

**BOARD STATEMENT**

This report outlines the Annual Sustainability Report<sup>1</sup> of Plato Capital Limited (“**Plato**” or the “**Company**”) for the financial year 1 January 2020 to 31 December 2020 (“**FY2020**”). There were no significant changes to the organisation’s structure and ownership during this reporting period.

The Board is pleased to demonstrate our commitment to create long-term sustainable value and business growth for all internal and external stakeholders. The Board having considered sustainability issues as part of its strategic formulation, determined the material environmental, social and governance (“**ESG**”) factors and overseen the management and monitoring of the material ESG factors.

**STAKEHOLDERS ENGAGEMENT**

In building long-term business growth, it is essential to understand and be responsive to the stakeholders’ concerns or expectations of the Group. The table below summarises the potential sustainability issues and the mode of communication with each stakeholder.

<b>Stakeholders</b>	<b>Potential Issues</b>	<b>Mode of Communication</b>
Customers	<ul style="list-style-type: none"> <li>- Product and service quality</li> <li>- Leakage of customer data and private information</li> </ul>	<ul style="list-style-type: none"> <li>- Face to face interaction</li> <li>- Customer feedback surveys</li> <li>- Personal Data Protection Act (“<b>PDPA</b>”) policy in place to protect customer’s data and privacy</li> </ul>
Investors	<ul style="list-style-type: none"> <li>- Economic performance</li> </ul>	<ul style="list-style-type: none"> <li>- Announcement of financial results on the SGXNet</li> <li>- Announcement on on-going or planned corporate actions as and when required</li> <li>- Annual/Extraordinary General Meeting</li> </ul>
Management	<ul style="list-style-type: none"> <li>- Economic performance</li> </ul>	<ul style="list-style-type: none"> <li>- Budget and forecast with variance analysis provided during monthly management meeting</li> <li>- Reports on on-going or planned corporate actions as and when required</li> <li>- Monthly business performance meetings</li> <li>- Board of Directors Meeting</li> </ul>
Employees	<ul style="list-style-type: none"> <li>- Talent attraction and retention</li> <li>- Employees’ life-long learning</li> </ul>	<ul style="list-style-type: none"> <li>- Leadership development programs</li> <li>- Annual performance appraisal</li> <li>- Regular email communication</li> <li>- Internal and external staff trainings</li> </ul>
Community	<ul style="list-style-type: none"> <li>- Operations with implemented local communities, impact assessment and development program</li> </ul>	<ul style="list-style-type: none"> <li>- Company website</li> <li>- SGXNet announcements</li> <li>- Annual/Extraordinary General Meeting</li> <li>- Media releases</li> </ul>
Government and regulatory bodies	<ul style="list-style-type: none"> <li>- Compliance issues with laws and regulations</li> <li>- Ethical business practices</li> </ul>	<ul style="list-style-type: none"> <li>- Advise from professionals such as solicitors, auditors, tax agents and other consultants</li> <li>- Government publication/written communication</li> </ul>

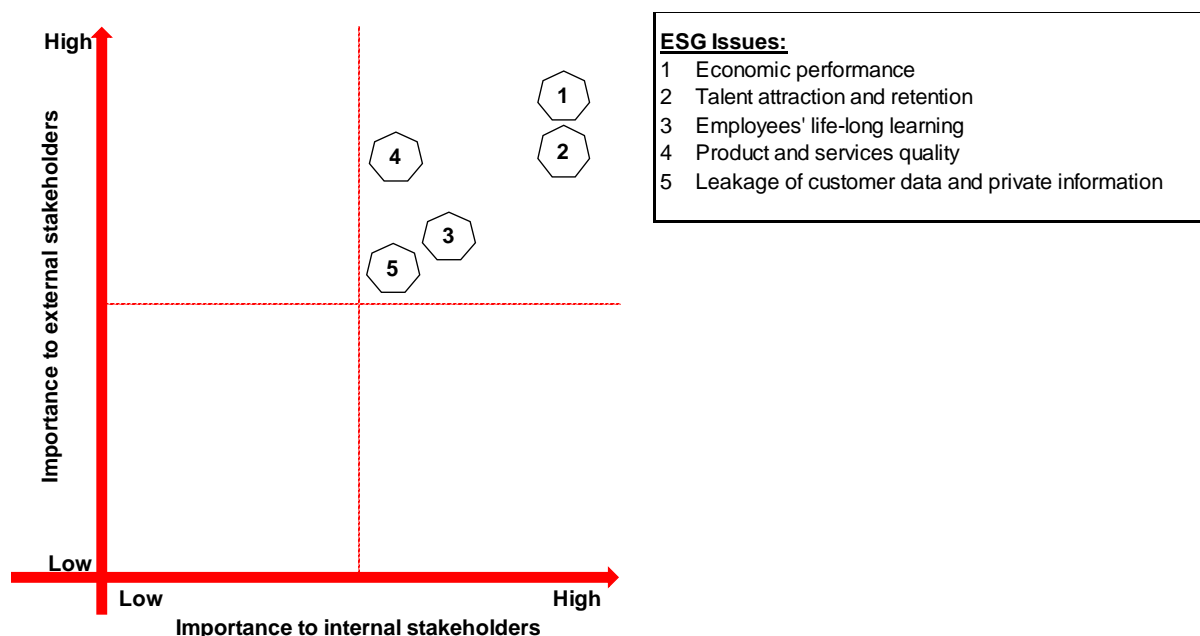
<sup>1</sup> For the purpose of this report, only the Group’s subsidiaries are included. The subsidiaries of the Group are principally engaged in provision of systems integration related activities and eCommerce systems and services, development and operation of hotel, provision of credit facilities,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

**MATERIALITY ASSESSMENT**

This Sustainability Report has been guided and prepared by reference to the globally recognised Global Reporting Initiative (“GRI”) Standards, Rule 711B and Practice Note 7F of the Singapore Exchange Securities Trading Limited (“SGX”) Listing Manual Section B: Rules of Catalyst. The GRI Standards were chosen as GRI represents the global best practices for reporting on economic, environmental and social topics. Although the data and statistics disclosed in this report have not been assured by an independent external party, internal verification has been performed to ensure their accuracy.

As guided, a materiality assessment had been conducted by the management to determine and rank the significance of the Group’s ESG issues, identify strategic direction and set performance targets. From the above exercise, all potential material topics have been plotted in a materiality matrix as shown in Figure 1 based on their possible impact to the Group’s business, and against their importance to both internal and external stakeholders.

Figure 1: Materiality Matrix



**Material Aspects and Indicators**

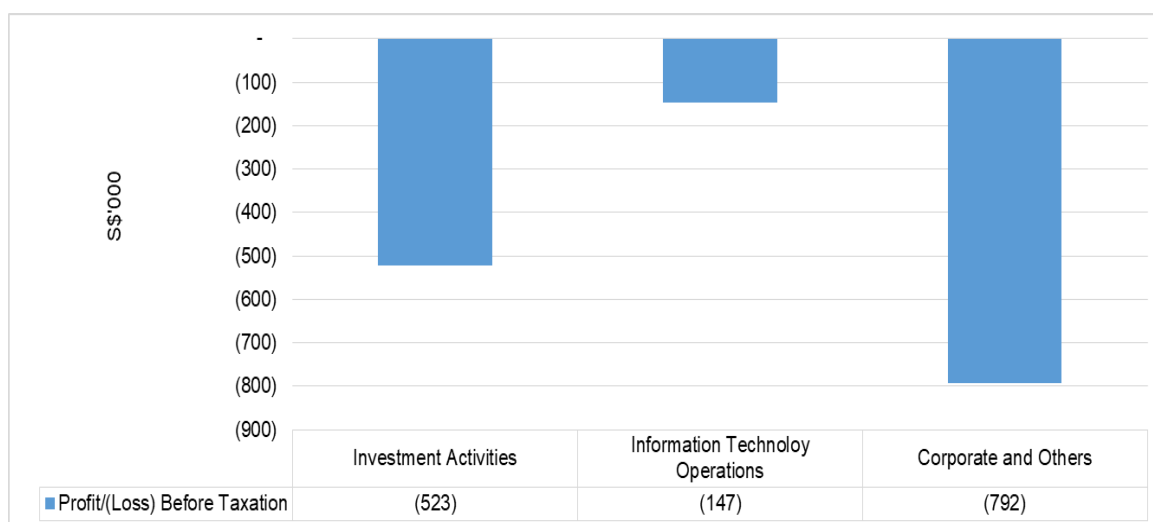
Category	ESG Factors	GRI reference	Where the Impact Occurs
Economic	Economic performance	201: Direct economic value generated and distributed	Within and outside the Group
People	Talent attraction and retention	401: Total number and rates of new employee hires and employee turnover by age group, gender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

Category	ESG Factors	GRI reference	Where the Impact Occurs
Marketplace	Product and services quality	102: Results of surveys measuring customer satisfaction	Outside the Group
Marketplace	Leakage of customer data and private information	418: Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Outside the Group

**ECONOMIC**

**Financial Highlights**

Figure 2: Results for FY2020 (in S\$'000)



For more details on financial performance for FY2020, please refer to the Chairman’s Statement on page 3 and the Group’s financial statements on pages 46 to 114 of the Company’s Annual Report 2020 despatched to shareholders of the Company on 5 April 2021.

**PEOPLE**

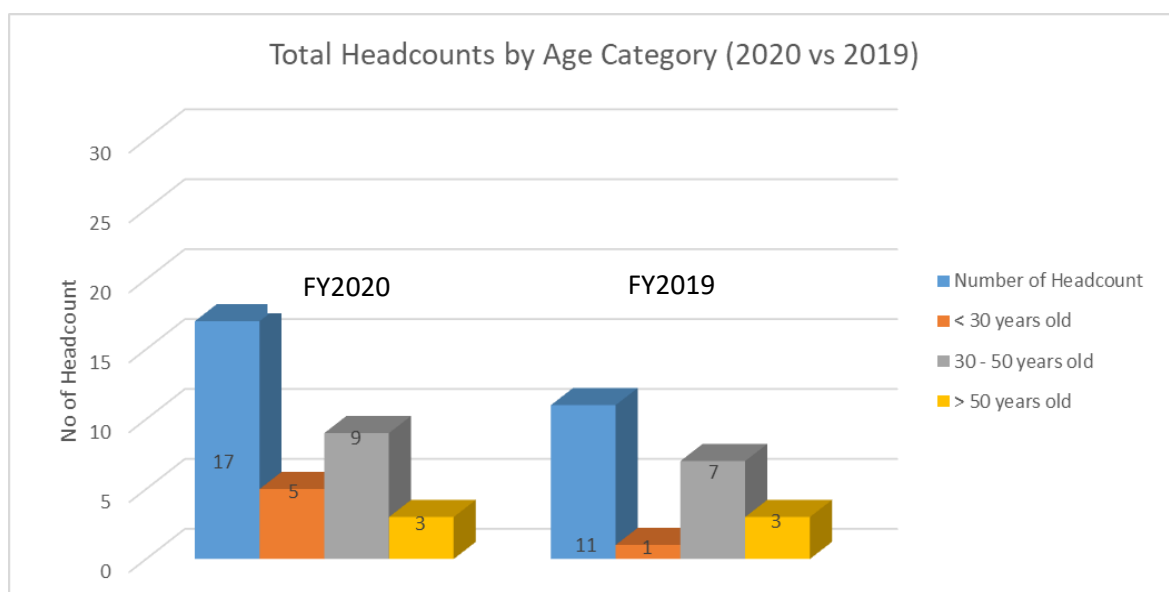
**Employees’ Practices**

Employees are the key driver of an organisation to ensure sustainable business growth. The Group provides equal employment opportunities to all regardless of race, ethnicity, gender or age group. On talent attraction and retention, the Group practices fair and equal employment opportunities based on qualification, working experiences, skills and competency of employees. The Group is also committed to protect and respect human rights of employees in accordance with the relevant laws and regulations as well as ensuring the employees’ safety and well-being.

The Group strives to achieve workforce diversity and encourage our employees to work beyond the statutory retirement age of 60.

Figure 3: Workforce Composition in FY2020

By Gender	Total Headcount	%	By Age Group	Total Headcount	%
Male	6	35%	< 30 years old	5	29%
Female	11	65%	30 – 50 years old	9	53%
<b>Total</b>	<b>17</b>	<b>100%</b>	> 50 years old	3	18%
			<b>Total</b>	<b>17</b>	<b>100%</b>



As at 31 December 2020, the Group reported a total headcount of 17 people, of which 35% are male and 65% are female with 53% of employees in the preferred category of 30-50 age group.

The target for FY2020 as stated in the Sustainability Report FY2019 was to maintain male/female ratio at 45%/55% and 64% of employees in the preferred age group of 30-50. The target was not met in FY2020 as the Group was in the process of rightsizing its manpower, as seen through the increase in total headcount from 11 in FY2019 to 17 in FY2020.

As the economic environment and businesses are severely impacted by the effects of the Covid-19 pandemic, the Group has not set a target on the male/female ratio and also percentage of employees in the preferred age group of 30-50 for FY2021 due to the uncertainties arising from the aforementioned.

The Group believes that the level of compensation is one of the key aspects to all employees. We provide equal opportunities to all new hires regardless of gender and age group. For existing employees, the Group reviews remuneration and staff benefits on an annual basis based on employee's job performance and reference to the market rate and conditions, aimed to create a productive and motivated workforce.

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

The Group aims to maintain zero incidence of grievances on employees' practices or human rights issues in FY2021.

**Training and Learning**

The Group recognises that enhancing employees’ skills is important towards achieving sustainability and growth of organisations. We strive to build a strong culture of learning and to continuously improve employees’ skills through on-the-job and off-the-job trainings. The Group also encourages its employees to pursue continuous professional development to gain further qualifications.

During the year, our employees had participated in a range of training courses to enhance their skills and knowledge. These courses include accounting and information technology (“IT”) training and job specific training.

Figure 4: Average Hours of Training in FY2020

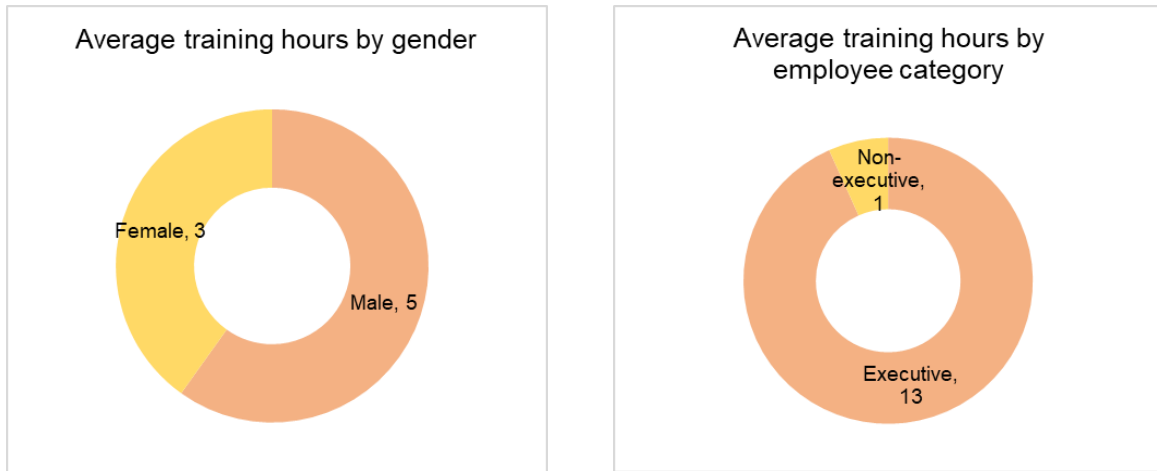


Figure 5: Total Training Hours by Gender Category

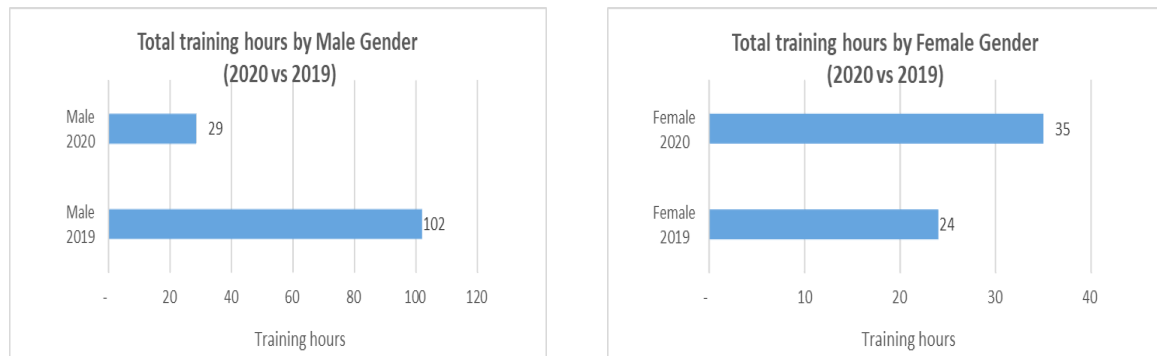
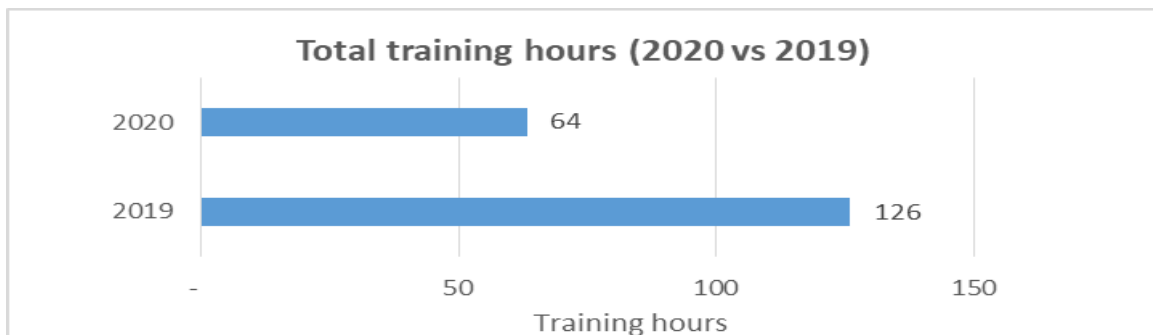


Figure 6: Total Training Hours In FY2020 and FY2019



Total employees' participation in training programmes in FY2020 totalled 64 hours (average 4 training hours per employee) as compared to 126 hours (average 11 training hours per employee) in FY2019. The target for FY2020 as stated in the Sustainability Report FY2019 was to achieve an average of 12 to 16 training hours per employee in FY2020. The target was not met in FY2020 mainly due to the Covid-19 pandemic and the various Malaysian government's mandatory movement control orders which affected the number of training hours.

The Group will continue to encourage its employees to attend trainings and aim to increase the average training hours per employee to 8 hours in FY2021.

## **MARKETPLACE**

### **Customer Satisfaction**

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

### **Customer Privacy**

The Group is committed to ensuring customers' personal data are kept confidential in compliance with the Singapore Personal Data Protection Act, 2012 and Malaysia Personal Data Protection Act, 2010 ("PDPA"). We highly respect personal data privacy and will not disclose these data without consent unless it is required by the law.

There were no reported complaints concerning breaches or leakage of customer data privacy in FY2020 and hence the Company has met the target set in the Sustainability Report FY2019. The Group aims for zero complaints in FY2021.

## **ENVIRONMENT**

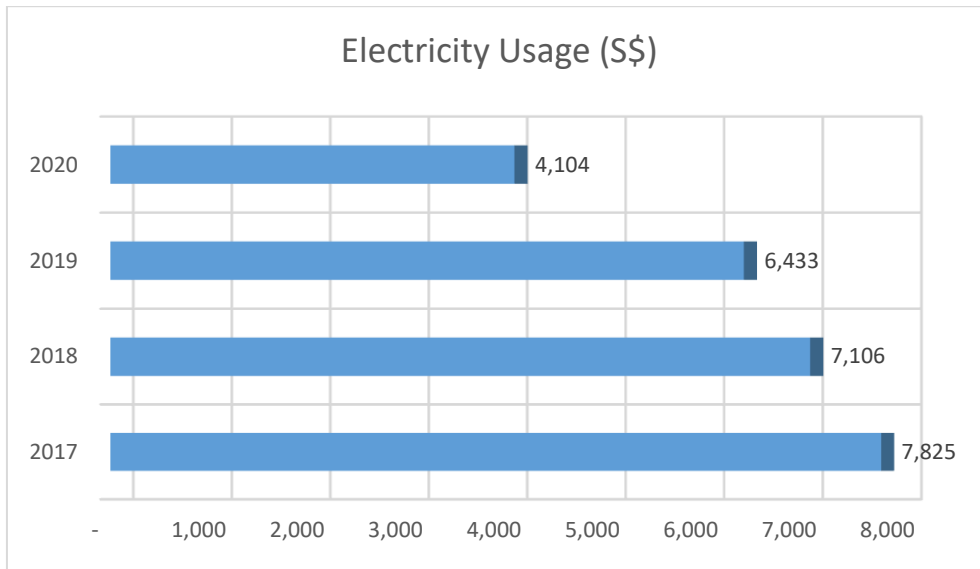
The Group is concerned about environmental issues such as pollution and climate change which affects everyone's quality of life. We are committed to minimizing, as far as possible, our environmental footprint by adopting responsible approaches on resources usage.

We endeavour to reduce wastage in our operations by employing the 3R concept - Reduce, Reuse and Recycle.

We encourage our employees to reduce electricity usage wherever possible and to promote energy conservation and efficiency. The Group reduced its electricity usage by 36% from \$6,433 in FY2019 to \$4,104 in FY2020, exceeding the long-term target of 5% reduction over the next three years as committed in the Sustainability Report FY2019.

The electricity usage savings in FY2020 was contributed by the work from home policy enforced by the Malaysian government during the mandatory movement control order. Notwithstanding the aforementioned, the Group will maintain its long-term target of an average of 5% reduction over the next 3 financial years benchmarked against pre-Covid levels, post the end of the Covid-19 pandemic and when work at office resumes.

Figure 7: Electricity Usage Analysis (in S\$)



**CORPORATE GOVERNANCE**

The Group is committed to sustainable growth by integrating strong corporate governance and risk management practices, as outlined in our Corporate Governance Report, on pages 4 to 36 of the Annual Report for FY2020, with reference to the principles of the Code of Corporate Governance 2018 as revised by the Monetary Authority of Singapore (“**2018 Code**”) and the accompanying Practice Guidance as well as the disclosure guide developed by the Singapore Exchange Securities Trading Limited in January 2015 (“**Guide**”). The Group has complied with the principles, provisions and guidelines as set out in the 2018 Code and the Guide, where applicable. Appropriate explanations have been provided in the relevant sections where there are deviations from the 2018 Code and the Guide.

*This announcement has been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “Exchange”) and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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