; diversity and equal opportunity; training and education; customer satisfaction; and customer privacy are of high priority.

Economic

ZICO is still in investment mode; to deepen its MDP services in Malaysia and in Singapore. Shareholder value and employee benefits from the growth and maturation of the business have not been fully realised as new capabilities are still being explored and added to its suite of services. As the Group integrates and realises synergies or expand into new services and markets, the impact of economic value generated and distributed to its stakeholders is likely to increase in the medium term.

Environmental

ZICO's environmental impact is relatively low as a professional services player. ZICO's deliverables typically require standard office resources e.g. paper, energy, etc., and these present the immediate material factors to focus on as an improvement of its indirect impact on environmental sustainability. However, reducing the usage of materials and energy will improve value as it reduces costs. It is also part of a broader reputational strategy to reinforce ZICO as a responsible corporate citizen. Environmental factors have room for improvement but are of lower priority.

Summary

Based on the risk ranking and prioritisation approach outlined above, ZICO has identified the ESG factors that are material to our operations.

Impact	Area	Material sustainability factors	GRI Standard
High	Governance	<ul style="list-style-type: none"> Corporate governance Business ethics / anti-bribery Whistleblowing 	Non-GRI Non-GRI Non-GRI
High	Social	<ul style="list-style-type: none"> Employment Training and education Diversity and equal opportunity Customer satisfaction Customer privacy Contribution to community Occupational health and safety 	GRI 401 GRI 404 GRI 405 Non-GRI GRI 418 Non-GRI Non-GRI
Medium	Economic	<ul style="list-style-type: none"> Economic performance 	GRI 201
Low	Social	<ul style="list-style-type: none"> Sustainable procurement 	Non-GRI
Low	Environmental	<ul style="list-style-type: none"> Materials Energy Emissions 	GRI 301 GRI 302 GRI 305

2020 SUSTAINABILITY SCORECARD

Overview of key material factors

	2019	2020	2021 targets
Governance	Group review and update of internal controls and operating processes for the Integrated Regional Business Services to improve fee earner productivity	Revamp of business continuity plans, group review of existing whistleblowing policy, rollout of anti-corruption and bribery policies and revamp of business continuity plan	Complete review and implementation of anti-corruption and bribery policies and frameworks, along with relevant staff training
	Retained <i>SGX Fast Track</i> status	Retained <i>SGX Fast Track</i> status	Retain <i>SGX Fast Track</i> status
Social	63% female employment	63% female employment	Maintain support for workplace gender diversity
	IWD campaign in March incl expert talks on female empowerment and managing mental stresses, charity visits, and an internal initiative on appreciating fellow colleagues	IWD campaign interrupted due to clash with strict lockdowns and move to WFH	Resume IWD celebration in a meaningful way with a focus on celebrating women's achievements, challenging gender stereotypes, and supporting our ZICO women in the endeavours including SHeAdvocates initiatives
	9.06 hours of training per staff (163% increase)	5.4 hours of training per staff (40% decrease)	Continue investing in employee upskilling and education, with new focus on ESG topics
	Supporting UNHCR's efforts to provide for the refugee community in ASEAN	Food relief for impoverished Myanmar community due to Covid-19	Continue to support charitable organisations and under-privileged communities in ASEAN
	Group health & safety audit of offices	Flexible work arrangements, COVID-19 workplace measures	Continue to carry out government required rulings on workplace safety
	Launch of "Total Wellness Initiative" ("TWI") for employees	"TWI Relax, Move, Play" launched to support employee wellbeing incl virtual yoga & HIIT exercise classes	Conduct TWI Mental Wellness Month to break mental health taboo and provide support to employees
Environmental	Restricted usage of single-use plastics i.e. bottled water to client hospitality purposes	Single-use plastics maintained for client hospitality usage due to COVID-19 safety measures, ZICO iPledge campaign to reduce single-use plastics	Continue recycling of input materials i.e. paper and eliminating unnecessary consumption of single-use plastics
	226,471.77 kWh in energy used (5% decrease)	191,882 kWh in energy used (15% decrease)	Reduction of energy consumption and carbon emissions due to lockdowns and WFH arrangements
	136 tonnes of CO2 produced (5% decrease)	117 tonnes of CO2 produced (5% decrease)	

Performance and targets across specific material factors

CORPORATE GOVERNANCE

As a publicly listed professional services company with an extensive licence suite, ZICO is required to uphold its corporate governance to the highest possible standard. This commitment is integral to ensuring long-term business sustainability while safeguarding shareholder interests, and maximising long-term shareholder value. For detailed disclosures on corporate governance practices, Board composition, Board independence, and Board performance amongst others, please refer to the Corporate Governance Report in the Annual Report 2020, pages 16-45.

As the pandemic was unfolding, ZICO reacted promptly to ensure continuity of the Group's operations. ZICO adopted a phased approach to the implementation of its Business Continuity Plan ("BCP") in relation to the COVID-19 outbreak. In that respect, the following actions were undertaken:

- **Formation of a COVID-19 Group Risk Management Committee.** A committee was formed and headed by the Chief Risk Officer. This committee was subsequently referred to as the CRMC. Members comprised Head of Legal, Chief Information Officer and the Regional Director Human Resources. ZICO's Executive Directors were directly engaged as well. The Committee's role is to formulate, implement, and coordinate appropriate measures to maintain business operation while ensuring staff safety. The committee consulted with other departments heads and the Heads of Businesses.
- **Phased BCP.** As ZHI and its subsidiaries function in multiple jurisdictions throughout ASEAN, the times of deployment of the phased approach varied from jurisdiction to jurisdiction depending on the local circumstances at those jurisdictions. Phase I is classified as a situation where there is imminent threat in the local community, in which case advisories on flexible working arrangements and social distancing will be issued. Phase II occurs when there is a mass outbreak and there are impending lockdowns. In this scenario, additional or modified measures include split teams and logistics preparing for lockdowns. Phase III scenario is during full lockdown in which case, the office would be fully remote. For those offices, CRMC will monitor daily and as when required, will prepare for logistics upon lifting of lockdown. In all phases, CRMC monitors the government rulings in each jurisdiction to ensure continuous compliance. Where required, CRMC will appeal, or assist the Head of Business in the appeal, for exemptions to facilitate uninterrupted operations.

The COVID-19 BCP is documented in the Safe Management Measures for Singapore, and the In-Office Protocol to be read with the Split Team Guidelines for the Malaysian offices. The CRMC progressively updates these documents based on the prevailing government ruling (further outlined in the disclosure under *Employee*).

As with most businesses in the professional services sector, ZICO's operations slowed down in 2020. However, the Group was able to maintain the standards of governance it is required to uphold. ZICO as a group continues to be licensed by various authorities in Malaysia and Singapore.

Company	Regulating body
ZICO Trust (s) Ltd	Monetary Authority of Singapore
ZICO Trust Limited	Labuan Financial Services Authority (Malaysia)
ZICO Shariah Advisory Services Sdn Bhd	Securities Commission of Malaysia
ZICO Asset Management Pte. Ltd.	Monetary Authority of Singapore
ZICO Capital Pte. Ltd.	Monetary Authority of Singapore
ZICO Capital Sdn. Bhd.	Securities Commission of Malaysia

On 16 November 2020, the Singapore Exchange Regulation (SGX RegCo) retained ZHI under the *SGX Fast Track* programme in recognition of ZHI's continued efforts and achievements in upholding high standards of corporate governance. The programme will allow ZHI prioritised clearance for selected corporate action submissions to the SGX RegCo (e.g. circulars, requests for waiver and applications for share placement).

2021 targets

- Review, and update if necessary, of the BCP
- Maintain ZHI's continued excellence in corporate governance and retain *SGX Fast Track* status



BUSINESS ETHICS / ANTI-BRIBERY

ZICO adopts a zero-tolerance policy to dishonesty, bribery and corruption. The Group is committed to acting professionally, fairly, and with integrity in delivering our services and maintaining business relationships, wherever we operate. This credo is critical to the Group's business continuity, branding, and reputation as trusted advisors. The Group continually reviews controls to ensure business is conducted in an ethical manner and in compliance with anti-corruption regulations with a view to attaining zero non-compliance incidents. The Group does not tolerate any malpractice, impropriety, statutory non-compliance or wrongdoing in its business operations.

The amendments to the Malaysian Anti-Corruption Commission ("MACC") Act ("MACCA") expanded liability for corruption to commercial organisations⁴, with the legislative changes slated to be enforced in June 2020. Organisations must demonstrate that they have taken preventive steps against corruption by institutionalising adequate procedures. The MACC issued guidelines, duly named Guidelines on Adequate Procedures ("GAP"), at the end 2019.

As per our commitments in Sustainability Report 2019 ("SR2019"), the Group conducted the following:

- **Approval and adoption of the revised Group Anti-Corruption and Bribery Policy.** The revised Group Anti-Corruption and Bribery Policy was in Q1 2020, superseding the version dated Q4 2018. It applies to all subsidiaries in all countries.
- **Employee trainings on the revised policy.** The GAP was shared by the Chief Risk Officer with the Group's leadership and management in Q1 2020. Groupwide training sessions for designated personnel from the subsidiaries were conducted via the ZICO Holdings' Groupwide Risk and Compliance Training Sessions throughout 2020. Amongst others, employees were educated on risky actions which may be deemed as a bribe, reminded of proper claim procedures and record-keeping e.g. maintaining a gift register.

Any instances of suspected or alleged bribery is part of **the monthly reporting to the Escalation Committee consisting of the management heads**. In 2020, there were no reported instances of bribery. Going forward in 2021, the policy and procedure will be reviewed to ensure that anti-bribery controls are sufficient in line with our zero tolerance policy.

2021 targets

Annual review, and update if necessary, of the Group Anti-Corruption and Bribery policy to ensure relevance and adequacy



WHISTLEBLOWING

Given the confidential nature of ZICO's businesses, high-level of integrity and proprietary is sacrosanct. Any activity that jeopardises ethical business conduct, the listing status or suite of licences held by ZICO is unacceptable. Issues like corruption, conflicts of interest, breaches in internal controls, collusion with competitors, insider trading, and disciplinary misconduct amongst others have a real impact on the Group's continued success and its stakeholders' interests. For example, insider trading (whether of ZICO's shares or of other third parties such as clients) hurts the wider community and their interest in fair capital markets.

The Group Whistleblowing Policy was reviewed in 2020 as per our commitment in SR2019. No changes to the policy were required. However, but, as an additional measure, information on the website to be updated and additional contact points provided. Based on the register maintained by the Chief Risk Officer, there were no reported instances of whistleblowing in 2020. Going forward, the policy and procedure will be reviewed to ensure that trusted avenues continue to be in place for stakeholders to report alleged wrongdoings.

2021 targets

Annual review, and update if necessary, of the Whistleblowing policy by Group Risk and Compliance to ensure adequacy



EMPLOYMENT

As a provider of professional services, the Group's employees are the cornerstone of its business as they determine the quality and efficiency of service delivery. ZICO adopts fair, progressive, and non-discriminatory employment policies which cover hiring practices and remuneration amongst others, to attract and retain talent.

NEW HIRES							
TOTAL	AGE GROUP			GENDER		REGION	
	<30 yo	30-50 yo	>50 yo	♂ Male	♀ Female	Singapore	Malaysia
22	6	15	1	9	13	14	8

EMPLOYEE TURNOVER							
TOTAL	AGE GROUP			GENDER		REGION	
	<30 yo	30-50 yo	>50 yo	♂ Male	♀ Female	Singapore	Malaysia
38	15	18	5	16	22	10	28

Group HR standardises, and where required, localises the terms of employment and benefits according to market practices in the different jurisdictions. Where possible, ZICO has accommodated talent's requirements to fulfil various personal and family commitments. Such arrangements include a reduced work week e.g. 3-day work weeks, reduced working hours e.g. fixed number of hours per month, and remote working i.e. telecommuting. As a result of this organisation culture, the Group was able to quickly adapt to flexible work arrangements when the countries instituted lockdowns. Furthermore, as a proactive measure to formalise the new normal, employees now have the option to opt for permanent WFH from 2021 onwards.

The Group strongly believes in the importance of inculcating a sense of belonging amongst its employees, more so, during a year that the disenfranchised the conventional work environment. The usual employee interaction, in-office celebrations and recreational activities that built the spirit of togetherness among the ZICO family has been disrupted, further compounded by individual challenges of being under lockdown.

With the aim of fostering camaraderie in the WFH environment, the Group organised ZICO Doodle Crush 2020, an online draw and guess contest among ZICO and ZICO Law employees. The initiative was well-received as the event drew participation from almost 10% of the collective workforce of ZICO and ZICO Law across seven countries.



2021 targets

Continue to encourage, support, and invest in more employee-led initiatives e.g. sports and wellness club to maintain employee engagement and teamwork



DIVERSITY AND EQUAL OPPORTUNITY

In addition to skills and experience of our human capital, ZICO firmly believes in workplace diversity and inclusiveness as a key success factor for its business. As a business in and from ASEAN – one of the most diverse regions of the world – the Group recognizes the value that diversity brings. The Group does not discriminate against any employee based on race, religion, gender or political belief. Hiring and career progression is solely merit-based. As highlighted earlier, working hours are flexible and family-friendly to encourage staff to strike the right balance between work and life.

EMPLOYEE COMPOSITION BY GENDER AND AGE

CATEGORY	GENDER		AGE GROUP		
	♂ Male	♀ Female	<30 yo	30-50 yo	>50 yo
 Management	28	49	2	50	25
 Executives	36	62	46	46	6
 Non-executives	5	7	5	4	3

Here at ZICO, we take pride in our gender statistics. As of 31 December 2020, 63% of the Group's workforce is female, which is above the average female labour force participation rate globally and in their respective countries. Female management was almost double of their male counterparts. The Group also stands firmly against exploitation of minors and employs no one under 18 years of age.



2021 targets

- Maintain support for gender diversity and female empowerment at the workplace
- Resume International Women's Day celebrations



OCCUPATIONAL HEALTH AND SAFETY

ZICO is committed to continuously improve on occupational health and safety despite being a relatively low-risk workplace environment. In years prior, the Group conducted health and safety audits in all its offices, reviewed evacuation plans and practised safety measures e.g. removing safety hazards that may impede quick exits during emergencies.

In Q1 2020, CRMC developed the Safe Management Measures (“SMM”) for Singapore, and the In-Office Protocol to be read with the Split Team Guidelines for the Malaysian office, from the revised BCP in response to the government rulings on managing the COVID-19 pandemic. These policies guided the continuity of operations amid the pandemic and were continuously updated to reflect the governments’ rulings on gradual resumption of businesses post-lockdown.

Under the SMM, Safe Management Officers (“SMO”) were appointed to implement the SMM and empowered to monitor adherence. The office premises were only accessible during normal operating hours. The subsidiaries primarily operated on split team arrangements within the allowable limits at any point in time, Physical meetings were discouraged and cross-deployment between employees, even outside of work, were restricted. All employees were regularly reminded to responsibly observe social distancing measures, whereas vulnerable groups e.g., pregnant staff were advised to fully WFH. Disposable masks and hand sanitisers were available for employees if required. The number of visitors were limited and managed via centralised meeting booking systems. Anyone entering office premises were required to undergo temperature screening and facilitate contact tracing via check in and out using Safe Entry procedures. The SMOs were tasked to supervise daily sanitisation of common areas and diligent cleaning routines.

The practices in the Malaysian offices were largely the same. All employees were required to check in and out using the MySejahtera app to enable contact tracing. The Malaysian office went further to deploy a health and safety mascot, Dr Pico, as a friendly visual reminder to engage employees on health and hygiene practices during the pandemic.



As of 31 December 2020, none of ZICO’s employees in Singapore and Malaysia have contracted COVID-19 in or outside of the workplace. In 2021, the Group will support all vaccination efforts. Additional leave will be granted within a reasonable timeframe of each job to encourage all employees to take the vaccination when they are offered by their respective governments. If required, the Group will support efforts to batch procure vaccinations from the private hospitals if the waiting period is protracted.

2021 targets

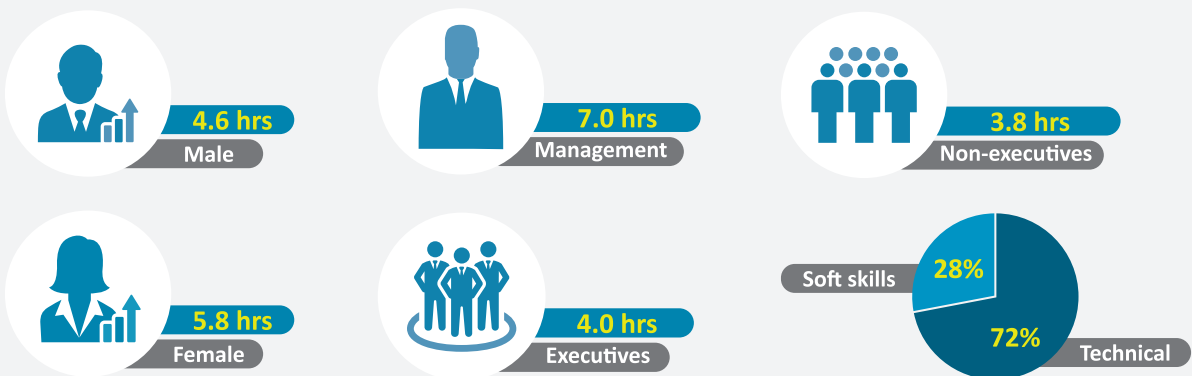
- Continue annual health and safety review of all offices
- Review, and update if necessary, of the BCP and Group occupational health and safety policy(s)



TRAINING AND EDUCATION

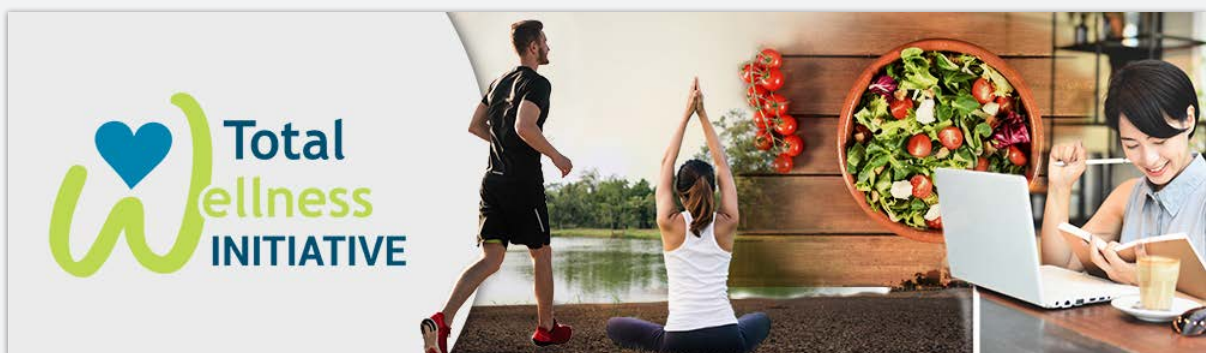
ZICO has always placed strong emphasis on a culture of learning and development in the workplace. The regional knowledge management and training department is tasked to coordinate training needs for the whole Group, typically focused on technical needs and soft skills. Such programmes are conducted periodically in combination with external training sessions which are utilised as and when required. ZICO's e-learning platform and recorded sessions provide further access to resources.

However, due to the disruptions in 2020, the Group's training cadence was adversely affected. The average number of training hours per employee is 5.4 hours, a 40% decrease from 2019 (9.06 hours per employee) but still 57% higher than 2018 average (3.45 hours per employee). Nonetheless, upskilling efforts continue to form part of annual performance evaluation, whereby each employee is required to achieve training points commensurate with their level of performance. In 2020, 95% of employees received regular performance and career development reviews i.e., 67 persons of managerial level, 69 executives, and 6 non-executives throughout the Group.



Our 2020 training initiatives were very focused around helping employees meet and adapt to the challenges brought about by the COVID-19 pandemic, ranging from business challenges, economic outlook, as well as adapting to remote work in a virtual environment. The Group focused on deepening awareness and understanding of risk and compliance to meet the risk challenges brought about by COVID-19.

The Total Wellness Initiative ("TWI") was first launched in 2019 as part of the Group's efforts to address the mental and physical health issues related to the high-stress environment of the professional services industry, while also boosting workplace morale. The TWI Relax, Move, Play activities were launched to support employee wellbeing incl virtual yoga & HIIT exercise classes. In the pandemic year, the activities were all conducted virtually.



The Group also ran virtual fireside chats with various senior leaders of ZICO and ZICO Law who reflected on their respective journeys through life. They inspired the audience, shared insights and experiences and freely gave advice on career goals and work-life balance. These sessions saw some of the highest participation rates as many employees who were keen to learn from the successes of their leaders.

Moving forward, the Group remains focused on increasing the depth and breadth of its training programmes to meet the changing needs and aspirations of its employees. In line with the Group's strategic pivot to ESG values, 2021 will see a new focus to internalise the ESG values through the Green Learning Sessions on environmental sustainability. In learning how ESG strategies improve businesses, these will guide and inspire the employees to incorporate these values in their services to clients.



From March 2021 onwards, the Malaysian subsidiaries will be required to contribute to the Human Resources Development Fund ("HRDF") pursuant to an amendment of the First Schedule Order of the Human Resources Development Fund Act. In turn, our Malaysian employees can make use of the training programs run by or are under the sanction of the HRDF, claimable under the *Skim Bantuan Latihan* and *Skim Latihan Bersama*.

2021 targets

- Continue investing in employee upskilling and education, especially in areas in which employees have demonstrated interest
- Conduct a mental health program for employees
- Develop and implement guidelines on HRDF claimable training



CUSTOMER SATISFACTION

Customer satisfaction is a main measure of ZICO's success, moreover, as ZICO built its service suite around clients' business lifecycle. The key differentiating factor and competitive advantage of the ZICO multidisciplinary platform is our comprehensive range of services with wide geographical coverage. Furthermore, the carve out of support functions into the Integrated Regional Business Solutions allows the Heads of Businesses to dedicate greater focus on client delivery. This award-winning business model enables the Group to provide clients with high-quality yet cost-efficient solutions. In 2021 and beyond, the investment strategy remains to broaden and deepen service offerings in each jurisdiction.

In early 2020, ZICO subsidiaries were quick to assure clients that the Group remains steadfast in delivering services with minimal disruptions, even as the pandemic was unfolding. Clients were progressively updated with each key event. Proactive client communication is key to maintaining customer satisfaction.



ZICO Law Myanmar's Commitment to Serve You amidst the COVID-19 Situation

Myanmar

Expertise: Law

23

March 2020

As the COVID-19 global outbreak continues to evolve, we are facing this unprecedented situation together. We are closely monitoring the situation in Myanmar where our top priority is to ensure the health and safety of our people, clients and certainly, to ensure the continuity of our services without interruption.

We remain fully committed to you, our clients, to deliver high quality legal and advisory services during these challenging times. We have put in place business continuity plans to ensure minimal disruptions to our daily operations that include:

- **Split Working Team Rotations**, as part of our social distancing measures to minimise exposure of our staff and clients, for the period 23 March 2020 to 3 April 2020;
- **Minimising physical / face-to-face meetings** (to the extent possible) by converting to online meetings; and
- **Leveraging on technology solutions** for communication and collaboration.

We understand that you may have questions during this time of uncertainty, whether of immediate concern or those that may affect your business in the near future. Please do not hesitate to reach out to us if we may be of assistance. We have a growing collection of articles and materials relating to the COVID-19 outbreak at the ZICO Law COVID-19 Resource Hub, including a recently released comparative overview of employment issues ASEAN employers should consider in discharging their duties towards their employees.



ZICO Law Laos' Work from Home Protocols

Laos

Expertise: Law

30

March 2020

Further to our [communication on 24 March 2020](#), we write to inform you that the Prime Minister of Lao PDR has issued **Order No. 06/PM dated 29 March 2020** requiring government offices and the private sector to suspend regular workplace activity and arrange for all employees to work from home until 11 April 2020, except in banking and financial, utility, retail, and medical and hospitality sectors, and announcing public holiday for Lao New Year celebration from 12 April to 19 April 2020. A copy of Order No. 06/PM is attached for your reference.

With this development, rest assured that we at ZICOLaw Laos (Sole) Co., Ltd. have our own business continuity plan in place. During this period, although our office premises will be closed, we continue to be operational and reachable through email, telephone, our Microsoft Teams video conferencing system, or any other communication applications or devices. We are committed to maintaining our legal services delivery and business operations with minimum disruption. We are confident that all ongoing clients' needs can be serviced effectively despite the constraints in these challenging and uncertain times. Needless to say, given the situation in the current environment, the health and safety of our lawyers, staff and clients continue to be paramount.

For any questions, please contact our team at ZICOLaw (Laos) Sole Co., Ltd. or our Managing Partner, [Aristotle David](#). Our thoughts and prayers go out to those affected by the COVID-19 virus and their loved ones. We hope you and your family remain safe, healthy and vigilant.

2021 targets

Resume progressive rollout of client satisfaction measures across the Group to track performance



CUSTOMER PRIVACY

Data privacy is an especially relevant issue in today's digitally connected world, heightened as the world moved to a virtual marketplace in 2020. Transmission of confidential and sensitive data demands adequate governance and regulatory frameworks to protect the rights of data owners who are unforgiving of any breaches. Given the Group's business as a professional services provider inclusive of regulated services, client confidentiality and data protection are paramount to our continued success. High standards in customer privacy provides good brand reputation, provides assurance and confidence to clients and partners for continued business relationships and new ventures, and avoids legal and compliance risks with respect to data protection regulations.

ZICO has put in place Personal Data Protection Policy at group and subsidiary levels. Where required, some subsidiaries have in place a policy on the European Union General Data Protection Regulation as well. These policies are subject to annual review. No changes were made in 2020 to these Policies. As of 31 December 2020, the Group has not received any complaints concerning breaches of customer privacy and/or complaints from regulatory bodies. There have been no identified leaks, thefts, or losses of customer data.

In addition to data protection policies, the Group also has in place a variety of resources to safeguard confidential and proprietary information. Resources available include cybersecurity measures (e.g., firewalls) and secured locations with controlled access to sensitive data (e.g. separate data servers). In 2020, multi-factor authentication was an added security verification deployed to protect ZICO's employees, intellectual property, and as a direct result, customer privacy. In 2020, there were nil complaints of breach of customer privacy either directly from clients or from regulators. Going forward in 2021, in addition to inclusion of customer privacy breaches as a reporting item to the Escalation Committee, there is a need to critically review the Disaster Recovery Plan ("DRP") in our efforts to continuously navigate the uncertainties of the pandemic.

2021 targets

- Annual review of Personal Data Protection policies, privacy safeguards, resources, and employee trainings
- Review, and updated if necessary, of the DRP



ECONOMIC PERFORMANCE

As with most businesses in 2020, ZICO's performance took a hit. 2020 revenue decreased by 17.5% from RM77.8 million to RM 64.2 million. 2019 employee benefits expense decreased by 9.8% from RM54.9 million to RM49.5 million. For more information on the Group's economic performance, please refer to pages 58-146 of the Annual Report 2020.

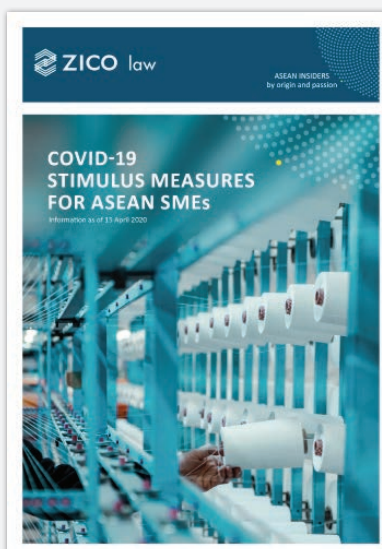
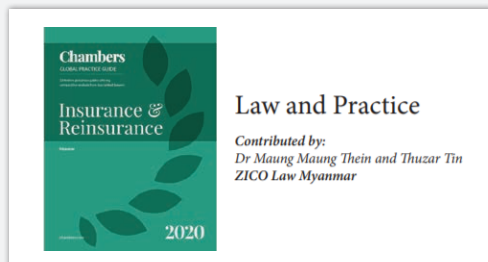


*Figures are for the entire Group's economic performance across ASEAN – not just for its operations in Singapore and Malaysia.

CONTRIBUTION TO COMMUNITY

As an ASEAN business, ZICO is reliant on the 670 million people residing in ASEAN countries. As Asia's 3rd largest sub-region by population with a median age of 30.2 years old, ASEAN's potential lies in its people. Accordingly, ZICO's potential can only be realised if the Group is invested in the holistic development of the region's communities.

The Group's leadership are active in thought leadership and leading discussions on impactful topics is our way of contributing towards ASEAN's development. The ZICO subsidiaries in the legal sector participated in the setting up of the COVID-19 resource hub for ASEAN together with the rest of the ZICO Law network.



Our Myanmar subsidiary, ZICOLaw Myanmar Limited, provided emergency relief for families most impacted from COVID-19 in the Hlaing Thar Yar township of Yangon. COVID-19 lockdowns have forced the factories and industrial complexes in Hlaing Thar Yar to close – leaving its families in urgent need of support, particularly essential food items without which families have been forced into hunger. More than 100 households were provided with food donation packs consisting of essential food items like rice, oil, beans, canned fish, and other dried food items. All donations were made to the We Love Hlaing Thar Yar Charity to help township families and the local community.



2021 targets

Continued support for ASEAN-focused community initiatives (e.g., panel discussions, thought leadership, charity initiatives etc.) with a focus in the environment space



SUSTAINABLE PROCUREMENT

The Group's procurement impact is comparatively low and limited to office essentials e.g., stationery, pantry supplies and cleaning materials. The Group continues to have in place a procurement policy which sets out the processes for a fair and transparent selection of suppliers including the criteria and basis for selection. Where possible, the Group will purchase locally and domestically made products.

Since 2020, there will now additional procurement of disposable masks, hand hygiene and sanitisation items in the foreseeable future until COVID-19 is no longer a threat. During times of crisis, there were momentary global shortages of these additional items and procurement process was dictated by availability. Since then, the procurement has reverted to the same process as all office essentials.

MATERIALS

Since 2018, ZICO launched its Green Office Initiative ("GOI") as a conscious call to action to reduce office activities that may have an adverse environmental impact. The efforts include going paperless where possible, compounded by a switch of printer default settings to limit ink wastage.

In 2020, the Group purchased 352.5 kg of paper in the Singapore and Malaysian offices, compared to 362.0 kg of paper in 2019. In this regard, the Company wishes to issue a correction to its sustainability report for FY2019, where it states on page 22, that the volume of paper purchased in 2019 is 162.5 kg. The accurate volume of paper purchased in 2019 is 362.0 kg. As such, the paper consumption did not decrease significantly despite operations shifting offsite during the pandemic. The sudden and strict call for lockdowns necessitated the one-off printing of a significant number of confidential documents for WFH or to be couriered to clients given reduced physical interactions. Due to default double-sided printing, reasons of confidentiality, and record-keeping requirements, based on management estimates, the amount of paper that is available for recycling is only 30% of the purchased amount out of which, almost 85% is recycled. Moving forward, the Group will continue our endeavors to improve on usage of recycled papers as part of the GOI.

Since 2019, the Group has confined all usage of plastic water bottles to such purposes and has limited their availability to meeting rooms which host external parties. This continues to be the practice in 2020 given the new health and safety requirements. Pursuant to ZICO's pivot towards ESG values, the inaugural ZICO iPledge was launched as another conscious collective effort to reduce personal usage of single-use plastics.

We achieved 4875 iPledge Days!

The ZICO iPledge campaign, our CSR event for 2020, was launched on 20 Nov 2020 and ended on 31 Dec 2020. During this campaign, there were weekly messages going out to employees of all ZICO Group of Companies on the harmful effects of our addiction to plastics and the nearly indestructible nature of it morphing into a global environment hazard. The objective of the ZICO iPledge campaign is to create awareness to urge all employees to consciously avoid single-use plastics in form of a pledge. We are pleased that as 31 Dec 2020, there was a total of 4875 ZICO iPledge days! We are grateful for the support and hope all those who have taken up iPledge will continue to wage war against single-use plastics.

2021 targets

Continue to encourage recycling of paper where possible, and eliminating unnecessary consumption of single-use plastics (i.e. plastic water bottles)



ENERGY

All ASEAN countries continue to be members of the Paris Agreement. As a business that is centred on ASEAN, ZICO is intent on minimising any adverse environment impact of its operations even as we seeks to expand our business presence. In view of the threat posed by climate change, responsible corporate citizenry demands that businesses – regardless of sector and industry – play their part in steering a course towards sustainable development by adopting environmentally friendly practices wherever possible. The Group takes this responsibility seriously and is committed to doing its utmost to reduce its carbon footprint. We have always and will continue to encourage energy conservation by switching off the lights when leaving their workplace and switching off office equipment or computers when not in use. Some offices have switched to automated motion-sensor lighting systems in common areas as part of its efforts for further energy conservation.

In 2020, the in-office energy consumption has reduced by 15.7% from 2019 levels due to lockdowns. Conversely, the energy intensity has marginally increased due to lower sales contributions. Nonetheless, ZICO's efforts towards reducing its carbon footprint will continue in 2021 and beyond.

Energy consumption & intensity

		2019	2020
Total electricity consumption (kWh)	 For Singapore:	78,774	58,265
	 For Malaysia:	147,698	133,617
Total	Total electricity consumption (kWh)	226,472	191,882
	Energy intensity (kWh per RM)*	0.00291	0.00299

*Energy intensity is calculated by taking the total energy consumption divided by each dollar (ringgit) of sales.

2021 targets

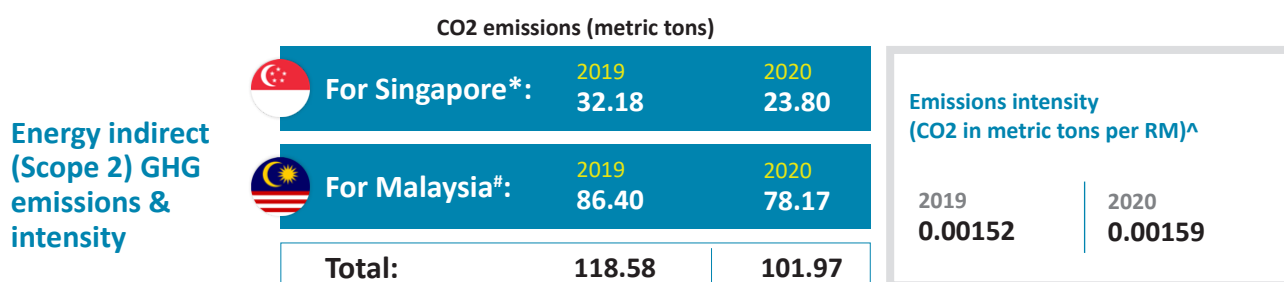
Continue with GOI efforts through implementation of energy-saving policies and switch to energy-efficient technologies, where possible



EMISSIONS

Although the Group does not produce emissions directly from its business operations, it does contribute to emissions indirectly from the consumption of energy produced from carbon-based fuels (see above under the disclosure for Energy). As per the GRI Standards, the Group's GHG emissions are disclosed using the guidelines of the Greenhouse Gas Protocol ("GHG Protocol").⁵ For the purposes of SR2020, the Group's reported energy usage is confined to its Singapore and Malaysia offices, its GHG emissions are associated with purchased electricity in accordance to Scope 2 of the GHG Protocol.⁶ No other gases besides CO₂ are included in its calculation of GHG emissions since the Group's electricity consumption in each location is used to proxy for its GHG emissions from the variety of carbon-based fuels utilised by each location's energy grid. Since CO₂ is the only reported emission, reference to the global warming potential of the Group's emissions is not applicable.⁷

The 2020 year-on-year in-office emissions reduced by 14%, primarily due to lower electric consumption. Accordingly, the emissions intensity charted the slight uptick as energy intensity due to lower sales contribution. It is noted that the national power grids have also improved their carbon footprint, creating a direct positive spillover to the Group. Moving forward, we continue to encourage employees to continue with video-conferencing and online workspaces to reduce GHG emissions arising from transportation.



*Based on Singapore's 2019 Grid Emission Factor (GEF) of 0.4085 kg CO₂/kWh, 2019 figure updated as SR2019 referred to 2015 GEF.

#Based on Peninsular Malaysia's 2017 GEF of 0.585 kg CO₂/kWh, 2019 figure updated as SR2019 as referred to 2014 GEF.

[^]Emissions intensity is calculated by taking the total CO₂ emissions divided by each dollar (ringgit) of sales.

2021 targets

Progressively improve the Group's carbon footprint starting from implementation of energy-saving policies and continuation of virtual workspaces and communications



¹ See pages 8 and 85 of Annual Report 2020.

² See SGX Practice Note 7.6, SGX Guide to Sustainability Reporting for Listed Companies. Also see GRI 101: Foundation 2016.

³ Based on the GRI Standards' definition of "material topic" as in GRI 101: Foundation 2016.

⁴ Under the amendments, "commercial organisations" include companies incorporated in Malaysia regardless of place of operations, and companies with operations in Malaysia regardless of place of incorporation.

⁵ The reporting requirements for GHG emissions are based on the requirements of the 'GHG Protocol Corporate Accounting and Reporting Standard' ('GHG Protocol Corporate Standard') and the 'GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard' ('GHG Protocol Corporate Value Chain Standard'). These two standards are part of the GHG Protocol developed by the World Resources Institute (WRI) and the World Business Council on Sustainable Development (WBCSD).

⁶ The GHG Protocol has established a classification of GHG emissions called 'Scope': Scope 1, Scope 2 and Scope 3. Direct GHG emissions (i.e. emissions from sources directly owned or controlled) are classified under "Scope 1"; energy indirect GHG emissions (i.e. emissions from the generation of purchased energy) are classified as "Scope 2" and; other indirect GHG emissions (i.e. emissions outside the organisation) are classified as "Scope 3".

⁷ This is the value describing the radiative forcing impact of one unit of a given GHG relative to one unit of CO₂ over a given period of time.

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(Material sustainability factors in **bold**)

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APPENDIX 1

Stakeholder identification



I. Entry

Upon the launching and continuation of business operations, regulators need to be engaged to obtain the necessary licenses while also complying with regulations, guidelines, standards etc. in order for market entry to succeed. Four of the Group's business lines (i.e. trust, shariah advisory, corporate finance & capital markets, and asset & wealth management) are licensed businesses with stringent regulatory compliance requirements. In addition to these business lines, the Group also provides legal services in Lao PDR, Thailand, and Myanmar according to relevant local laws and requirements. Regulators seek – through policy levers and rulings mentioned above – to achieve public policy goals including service quality, consumer protection, anti-corruption, data regulation, etc. This impacts ZICO not only in terms of its licensed businesses but also in terms of its status as a publicly listed company.

II. Resourcing

Human capital is a crucial resource for professional services organizations. Having engaged and effective employees is critical to the Group's success, and providing equal opportunities to all employees to succeed also helps ensure that key talent is retained. On the flipside, employees have needs which are met by employers. Beyond adequate wages, the Group's employees depend on it to provide them with a safe, supportive, and non-discriminatory environment that is conducive to their growth as working professionals while also allowing for them to pursue other non-work related goals e.g. starting a family and staying healthy during a pandemic.

III. Funding

Business expansion requires capital and a key source of this for ZICO has been shareholder funds. Through its listing, ZICO leverages shareholder funds to invest in the Group's expansion into different business lines and different markets as it seeks to establish itself in the professional services sector. In return, shareholders seek to enjoy returns from their investments. As a criteria for investment, shareholders would need to be confident in the governance policies and practices of ZICO which ensure transparency, accountability, and sustainability of the business.

IV. Partnerships

Having strong partnerships acts as a multiplier for the ZICO multidisciplinary practice (MDP) platform. With the ZICO Law network as a brand partner with the Group under one ZICO brand, cross-selling between non-legal and legal services across the spectrum of professional services demanded by clients can occur within the allowable limits of their respective professions in different jurisdictions. Both the Group and its partner (the ZICO Law network) gain from the increased pipeline. At the same time, sharing of support services between the ZICO Law network and the Group also allows for cost reductions and greater efficiencies in the usage of resources for both parties. With the sharing of support services, ZICO's governance policies must be robust enough to ensure sensitive client information from the ZICO Law network is not utilised in an improper manner.

V. Sales

As business advisors, the Group provides high quality professional services to meet the needs of its clients. Maintaining high standards in the delivery of its services plays an important role in ensuring repeat business, client referrals, and overall brand reputation in the industry. Of equal importance is the need for client data privacy given that the Group is privy to confidential client information due to the nature of its business. Such information is sacrosanct; must be adequately protected to ensure client interests are safeguarded and their confidence in ZICO is not misplaced. With the confidence of its clients assured, a sustainable business pipeline can be maintained while also providing opportunities for expansion as more clients benefit from the Group's range of services.

VI. Maturity

As the Group's business grows, the impact of its activities on the wider community needs to be considered in order to meet societal expectations and demands for companies to go beyond the bottom line. Reputational and image risks need to be managed and indeed, turned into advantages which can bolster ZICO's branding and increase community support for its success e.g. more successful hiring and better talent retention. Communities themselves can benefit from the Group's efforts in corporate social responsibility (CSR) that can range from environmental protection programmes (e.g. cutting back on paper usage and single-use plastics) to charitable engagements to aid the under-privileged.

Stakeholder engagement

In order to ensure the sustainability of the Group's business and better understand the concerns of its stakeholders, the Group employs a range of engagement measures with each of them.



For Regulators

Since 2017, compliance policies have also been put in place for ZICO Trust Limited, ZICO Trust (S) Limited, ZICO Shariah Advisory Services Sdn Bhd, and ZICO Capital Pte Ltd. In 2018, compliance policies for ZICO Capital Sdn Bhd and ZICO Asset Management Pte Ltd were put in place. These compliance policies are regularly reviewed and updated.

In 2020, health and safety policies in workplaces across jurisdictions have been developed and implemented in accordance to the respective government rulings on the management of the COVID-19 pandemic.

For Employees

The Group engages its employees through internal communications initiatives like surveys while also seeking to promote employee development through regular training sessions and performance appraisals. During festive occasions and/or company social gatherings, employees are also given the opportunity to interact with management and communicate any feedback they might have. Virtual teambuilding exercises enable socialising while observing safe distancing measures and online trainings provide alternative avenues continuous personal development. The Group has also undertaken internal initiatives to improve employee wellbeing, including mental health.

For Shareholders

In order to ensure shareholders receive timely and comprehensive information on their investments, the Group provides them with regular updates and announcements on its website in addition to those on SGXNet. ZHI's annual reports and circulars also serve as another avenue of regular information on the organization. Investors are welcome to attend shareholder meetings to interact with ZHI's Management and contribute to discussions on the Group's performance, sustainability, and future plans.

For Partners

As part of a strategic collaboration between ZICO Law and the Group, both sides hold joint marketing and business development events and initiatives to go-to-market together. Such events and initiatives also help both parties understand each other's needs and capabilities which then eases future joint pitches to clients. In addition to these, management and key staff from both ZICO Law and the Group meet regularly to align priorities and goals as one ZICO MDP platform.

For Clients

Beyond client engagements in relation to ongoing projects, the Group seeks to maintain relationships with its clients via email updates on industry developments, Group services, and thought leadership articles and publications. Social media is another channel used to reach past and potential clients, and the Group's website serves also to update clients on Group services, events, and publications. Regular client events and gatherings create face-to-face networking opportunities and facilitate deeper cooperation with the Group's clients. After each project, the Group also encourages clients to provide feedback via online survey to better understand their needs and concerns going forward and areas for improvement, if any.

For Community

Community outreach is conducted through a variety of channels including social media, community events, and ZICO initiatives. The wider public may reach the Group through its social media channels like Instagram and LinkedIn where outreach efforts are publicized. Community events are also held on a regular basis to support underserved and marginalised groups. The Group has also taken the effort to hold its own initiatives to facilitate conversations and raise awareness on community issues like sexual harassment and female empowerment (more details are highlighted in the discussion on specific material factors).



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