ACESIAN PARTNERS LIMITED

Incorporated in Singapore
(Co. Reg. No.: 199505699D)

SUSTAINABILITY REPORT 2017

CORPORATE PROFILE

Founded in Singapore in 1998, Acesian Partners Limited ("Acesian", formerly known as Linair Technologies Limited) is a multi-disciplinary gup providing environmental solutions and integrated services to diverse industries including semiconductor, wastewater treatment, chemical, pharmaceutical and biotechnological industries. Acesian is also a leading building services and engineering solutions provider which specialises in the design, installation, testing and commissioning of Air-Conditioning and Mechanical Ventilation (ACMV) and Electrical Systems, additions and alternations to existing facility, consultancy services for the construction of semiconductor clean rooms and laboratories, and consultancy services on Information Communication Technologies. The Company was successfully listed in the SGX Sesdaq (now known as Catalist) on February 2005.

BOARD STATEMENT ON OUR FIRST SUSTAINABILITY REPORT

The Board is pleased to present our first Sustainability Report 2017, which sets out the Group's environmental, social and governance (ESG) performance for the year. The report is prepared in accordance with the Global Reporting Initiative Standards: Core option.

We recognise that creating sustainable value for our stakeholders remains at the core of our business. Apart from achieving business goals based on good business fundamentals and conducts, Acesian is committed to performance with integrity and adopting a balanced approach to managing expectations between business growth, meeting the needs of our stakeholders, governance, environment as well as development and welfare of our people and communities.

Our sustainability strategy involves multistakeholder considerations and we endeavour to monitor and evaluate our ESG efforts and intend to focus on continuous improvement that balance today's needs with longer term developments.

REPORTING LOCATIONS, BOUNDARIES AND PERIOD

For the purpose of this report which covers the financial year 2017 ("FY2017"), we focus primarily on our business operations in Singapore and Malaysia on issues that impact business growth and are of utmost importance to our stakeholders.

A sustainability report will be published annually in accordance with our SR Policy.

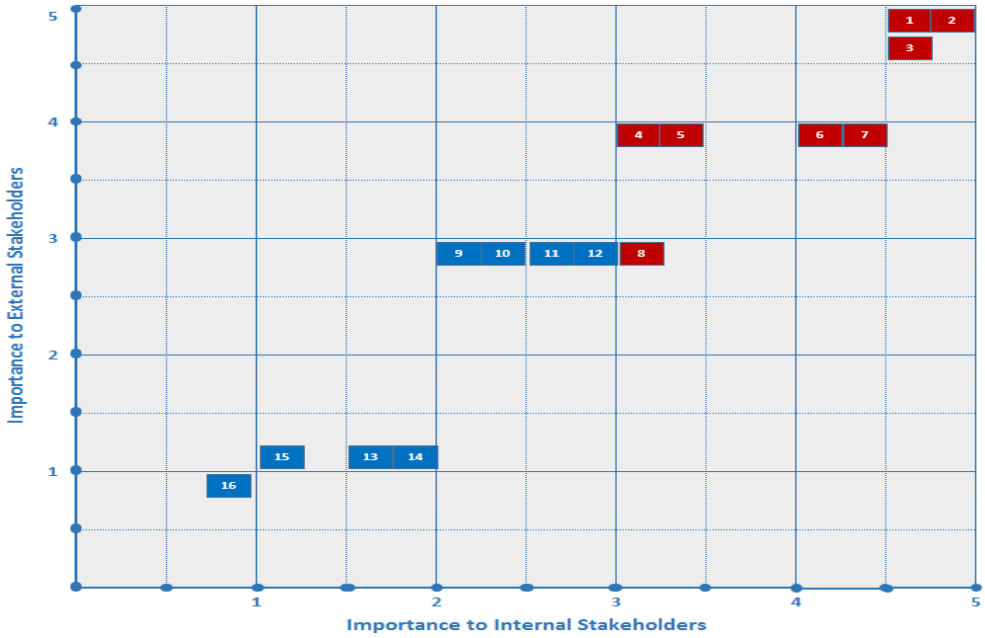
DEFINING OUR MATERIALITY ISSUES

From the results of our engagement with key stakeholders, we have performed a materiality analysis to identify challenges and issues that are important to our stakeholders and which are relevant to our businesses today and taking into consideration of the following:

a) Those risks ranked as high impact and likelihood of occurrence to the Group, and;
b) Those that are ranked as high and critical by both our internal and external stakeholders for sustainability issues.

Accordingly, we focus our sustainability efforts and reporting on these issues. These issues were further deliberated and narrowed down through our engagement process with stakeholders. The senior management then reviewed the list of issues, identified and prioritised the material issues abased on importance to our stakeholders and the sustainability impact to our businesses.

OUR MATERIALITY MATRIX

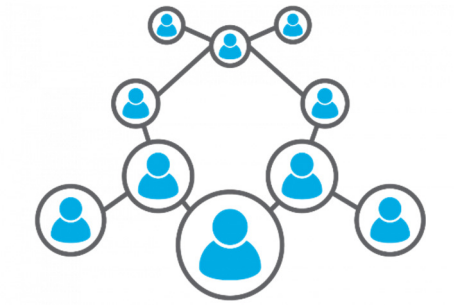


	Issue
1	Legal compliance and corporate governance
2	Service quality and responsibility
3	Health and safety
4	Economic contribution to society
5	Anti-corruption and anti-fraud
6	Training and staff development
7	Labour management relations
8	Diversity and equal opportunities
9	Water management
10	Supply chain and procurement practices
11	Wages and local hiring
12	Business partners engagement
13	Energy management
14	Water conservation
15	Environmental impact assessment and mitigation
16	Climate change and emission

SUSTANABILITY REPORTING FRAMEWORK

In preparing this sustainability report, we were guided by the Global Reporting Initiative ("GRI") Standards: Core option, a globally-recognised and generally accepted standard for sustainability reporting. Unless otherwise stated, the report covers the Economic, Social and Governmental (ESG) performance of Acesian's main activities in Singapore and Malaysia.

STAKEHOLDER ENGAGEMENT



We value input from all of our stakeholders and use a variety of channels to engage with them. We assess and identify stakeholders as groups that have an impact, or have the potential to be impacted by our business. Their key concerns and expectations are tabulated in below table.

Key stakeholder	How we engage them	Key topics
GOVERNMENT AND REGULATORS 	• SGX Half-Yearly Announcements • Annual Reports • Sustainability Reporting • Ongoing dialogues	• Employment practices • Workplace safety and health • Regulatory compliance • Environmental compliance
CUSTOMERS 	• Direct engagement, ongoing dialogues and feedback	• Offer premium product / service at competitive pricing • Safe and reliable product • Project timeliness • Customer health and safety
EMPLOYEES 	• Management committee • Open annual performance appraisal system to link performance with remuneration • Training and education opportunities	• Competitive remuneration and benefits • Career development and trainings • Ethical and conduct • Job security
INVESTORS AND SHAREHOLDERS 	• Annual reports • SGX half yearly announcement	• Financial performance • Corporate governance • Business and growth strategies

POLICIES AND PRACTICES

ECONOMIC

Economic Contribution to Society

The Group has three major pillars in manufacturing, distribution and engineering & environmental solution. It operates in a dynamic and competitive business environments and with growing demands and expectations from our business partners in particular our customers. Despite the difficult situation the Group is facing, we have taken steps to turn things around and strengthen the financial position of the Group. We will continue to strengthen the financial health of the Group through a sustainable growth, building partnerships with our stakeholders and a balanced approach to risk management. Furthermore, we strive to contribute and make a positive difference to the welfare of our people and the society through our economic presence

For our financial performance, please refer to our annual report 2017.



GOVERNANCE

Legal Compliance and Corporate Governance

We believe in creating long-term value for our stakeholders through commitment to high standards of corporate governance. Compliance with legislation and standards including corporate governance, environmental, safety, product, and social responsibility are important issues of interest to our stakeholders. The Group is committed to ensure legal compliance in all areas of our business and uphold high standards of ethical business conduct.

For more details on our corporate government practices, please refer to our 'Corporate Governance Report' section in our annual report 2017

ENVIRONMENT

Health and Safety

We aim to maintain a high level of health and safety standards and uphold best practises for workplace safety, product safety and reliability, manufacturing process and product deliveries in meeting the requirements of customers, business partners, employees and the general public. Our management is responsible to review and monitor the Group's policies and practices in respect to legal and regulatory requirements across all businesses and corporate office.

Material factors	Policy
Performance of products and services	• We aim for zero defects for performance of services and products delivered to our customers. • Meeting customer's delivery expectations and schedules
Workplace safety	• We aim for zero accident rate at workplace
Occupational health	• We aim for zero occupational health incident rate at workplace
Environmental and regulatory compliance	• We keep ourselves abreast of the prevailing rules and legislations through regular trainings, public seminars and consultation with external professionals.

SOCIAL

Our People



Our employees are our greatest assets and we are strive to improve our employees' productivity and level of competency through continuous training and education opportunities. Our Group advocates a policy of fair employment opportunities and provides competitive remuneration packages. We cultivate ownership and empowerment of our employees and adopted an open and transparent performance appraisal exercise as well as provides platforms and opportunities for career development.

Material factors	Policy
Fair and competitive remuneration **Employee Performance**	• We rewards good work performance by offering competitive remuneration packages. • Staff remuneration is compensated based on performance, expected roles and responsibilities • We adopt an open annual performance appraisal system to link performance with remuneration
Training and education	• The Group strives to improve and develop our employees and invests to upgrade our staff skills capability, increase work productivity and interpersonal competencies • We send staff for seminars / training to keep them abreast with knowledge, work skills and technology
Recruitment and Retention of Talents	• Our recruitment policy is based on meritocracy, prerequisite skills and academic qualifications required to perform the required job scope.

TARGET SETTING

We are in the process of collating and analysing the relevant performance data for the purpose of setting of performance indicators and targets on the material factors as identified above. Hence, the target setting process is deferred until a time when necessary data is adequately available to set reasonable targets.

GRI STANDARDS CONTENT INDEX

GRI Standards	Disclosure	Issues of Concern
Organisation Profile		
102-1	Name of the organisation	Acesian Partners Limited
102-2	Activities, brands, products, and services	Page 1
102-3	Location of headquarters	Singapore
102-4	Location of operations	Singapore and Malaysia
102-5	Ownership and legal form	Public Listed Company (Limited by Share Capital)
102-6	Markets served	Singapore, Malaysia and Europe
102-7	Scale of the organisation	AR, Business Portfolio (page 1) AR, Financial Review (page 3) AR, Twenty Largest Shareholders (page 85) Sustainability Report
102-8	Information on employees and other workers	AR, Board of directors and senior management (page 4-5)
102-9	Supply chain	Not applicable. During the reporting period, the Company assessed supply chain management as non-material in respect to the operations. We will review this annually and may disclose this information in future if assessed to be material.
102-10	Significant changes to the organisation and its supply chain	None
102-11	Precautionary Principle or approach	Not applicable
102-12	External initiatives	None
102-13	Membership of associations	Not applicable
Strategy		
102-14	Statement from senior decision-maker	AR, Letter to Shareholders (page 2)
102-15	Key impacts, risks, and opportunities	AR, Letter to Shareholders (page 2)
Ethics and Integrity		
102-16	Value, principles, standards, and norms of behaviour	AR, Report of Corporate Governance (page 7-24)
Governance		
102-18	Governance structure of the organization	AR, Report of Corporate Governance (page 7-24)
Stakeholder Engagement		
102-40	List of stakeholder groups	Sustainability Report > Stakeholder Engagement

102-41	Collective bargaining agreements	Not applicable. No employee was covered under any collective bargaining agreement.
102-42	Identifying and selecting stakeholders	Sustainability Report > Stakeholder Engagement
102-43	Approach to stakeholder engagement	Sustainability Report > Stakeholder Engagement
102-44	Key topics and concerns raised	Sustainability Report > Stakeholder Engagement
Reporting Practice		
102-45	Entities included in the consolidated financial statements	AR, Corporate Structure (page 5)
102-46	Defining report content and topic Boundaries	Sustainability Report > Reporting Locations, Boundaries and Period
102-47	List of material topics	Sustainability Report > Stakeholder Engagement
102-48	Restatements of information	Not applicable. This is the first year of reporting.
102-49	Changes in reporting	Not applicable.
102-50	Reporting period	Sustainability Report > Reporting Locations, Boundaries and Period
102-51	Date of most recent report	FY2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	AR, Corporate Information (page 6)
102-54	Claims of reporting in accordance with the GRI Standards and GRI content Index	This report has been prepared in accordance with the GRI Standards: Core option
102-55	GRI content index	Sustainability Report > GRI Content Index
102-56	External assurance	Not applicable. This is the first year of reporting