Sustainability Report 2024
SUNTAR ECO-CITY LIMITED

CONTENT

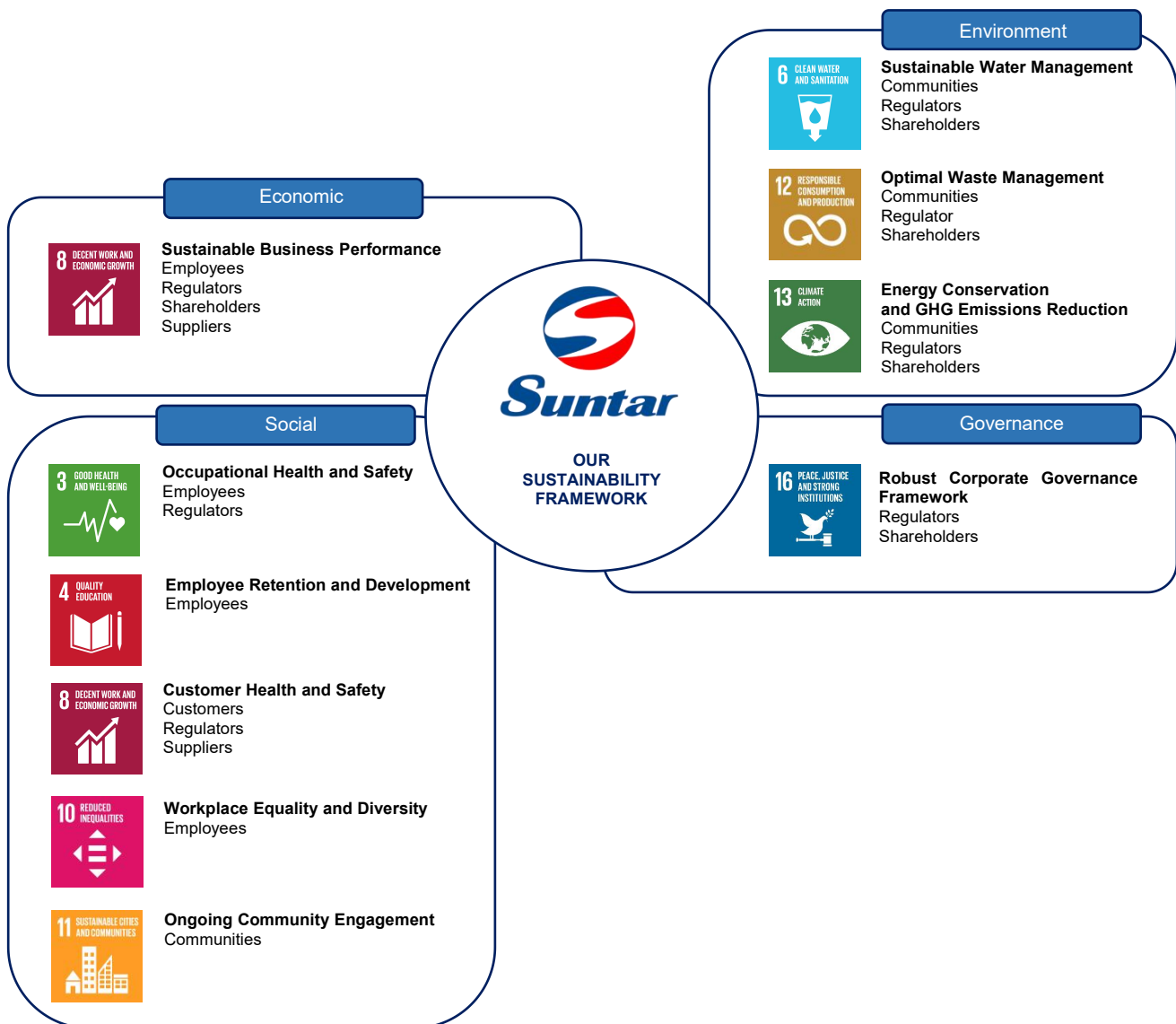# BOARD STATEMENT

Suntar Eco-City Limited ("**Suntar**" or the "**Company**") together with its subsidiaries (the "**Group**" or "**We**") reaffirm our commitment to sustainability with the publication of this sustainability report ("**Report**"). For this Report, we provide insights into the way we conduct business, while taking into account our material sustainability factors under the sustainability pillars of economic, environmental, social and governance (collectively as "**Sustainability Factors**"), and to provide readers with an accurate and meaningful overview on how we manage our sustainability issues.

The Board considered the Group's sustainability issues as part of its strategic formulation and business strategies, determined the material Sustainability Factors and overseen the management and monitoring of the material Sustainability Factors.

This Report communicates our support towards the United Nations' Sustainable Development Goals ("**SDGs**"). As we collaborate closely with our stakeholders throughout the value chain, their inputs serve as the compass directing our sustainability initiatives towards prioritising our material Sustainability Factors. Below shows the interaction between our sustainability framework, material Sustainability Factors, stakeholders and the SDGs:

Economic

Sustainable Business Performance
Employees
Regulators
Shareholders
Suppliers

Environment

Sustainable Water Management
Communities
Regulators
Shareholders

Optimal Waste Management
Communities
Regulator
Shareholders

Energy Conservation and GHG Emissions Reduction
Communities
Regulators
Shareholders

OUR SUSTAINABILITY FRAMEWORK

Social

Occupational Health and Safety
Employees
Regulators

Employee Retention and Development
Employees

Customer Health and Safety
Customers
Regulators
Suppliers

Workplace Equality and Diversity
Employees

Ongoing Community Engagement
Communities

Governance

Robust Corporate Governance Framework
Regulators
Shareholders

SUSTAINABILITY PERFORMANCE AT A GLANCE

A summary of our material sustainability performance by financial year ("**FY**") is as follows:

Sustainability Pillar	Sustainability Metric	Sustainability Performance	
		FY2024	FY2023
Economic	Economic value generated[1] (RMB million)	19.78	39.22
	Operating costs[2] (RMB million)	12.54	37.80[3]
	Employee benefits paid to employees (RMB million)	0.41	0.42
	Tax to governments (RMB million)	0.11	0.11
Environmental	Water efficiency for bottled water production (Megalitres ("**ML**")/ production volume (bottle))	0.006	0.007
	Waste generated intensity (tonnes/ revenue RMB'000)	<0.001	<0.001
	Aggregated absolute greenhouse gas ("**GHG**") emissions (Scope 1 and 2) (tonnes CO_2e)	34	39[4]
	GHG emissions intensity (tonnes CO_2e/ revenue RMB'000)	0.003	0.001
Social	Number of workplace fatalities	-	-
	Number of high consequence work-related injuries[5]	-	-
	Number of recordable work-related injuries	-	-
	Number of recordable work-related ill health cases[6]	-	-
	Turnover rate (%)	13	22
	Average training hours per employee	40	32
	Number of incidents of unlawful discrimination against employees[7]	-	-
Governance	Number of incidents of serious offences[8]	-	-
	Number of incidents of non-compliance with any applicable laws and regulations[9] that resulted in significant fines or non-monetary sanctions	-	-

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[1] Economic value generated includes revenue, other revenue and share of results of joint ventures.
[2] Operating costs include cost of sales, selling and distribution costs, administrative expenses, other expenses, net of depreciation, (write back of)/ impairment loss and write-off of property, plant and equipment, right-of-use asset and employee-related costs.
[3] Figure is restated as a correction.
[4] Figure is restated due to the adoption of an updated emissions factor published by the relevant local authority.
[5] A high consequence work-related injury refers to an injury from which the worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.
[6] A work-related ill health case refers to a case with negative impacts on health arising from exposure to hazards at work.
[7] An incident of unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation and resulted in a penalty to a company.
[8] A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 (equivalent to approximately RMB 500,000) and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by its officers or employees of the company.
[9] Excluding incidents involving fraud or dishonesty

ABOUT THIS REPORT

Reporting Framework

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Mainboard of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). This Report is also prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards for the Reporting Period. We chose to report using the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability metrics.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped out our sustainability efforts in accordance with the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 ("**UN Sustainability Agenda**"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its core are the 17 SDGs, which form an urgent call for action by all countries. We incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

Our climate-related disclosures are produced based on the 11 recommendations of Task Force on Climate-related Financial Disclosures ("**TCFD**"). Following the publication of the International Sustainability Standards Board ("**ISSB**") Standards – International Financial Reporting Standards ("**IFRS**") S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We are guided by the phased approach recommended by the Singapore Exchange Regulation in aligning our reporting of climate-related disclosures in accordance with ISSB Standards.

Internal reviews on the sustainability reporting process are incorporated as part of our internal audit review cycle and we will work towards external assurance for our future sustainability reports subject to market trends and regulatory requirements.

Reporting Period and Scope

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the FY from 1 January 2024 to 31 December 2024 ("**FY2024**" or "**Reporting Period**").

Contact Us

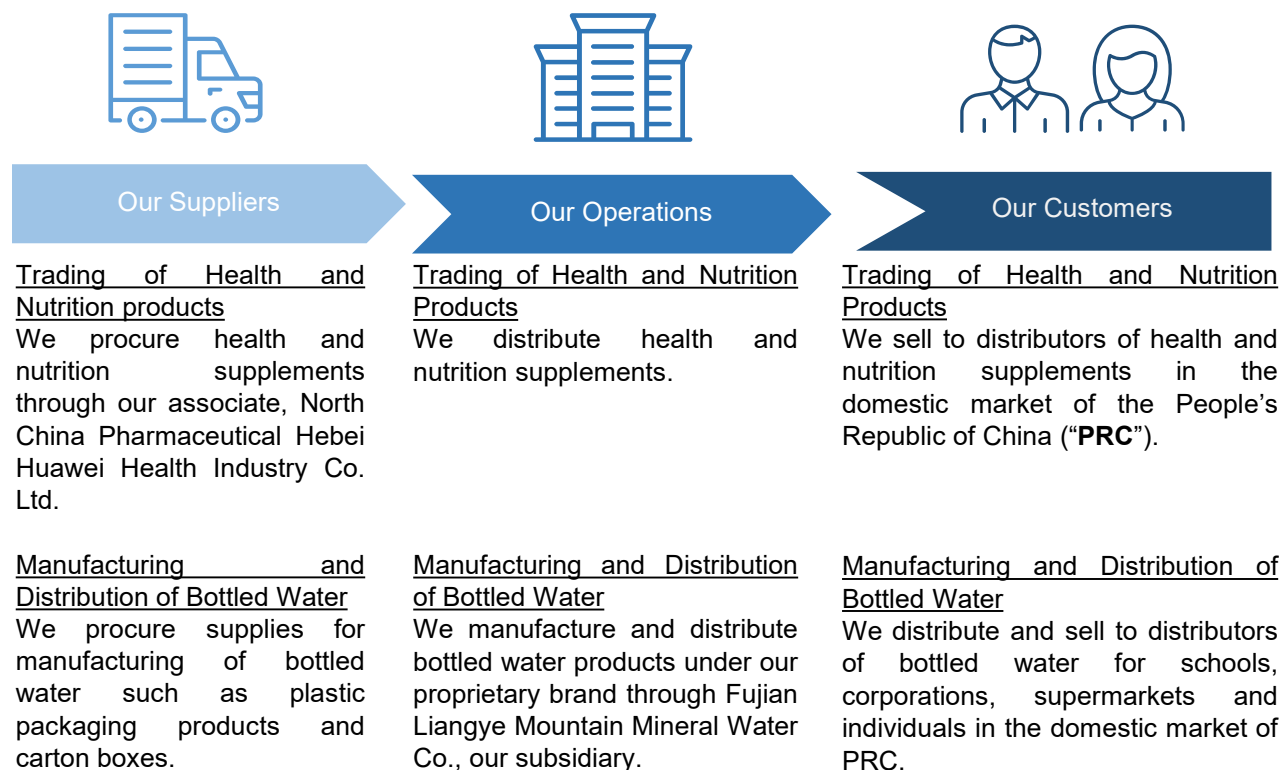All questions, comments and feedback related to this Report are highly appreciated. Please contact us at contactsg@suntar.com.

OUR CORE BUSINESS

An overview of our Core Business is presented as follows:

Health and Nutrition

The supply chain of our Health and Nutrition segment is detailed as follows:

Our Suppliers	Our Operations	Our Customers
Trading of Health and Nutrition products We procure health and nutrition supplements through our associate, North China Pharmaceutical Hebei Huawei Health Industry Co. Ltd.	**Trading of Health and Nutrition Products** We distribute health and nutrition supplements.	**Trading of Health and Nutrition Products** We sell to distributors of health and nutrition supplements in the domestic market of the People's Republic of China ("**PRC**").
Manufacturing and Distribution of Bottled Water We procure supplies for manufacturing of bottled water such as plastic packaging products and carton boxes.	**Manufacturing and Distribution of Bottled Water** We manufacture and distribute bottled water products under our proprietary brand through Fujian Liangye Mountain Mineral Water Co., our subsidiary.	**Manufacturing and Distribution of Bottled Water** We distribute and sell to distributors of bottled water for schools, corporations, supermarkets and individuals in the domestic market of PRC.

Property Development

The supply chain of our property development segment is detailed as follows:

Our Supplier	Our Operations	Our Customers
We procure from construction and maintenance	We sell property units.	We sell to customers located within the domestic market in PRC.

STAKEHOLDER ENGAGEMENT

An important starting point in our sustainability journey is to identify our stakeholders. They include entities or individuals that have an interest that is affected or could be affected by our activities.

We performed a stakeholder mapping exercise and identified our key stakeholder groups which we prioritise our engagements with. These key stakeholders include communities, customers, employees, government and

regulators ("**Regulators**"), investors and shareholders ("**Shareholders**") and suppliers and service providers ("**Suppliers**").

The concerns of key stakeholders are considered when formulating corporate strategies. We adopt both formal and informal channels of communication to understand the needs of our key stakeholders and incorporate them in our corporate strategies to achieve mutually beneficial relationships.

The table below sets out how we engage our key stakeholders:

S/N	Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern Raised
1	Communities	Community campaigns	Ongoing	▪ Corporate social responsibilities
2	Customers	▪ Customer meetings ▪ Customer feedback	Ongoing	▪ Market presence ▪ Customer service
3	Employees	▪ Employee and management meetings ▪ Internal memos ▪ Training ▪ Performance review	Ongoing	▪ Equal employment opportunities ▪ Job security ▪ Career development and training opportunities ▪ Remuneration and employee benefits ▪ Workplace health and safety
4	Regulators	▪ Government meetings ▪ On-site visits ▪ Letters	As and when required	▪ Corporate governance ▪ Compliance with laws and regulations
5	Shareholders	▪ Annual reports ▪ Annual general meeting	Annually	▪ Sustainable business performance ▪ Market valuation ▪ Corporate governance
		▪ Results announcements	Half-yearly	
		▪ SGX Announcements ▪ Investor relations emails ▪ Corporate website	Ongoing	
6	Suppliers	▪ Supplier feedback ▪ On-site visits	Ongoing	▪ Ability to distribute products ▪ Fair trading terms ▪ Order volatility

POLICY, PRACTICE AND PERFORMANCE REPORTING

In line with our commitment to sustainability, we established a sustainability reporting policy ("**SR Policy**") that outlines our sustainability strategies, sustainability governance structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors which serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, considering the feedback that we receive from our engagement with our stakeholders, organisational and external developments.
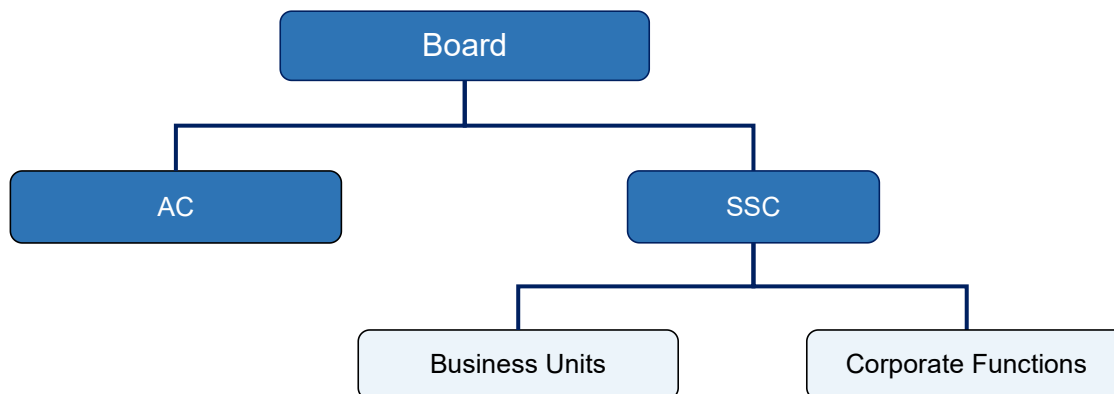
Sustainability Reporting Structure

The Board is ultimately responsible for overseeing the Group's sustainability matters and is primarily supported by an executive level Sustainability Steering Committee ("**SSC**") by virtue of delegation. As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of listing rule 720 (7) of SGX-ST, we confirm that all five (5) directors or 100% of our directors attended one of the sustainability training courses approved by Singapore Exchange Regulation.

The SSC is led by our Executive Director cum Finance Director cum Chief Sustainability Officer ("**ED**") and supported by the Chief Operating Officer ("**COO**") and selected employees from key business units and corporate functions on specific sustainability matters under its terms of reference.

Beside the SSC, the Board is supported by the Audit Committee ("**AC**") on specific sustainability matters under its terms of reference. As we continue to refine our sustainability related sustainability metric measuring and tracking mechanisms, we plan to link key executives' remuneration to sustainability performance once the mechanisms are more mature and stable.

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability Governance Structure

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                          ┌──────────┐
                          │  Board   │
                          └──────────┘
                   ┌────────────┴────────────┐
              ┌─────────┐              ┌─────────┐
              │   AC    │              │   SSC   │
              └─────────┘              └─────────┘
                                 ┌──────────┴──────────┐
                          ┌──────────────┐      ┌──────────────────┐
                          │Business Units│      │Corporate Functions│
                          └──────────────┘      └──────────────────┘
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Terms of Reference of Component Parties

Component Party	Member	Term of Reference
Board	Board members	▪ Determine material sustainability factors of the Group ▪ Review and approve sustainability strategies, policies and targets (including materiality assessment process and outcome) ▪ Monitor implementation of sustainability strategies, policies and performance against targets ▪ Oversee the identification and evaluation of climate-related risks and opportunities ▪ Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("**ERM**") framework ▪ Review and approve sustainability reports
AC	AC members	▪ Review the adequacy and effectiveness of the Group's internal controls and risk management systems ▪ Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes
SSC	▪ ED ▪ COO	▪ Develop sustainability strategies and policies ▪ Ensure that the implementation of sustainability strategies is aligned across business segments ▪ Evaluate overall sustainability risks and opportunities, with a focus on climate-related risks and opportunities ▪ Perform materiality assessment ▪ Monitor sustainability activities and performance against targets ▪ Align the Group's practices with the organisation-wide sustainability agenda and strategies ▪ Consolidate sustainability metrics to track sustainability impact on a group basis and for reporting purposes ▪ Prepare sustainability reports

Component Party	Member	Term of Reference
Business Units/ Corporate Functions	Employees from Business Units and Corporate Functions designated to support the work of the SSC	• Align practices at the operational level with the Group's agenda and sustainability strategies • Collect and compile sustainability metrics to track sustainability impact and for reporting purposes

Sustainability Reporting Processes

Under our SR Policy, the sustainability reporting process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are as shown in the figure below:

CONTEXT
Understand the Group's context by considering its activities, business relationships, stakeholders, and sustainability context of all the entities it controls or has an interest in, including minority interests.

IDENTIFICATION
Identify actual and potential impacts on the economy, environment, people and their human rights.

RATING
Assess the pervasiveness of Sustainability Factors across the Group and cluster similar Sustainability Factors.

PRIORITISATION
Prioritise the impacts based on their significance to determine the material Sustainability Factors for reporting.

VALIDATE
Sustainability Factors will be internally validated by the Board and SSC.

REVIEW
In each reporting period, review the material Sustainability Factors from the previous reporting period to account for changes in impacts which can result from feedback received from engagement with stakeholders, organisational and external developments.

Materiality Assessment

We constantly refine our management approach to adapt to the changing business landscape. The Group's SSC performs an annual materiality assessment to ensure that the material sustainability factors disclosed in our sustainability reports remain material and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Both positive and negative impacts, whether actual and potential, are assessed based on: (i) the likelihood of the occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and human rights, as well as their contribution to sustainable development.

Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying relevant sustainability metrics, monitoring and measuring them. Additionally, we set performance targets aligned with our strategy to ensure we are focused on our sustainability goals. We consistently enhance our performance-monitoring processes and improve our data capturing systems. A sustainability report is published annually in accordance with our SR policy.
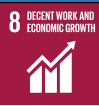
MATERIAL SUSTAINABILITY FACTORS

In FY2024, a materiality assessment was performed by the SSC to update the material Sustainability Factors, and this was followed by a stakeholder engagement session[10] to understand the concerns and expectations of our key stakeholders. In this Report, we also reported our progress in managing these factors and set related targets to improve our sustainability performance.

We incorporated the SDGs from the UN Sustainability Agenda, as a supporting framework to shape and guide our sustainability strategy where appropriate. Below are the results showing how our material Sustainability Factors relate to these SDGs, along with a list of material Sustainability Factors applicable to the Group:

S/N	Material Sustainability Factor	SDG	Stakeholder	Our Effort
Economic				
1	Sustainable Business Performance	8 DECENT WORK AND ECONOMIC GROWTH	▪ Employees ▪ Regulators ▪ Shareholders ▪ Suppliers	We contribute to economic growth through creating long-term value for our Shareholders.
Environmental				
2	Sustainable Water Management	6 CLEAN WATER AND SANITATION	▪ Communities ▪ Regulators ▪ Shareholders	We adopt responsible and sustainable water management practises for our office use and bottled water production.
3	Optimal Waste Management	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	▪ Communities ▪ Regulators ▪ Shareholders	We adopt eco-friendly practices such as reducing paper waste through the adoption of technological tools and minimise unnecessary waste disposal through recycling efforts.
4	Energy Conservation and GHG Emissions Reduction	13 CLIMATE ACTION	▪ Communities ▪ Regulators ▪ Shareholders	We implement practices to reduce energy consumption, improve efficiency and lower GHG emissions for our business operations.
Social				
5	Occupational Health and Safety	3 GOOD HEALTH AND WELL-BEING	▪ Employees ▪ Regulators	We implement measures to ensure a safe working environment for our employees.
6	Employee Retention and Development	4 QUALITY EDUCATION	Employees	We offer professional development opportunities and recognise employees' achievements to build employees' loyalty and career advancement.

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[10] The Company distributed an online survey to both its internal and external stakeholders of customers and employees to gather perspectives on the most important sustainability factors for the business to prioritise.

S/N	Material Sustainability Factor	SDG	Stakeholder	Our Effort
7	Customer Health and Safety	8 DECENT WORK AND ECONOMIC GROWTH	▪ Customers ▪ Regulators ▪ Suppliers	We prioritise product quality standards and adhere strictly to safety regulations to ensure our products are safe and meet the needs of our customers.
8	Workplace Equality and Diversity	10 REDUCED INEQUALITIES	Employees	We foster an inclusive culture that respect individuals of different backgrounds.
9	Ongoing Community Engagement	11 SUSTAINABLE CITIES AND COMMUNITIES	Communities	We contribute to community projects and encourage employee involvement in volunteerism to create a positive impact in the communities where we operate.
Governance				
10	Robust Corporate Governance Framework	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	▪ Regulators ▪ Shareholders	We ensure that business practices align with legal standards and ethical principles.

The details of each material Sustainability Factor are presented as follows:

ECONOMIC

Sustainable Business Performance

Commitment
We are committed to create long-term economic value for stakeholders including promoting economic development, creating employment opportunities and contribute back to nation building.

Approach
We generate and distribute economic value by executing the Group's strategy.

Performance
In line with our commitment, economic value generated and distributed in FY2024 as follows:

Economic Value Generated[1]
RMB 19.78 million
(FY2023: RMB 39.22 million)

Economic Value Distributed

Operating Costs[2]
RMB 12.54 million
(FY2023: RMB 37.80 million[3])

Employee Benefits paid to Employees
RMB 0.41 million
(FY2023: RMB 0.42 million)

Tax to Governments
RMB 0.11 million
(FY2023: RMB 0.11 million)

Economic Value Retained for Re-investment and Future Growth
RMB 6.72 million
(FY2023: RMB 0.89 million)

During the Reporting Period, the decrease in economic value generated can be attributed to the business decision to shift away from lutein products in response to evolving market trends and increased competition. The Group adjusted its product portfolio to focus on vitamins, protein powders, and tea products, with plans to further refine its offerings based on market feedback and industry conditions.

Please refer to the financial statements in annual report ("**AR**") FY2024 for the Group's financial performance and financial risk management disclosure on our efforts and progress to maintain financial sustainability.

ENVIRONMENTAL

Sustainable Water Management

Commitment
We are committed to responsible and sustainable water management practices, prioritising the efficient use of water and working to preserve valuable natural water resources.

Approach
Our operations rely on the following water resources:
- Water purchased from third-party municipal water suppliers for office usage; and
- Groundwater withdrawal mainly for the manufacturing of bottled water in Fujian Liangye.

Our initiatives ensure that we balance production needs with environmental stewardship, safeguarding water for future generations. For our office usage, we perform regular tracking of water consumption and take corrective actions when there are unusual consumption patterns.

Our groundwater extraction is drawn from the Longyan basin while our water for office usage is primarily derived from the public utility company in PRC[11].

Performance
A year-on-year comparison of water consumption is shown in the table below:

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Water consumption from all areas of operations	ML	23.0	23.8
Water withdrawn for bottled water production	ML	23.0	23.7
Water efficiency of bottled water production	ML/ production volume (bottle)	0.006	0.007

During the Reporting Period, the water consumption reduced slightly whilst the water efficiency of bottled water production improved slightly as compared to the previous financial year.

Optimal Waste Management

Commitment
We are committed to waste reduction in our operations to minimise the impact to the environment.

Approach
Waste is generated in office premises and in the process of bottled water production such as bottling, capping and sealing. General waste such as paper waste, defective plastic bottles and caps, plastic wrappers as well as carton boxes are produced in our daily operation.

To minimise the impact of waste, we segregate general waste from our operations into recyclables and non-recyclables. We also adopt green practices such as: (i) encouraging the use of emails; and (ii) working digitally by communicating through digital applications and storing information on shared drive storage.

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[11] Areas with water stress across the Group's operations are identified based on the World Wildlife Fund Water Risk Filter. Our groundwater extraction facility located in Fujian province of China is not situated within a high-risk water stress zone.

During the Reporting Period, 100% recyclable waste and non-recyclable waste are collected by third-party contractors and a licensed environmental contractor for disposal respectively (FY2023: 100%).

Key statistics on waste generated during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Waste generated	tonnes	1.08	1.05
Waste generated intensity	tonnes/ revenue RMB'000	<0.001	<0.001

Energy Conservation and GHG Emissions Reduction

Commitment

We are committed to reduce our carbon footprint whilst open to capitalise on opportunities that may arise as we transit to become a low-carbon organisation.
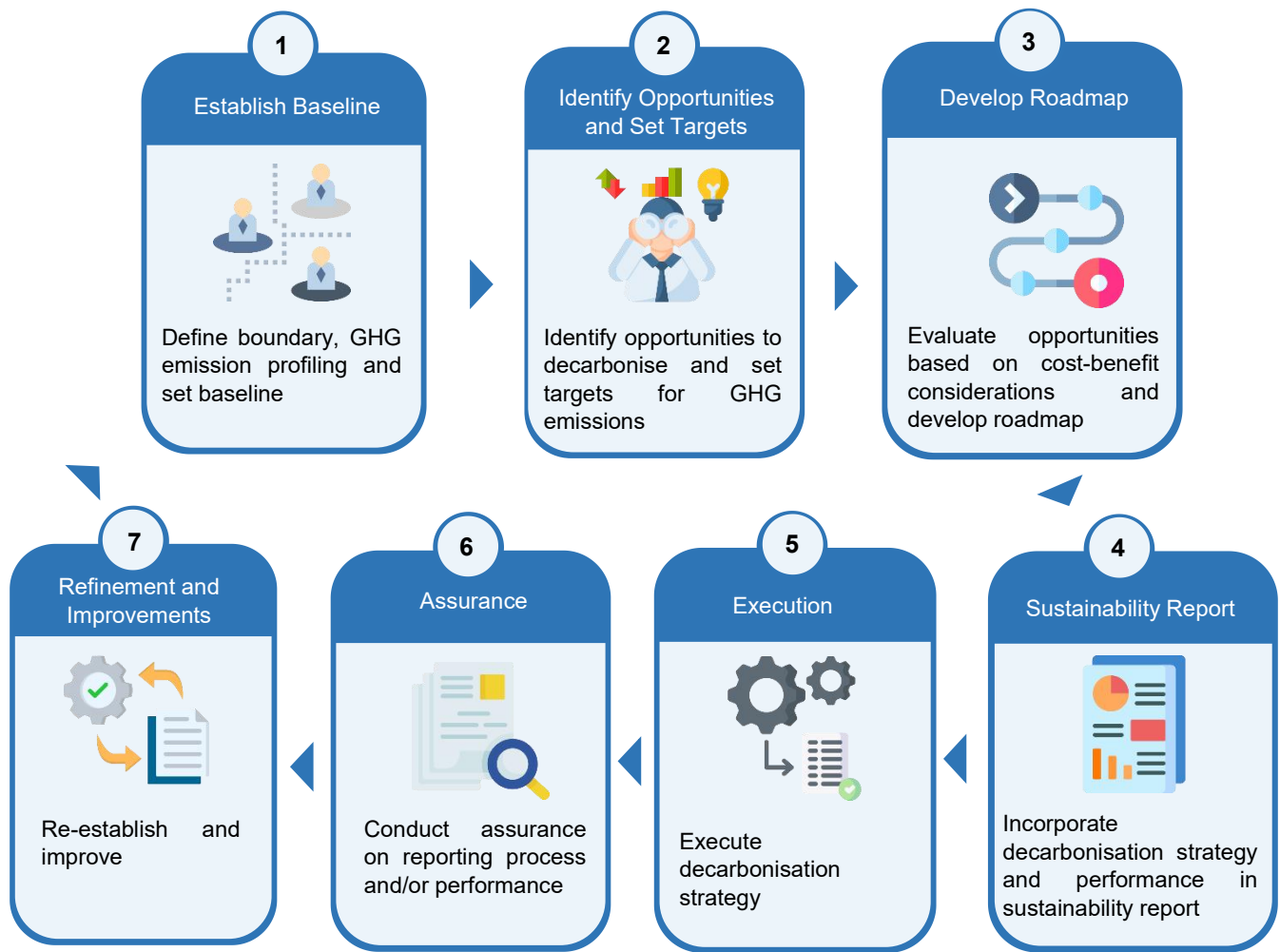
Approach

We aim to reduce our environmental footprints and at the same time, establish operational resilience to deliver long-term and sustainable value to our stakeholders of communities, customers, employees, Shareholders and Suppliers. We adopt a balanced approach in managing and effectively minimising the impacts arising from our business operations.

To run our operations, we rely mainly on the following energy sources:
▪ Petrol for a company motor vehicle for local commute within the PRC; and
▪ Electricity for running equipment for production use and office use such as lighting, office work, cooling and ventilation.

Decarbonisation Approach

To conserve energy and manage our GHG emissions, we have set up a seven (7)-step continuous circular process as follows:

Process Flow

1. Establish Baseline
Define boundary, GHG emission profiling and set baseline

2. Identify Opportunities and Set Targets
Identify opportunities to decarbonise and set targets for GHG emissions

3. Develop Roadmap
Evaluate opportunities based on cost-benefit considerations and develop roadmap

4. Sustainability Report
Incorporate decarbonisation strategy and performance in sustainability report

5. Execution
Execute decarbonisation strategy

6. Assurance
Conduct assurance on reporting process and/or performance

**7. Refinement and Improvements**
Re-establish and improve

On a yearly basis, we update our GHG emissions profile for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We will also conduct a GHG emissions profiling exercise whenever there are significant changes to our business models and work processes.

We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions, and are in the process of developing mechanisms to track additional scope 3 GHG emissions, where relevant and feasible. We developed a climate change transition plan which will be refined and improved as it is progressively implemented, taking into account changes in business operations, environmental factors and market trends. Progress updates and performance will be provided in our future sustainability reports, with the reporting process undergoing internal review to ensure compliance.

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). We adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach is selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We assessed that we have operational control over all reporting entities covered in this Report.

Climate Change Transition Plan
Our climate change transition plan guides us on our decarbonisation journey. Under this strategy, we commit to reduce our aggregated absolute Scope 1 and 2 GHG emissions by 6% and by FY2035 and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline. Our climate change transition plan is focused on two (2) strategic levers of reduce and neutralise as follows:

Aggregated absolute Scope 1 and 2 GHG emissions with FY2022 as baseline

Reduce our aggregated absolute Scope 1 and 2 GHG emissions by 6% by FY2035 and aspire to achieve carbon neutrality by FY2050
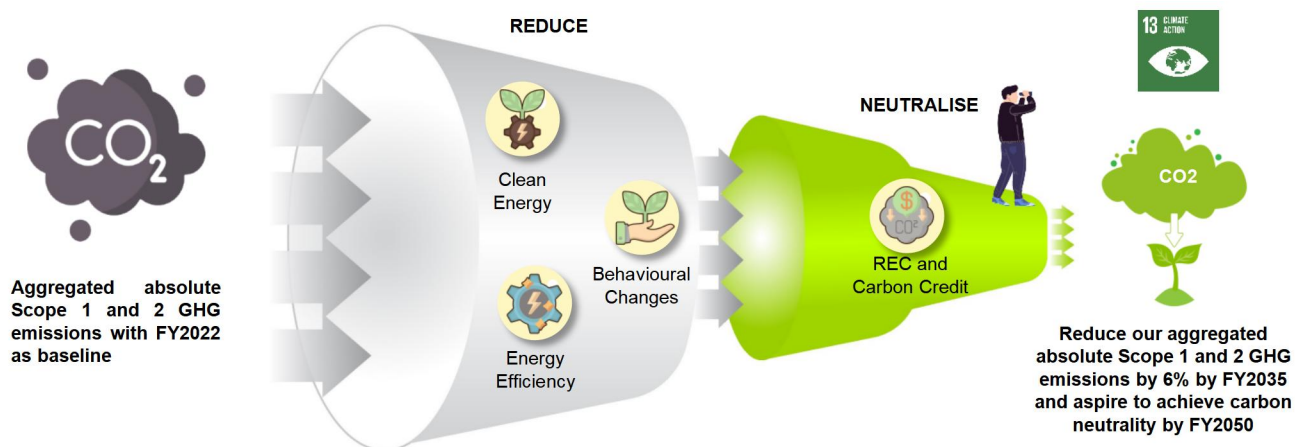
Details of our strategic levers adopted in our climate change transition plan are as follows:

Lever	Reduce	Neutralise
Focus Area	- Energy efficiency - Machinery and Equipment - Lighting - Cooling - Electric vehicle - Clean energy - Behavioural changes	- Renewable energy certificates ("**REC**") - Carbon credits

Our action plans by lever and focus area are as follows:

Lever	Focus Area	Action Plan
Reduce	Energy efficiency – Machinery and equipment	We perform routine maintenance of machinery and equipment to ensure good working conditions to optimise energy efficiency.
	Energy efficiency – Lighting	We adopt energy-efficient fixtures and fittings such as using energy saving light emitting diode and installing motion sensors in our lighting system.
	Energy efficiency – Cooling	Our action plans on this front include: ▪ Installing centralised air conditioning which has a lower consumption rate and higher energy efficiency; and ▪ Routine maintenance of filters for air-conditioning systems to reduce air flow resistance.
	Energy efficiency – Electric vehicles	Our fleet of motor vehicles are currently fuelled by petrol which emit more carbon dioxide than electric vehicles for each unit of distance travelled. We developed an electric vehicle plan to convert 50% of internal combustion vehicles by FY2035, with a goal of achieving 100% conversion by FY2050, subject to market conditions and technological advancements.
	Clean energy	We constantly explore opportunities to source for clean and/or renewable energy where we operate in.
	Behavioural changes	We constantly remind our employees on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use, enabling power saving modes and optimising operating temperatures.
Neutralise	▪ REC ▪ Carbon credits	We plan to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

Performance

Key statistics on energy consumption and GHG emissions during the Reporting Period are as follows:

(i)   Energy Consumption

Sustainability Metric	FY2024		FY2023	
	GJ	%	GJ	%
Petrol consumption (fleet[12])	63	24	79	26
Electricity (purchased) consumption	203	76	227	74
Total energy consumption	266	100	306	100

(ii)   Energy Consumption Intensity

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Petrol consumption intensity (fleet[12])	GJ/ revenue RMB'000	0.006	0.002
Electricity (purchased) consumption intensity	GJ/ revenue RMB'000	0.020	0.006
Energy consumption intensity	GJ/ revenue RMB'000	0.026	0.009

(iii)   GHG Emissions and Intensity

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Direct GHG emissions (Scope 1)[13]	tonnes CO_2e	4	5
Indirect GHG emissions (Scope 2)[14]	tonnes CO_2e	30	34[4]
Aggregated absolute GHG emissions (Scope 1 and 2)	tonnes CO_2e	34	39[4]
GHG emissions intensity	tonnes CO_2e/ revenue RMB'000	0.003	0.001

During the Reporting Period, our aggregated absolute GHG emissions (Scope 1 and 2) decreased slightly due to a reduction in petrol consumption (fleet). Despite the reduction in consumption, the GHG emissions intensity increased as a result of the significant reduction in revenue and measured against a smaller revenue base.

During the Reporting Period, we expanded our scope of indirect GHG emissions (Scope 3) [15] to include category 1: Purchased goods and services and category 5: Waste generated in operations as follows:

Category	Coverage	Unit of Measurement	FY2024	FY2023
Category 1: Purchased goods and services	▪ Plastic material ▪ Supplements	tonnes CO_2e	261	NA[16]
Category 5: Waste generated	▪ Paper ▪ Plastic ▪ Carton boxes	tonnes CO_2e	0.007	NA[16]
Category 6: Business	Business air and land travel	tonnes CO_2e	6.04	NA[17]

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[12] Petrol consumption (fleet) refers to consumption from vehicles such as cars and motorcycles. We do not consume any petrol (non-fleet) energy.

[13] The direct GHG emissions from consumption of petrol controlled by a reporting entity (Scope 1) are calculated based on the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

[14] The indirect GHG emissions from electricity purchased by a reporting entity (Scope 2) are calculated using the location-based methods based on the GHG emissions factors published by the relevant local authorities.

[15] The indirect GHG emissions (Scope 3) are calculated using a mix of calculation tools from the United Nations Framework Convention on Climate Change GHG emissions Calculator, GHG Protocol Transport Tool, International Civil Aviation Organization Carbon Emissions Calculator and emission factors from National Environment Agency Singapore and Department for Environment, Food & Rural Affairs, United Kingdom.

[16] No comparative data is available for the previous year as it was not tracked previously.

[17] No comparative data is available as we expanded the coverage of our indirect GHG emissions (Scope 3) disclosure from business air travel in FY2023 to cover business air and land travel in the current year. As the comparable data for the previous year was not tracked, it was not disclosed.

Category	Coverage	Unit of Measurement	FY2024	FY2023
travel				
Category 7: Employee commuting	Transportation of employees between their homes and their worksites	tonnes CO_2e	12.39	13.30[3]

SOCIAL

Occupational Health and Safety

Commitment
We are committed to maintain a culture of workplace safety in which our employees can work in a safe and healthy environment.

Approach
The Group enhances workplace safety through: (i) raising safety awareness; and (ii) educating and promoting safe work behaviours amongst employees.

To stress on the importance of workplace safety standards, health and safety handbooks are disseminated to all employees. We also implemented mandatory safety training requirement for all employees. Through these trainings, employees can actively identify current and potential workplace safety hazards, enabling preventive actions.

We abide by the relevant local labour laws to ensure that our employees are working under high health and safety standards, thus creating a safe and comfortable working environment for our employees where they can perform with greater productivity and efficiency.

Performance
During the Reporting Period, key statistics relating to occupational health and safety are as follows:

Sustainability Metric	FY2024	FY2023
Number of work-related fatalities	-	-
Number of high consequence work-related injuries[5]	-	-
Number of recordable work-related injuries	-	-
Number of recordable work-related ill health cases[6]	-	-

Employee Retention and Development

Commitment
We are committed to invest in employee development to enhance our competencies and ensure we remain at the forefront of the industry.

Approach
Employee turnover affects our productivity and performance. We believe that high job satisfaction and employee engagement translate to a low turnover rate. Successful retention of our talents improves the Group's overall performance. On top of that, we believe that new hires introduce new ideas and fresh perspectives to the business, and thus welcome new employees joining our Group.

Employee Benefits
We take care of our employees' wellness and achieve greater employee engagement by offering incentives and benefits. Setting the right incentive culture that meets our employees' needs, encourages and motivates them to strive for better performance. Employees based in Singapore and China enjoy the following benefits:
▪ A healthcare plan that covers all our full-time employees and includes essential healthcare services such as medical consultation and insurance;
▪ Maternity leave and paternity leave; and

- Birthday or festive gifts during their birth month or celebrative seasons such as Chinese New Year or Mid-autumn festival.

To support our employees' personal and professional development, we provide the necessary resources and environment required to upskill our employees. We aim to grow our employees by nurturing a culture of lifelong learning through the conduct of structured training.

For new hires and transferred employees, we equip them with the necessary skill set through in-house orientations and transfer trainings. Additionally, structured training programmes are implemented for our employees to upgrade both their functional skills as well as their product knowledge as follows:
- General skills training;
- On-the-job skills training; and
- External training.

Performance Management
We aim to maintain a transparent working environment where the management can deliver organisational goals and recognise employees for their achievements. To fulfil these objectives, a performance management system is in place for our management to track the performance as well as to reward our employees. Ongoing reviews, quarterly performance check-ins, annual performance reviews and career development reviews are conducted for our employees, to ensure that our employees are at their peak performance.

In assessing employees' performance, ongoing reviews are conducted by our appointed supervisors. The key sustainability metrics, evaluation criteria and benchmark performance level are communicated in advance to our employees to facilitate transparency. Our employees are graded twice by separate supervisors and the average assessment score is used to allocate a bonus amount for eligible employees. As advocates of open communications, appraisals and feedback are shared with employees to motivate them and to build a high-performance culture.

At the end of each year, a comprehensive annual performance review is conducted for our employees. Based on the results of the review and parameters set by the management, employees are granted bonuses to motivate them in the following year.

Performance
Key statistics on new hires and turnover of our employees are as follows:

New Hires[18]

Sustainability Metric	FY2024		FY2023	
	Number of New Hire	New Hire Rate	Number of New Hire	New Hire Rate
Overall	1	13%	2	22%
Gender				
Male	-	-%	1	25%
Female	1	25%	1	20%
Age				
Below 30	-	-%	-	-%
30 to 50	1	17%	1	14%
Above 50	-	-%	1	67%

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[18] New hire related statistics are calculated based on the number of new hires over total employees by gender and age.

Sustainability Metric	FY2024		FY2023	
	Number of Turnover	Turnover Rate	Number of Turnover	Turnover Rate
Overall	1	13%	2	22%
Gender				
Male	-	-%	1	25%
Female	1	25%	1	20%
Age				
Below 30	-	-%	1	100%
30 to 50	1	17%	1	14%
Above 50	-	-%	-	-%

Training Hours

Key statistics on training hours provided for our full-time employees are as follows:

Sustainability Metric	FY2024	FY2023
Overall		
Total training hours	360	288
Average training hours per employee	40	32
Male		
Total training hours	171	128
Average training hours per employee	43	32
Female		
Total training hours	189	160
Average training hours per employee	38	32
Management		
Total training hours	180	128
Average training hours per employee	45	32
Executive and below		
Total training hours	180	160
Average training hours per employee	36	32

During the Reporting Period, we strengthened our training programmes and focused on technical and soft skills, leading to the increase in average training hours per employee.

Performance Review

During the Reporting Period, 100% of our employees received performance reviews and career development reviews (FY2023: 100%).

Sustainability Metric	FY2024	FY2023
Overall	100%	100%
Male	100%	100%
Female	100%	100%
Management	100%	100%
Executive and below	100%	100%

Customer Health and Safety

Commitment

We are committed to deliver the best to our customers by providing them with safe and quality products.

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[19] Turnover related statistics are calculated based on the number of turnovers of confirmed employees over total employees by gender and age.

Approach

We ensure that market standards and best practices are adopted by our Suppliers to ensure the quality and safety of our products.

Standards adopted by our Suppliers for our range of health and nutrition supplement products include the following:
- ISO9001:2015 certification for production and processing of health and nutrition supplement products;
- Hazard Analysis and Critical Control Point system ("**HACCP**") for production and processing of health and nutrition supplement products [危害分析关键控制点];
- National Food Safety Standard General Hygienic Regulation for Food Production [质量管理体系认证证书]; and
- Halal Certification.

Market standards adopted by our Suppliers for bottled water include the followings:
- ISO9001:2015 for production of packaged drinking water;
- HACCP for production of packaged drinking water [危害分析关键控制点];
- Production license for plastic bottle packaging [全国工业产品生产许可证]; and
- Food production license [食品生产许可证].

Performance

Key statistics on customer health and safety for the Reporting Periods as follows:

Sustainability Metric	FY2024	FY2023
Number of incidents of product returns due to food safety reasons	-	-
Number of incidents of non-compliance with regulations resulting in a fine or penalty	-	-
Number of incidents of non-compliance with regulations resulting in a warning	-	-
Number of incidents of non-compliance with voluntary codes	-	-

Workplace Equality and Diversity

Commitment

We are committed to the goals of diversity and equal opportunity in employment by implementing fair employment practices during the hiring process and ensuring non-discrimination against employees.

Approach

To promote equal opportunity, we implemented various human resources measures as follows:
- Recruitment is based on merit, competency and this is formalised in our Human Resource Policy and Employee Handbook;
- Assessment is performed regularly to evaluate the performance of employees and provide them with a sense of self-awareness to undertake training that will improve their skills and abilities; and
- Recruitment advertisements do not state age, race, gender or religion preferences as a requirement.

Performance

As at 31 December 2024, we have a total number of 8 full-time employees (FY2023: 8 employees).

During the Reporting Period, there were zero incidents of unlawful discrimination against employees[7] (FY2023: zero incidents).

Our People

Employment Type	Singapore	China	Total
Full-time	2	6	8
Part-time	-	1	1
Overall	2	7	9

Gender Diversity (%)

We view diversity in the Group as essential in supporting sustainable development. Currently, we have no female representation on our Board. Nonetheless, we will work towards increasing the number of female directors as we believe that a diverse Board helps to enhance decision-making capability and the performance of the Group.

Key statistics on gender diversity of our employees are as follows:

Sustainability Metric	FY2024		FY2023	
	Male	Female	Male	Female
Management	75%	25%	75%	25%
Executive and below	20%	80%	20%	80%
Overall	44%	56%	44%	56%

Age Diversity (%)

On age diversity, matured workers are valued for their experience, knowledge and skills. Key statistics on age diversity of our employees are as follows:

Sustainability Metric	FY2024			FY2023		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Management	-%	75%	25%	-%	75%	25%
Executive and below	-%	80%	20%	-%	80%	20%
Overall	-%	78%	22%	-%	78%	22%

Educational Diversity (%)

We seek to create an inclusive environment for employees from different educational background. Key statistics on educational background diversity of our employees are as follows:

Sustainability Metric	FY2024		FY2023	
	Tertiary	Non-Tertiary	Tertiary	Non-Tertiary
Performance of employees by educational diversity	44%	56%	44%	56%

Ongoing Community Engagement

Commitment

We are committed not only to set a good example but also to encourage individuals and other corporations to embrace the spirit of giving.

Approach and Performance

During the Reporting Period, we embarked on various activities to engage the local communities as follows:

In Support for Healthy Living for Jimei School Village Cup

We sponsored Dr. Blue's bottled water to 'Jimei School Village Cup', to promote a healthy and active lifestyle for the students during the sports event.

Summer Heatwave Relief Programme

To contribute back to society, we donated Dr Blue's bottled water to the local police officers. We aim to convey our deep appreciation and provide a measure of relief to these community heroes.

GOVERNANCE

## Robust Corporate Governance Framework

Commitment

We adhere to the principles and guidelines of the Code of Corporate Governance and are committed to responsible business practices and long-term value creation for all stakeholders.

Approach

A robust corporate governance framework with effective internal policies and practices is crucial to support a progressive corporate culture. The 2018 Code of Corporate Governance is used as a guide to support our effort to uphold high standards of governance in our business operations.

We aligned our corporate governance and risk management approach with the Three Lines Model published by the Institute of Internal Auditors ("**IIA**"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management.

Under the Three Lines Model, the roles and responsibilities of governing body, management (first and second-line roles), internal audit (third-line roles) and the relationship among them are defined as follows:
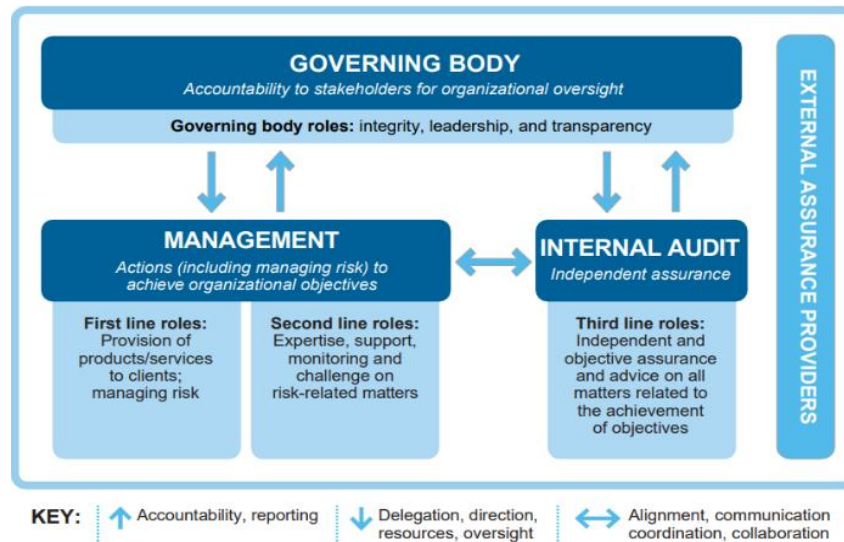
We are dedicated to upholding ethical business practices and maintain a strong reputation as an ethical company by complying with the Criminal and Anti-Money Laundering laws of China. This approach ensures adherence with relevant laws and regulations related to insider trading, fraud, bribery and extortion. To reinforce anti-corruption practices, we provided employees with relevant handbooks and training on the consequences of such unethical practices.

Our policies and commitments for enforcing anti-corruption and ethical business practices are as follows:
- A code of conduct that outlines expectations for employees and the consequences for any violations of rules or standards not being met. Additionally, clear and fair grievance procedures are detailed in the employee handbook; and
- A whistleblowing policy to encourage employees to report unethical conduct in the workplace. Reporting channels are available and provided through confidential emails sent out to all employees on the procedures for reporting violation of laws and misconduct.

Internal audit on accounting and finance, management and third-party services are conducted periodically to check compliance with internal policies and external regulations.

In dealing with interested persons transactions, the Board oversees the review and approval procedures of this process. To prevent insider trading when dealing in securities, all directors and employees are required to abide to insider trading laws.

Please refer to our AR FY2024 for more information on our Corporate Governance practices.

Performance
Key statistics relating to corporate governance are as follows:

Sustainability Metric	FY2024	FY2023
Number of reported incidents of serious offence[8]	-	-
Number of incidents of non-compliance with laws and regulations for which significant fines and/or non-monetary sanctions were incurred[9]	-	-

TARGETS AND PERFORMANCE HIGHLIGHTS

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our key sustainability issues. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress Tracking
ooo	New target
●●●	Target achieved
●●o	On track to meet target
●oo	Not on track, requires review

S/N	Material Sustainability Factor	Target[20]	Current Year Performance
Economic			
1	Sustainable Business Performance	Short-term Maintain or improve economic value generated subject to market conditions	●oo Our economic value generated was reduced to RMB 19.78 million.
Environmental			
2	Sustainable Water Management	Short-term Maintain or improve water efficiency of bottled water production	●●● We improved slightly the water efficiency of bottled water production at 0.006 ML/ production volume.
3	Optimal Waste Management	Short term Maintain or reduce the waste generated intensity at <0.001 tonnes/revenue RMB'000	●●● We maintained the waste generated intensity at <0.001 tonnes/revenue RMB'000.
4	Energy Conservation and GHG Emissions Reduction	Short term Maintain or reduce GHG emissions intensity with FY2022 as our baseline Medium-term Reduce aggregated absolute Scope 1 and 2 GHG emission by 6% and by FY2035, with FY2022 as our baseline Long-term Aspire to achieve carbon neutrality by FY2050	●oo Our GHG emissions intensity increased to 0.003 tonnes CO_2e/ revenue RMB'000. ●●o The aggregated absolute GHG emissions (Scope 1 and 2 GHG) decreased to 34 tonnes CO_2e. ooo This is a new long-term target for energy conservation and GHG emissions reduction.
Social			
5	Occupational Health and Safety	Ongoing and long-term Maintain zero incidents of workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases	●●● We maintained zero incidents of workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases.
6	Employee Retention and Development	Short-term ▪ Maintain or improve training hours per employee	●●● We improved the average training hours per employee to 40 hours.

[20] Time horizons for target settings are: (i) short term: within 5 years (until FY2028); (ii) medium term: between 5 and 20 years (between FY2029 and FY2043); (iii) long term: above 20 years (FY2044 onwards); and (iv) ongoing: encompassing short, medium, and long term.

S/N	Material Sustainability Factor	Target[20]	Current Year Performance
		▪ Maintain the percentage of employees who received regular performance and career development review	●●● We maintained the percentage of employees who received regular performance and career development review at 100%.
7	Customer Health and Safety	<u>Ongoing and long-term</u> Maintain zero incidents of product returns due to food safety reasons	●●● We maintained zero incidents of product returns due to food safety reasons.
8	Workplace Equality and Diversity	<u>Ongoing and long-term</u> Maintain zero incidents of unlawful discrimination against employees	●●● We maintained zero incidents of unlawful discrimination against employees
9	Ongoing Community Engagement	<u>Ongoing and long-term</u> Continue to engage in community campaigns	●●● We continued to engage in community campaigns.
Governance			
10	Robust Corporate Governance framework	<u>Ongoing and long-term</u> ▪ Maintain zero incidents of serious offence[8] ▪ Maintain zero incidents of non-compliance with laws and regulations[9] for which significant fines and/or non-monetary sanctions were incurred	●●● We maintained zero incidents of serious offence. ○○○ This is a new long-term target for Robust Corporate Governance Framework.

For the material Sustainability Factors identified this Report, the Board and SSC have carefully considered the relevance and usefulness of setting related targets across the short, medium and long-term horizons. However, as some historical data trends for certain material Sustainability Factors have yet to stabilise, we have refrained from setting medium and long-term targets currently. We will disclose such targets in future sustainability reports once the data trends have stabilised and subject to market trends.

SUPPORTING TCFD

We are committed to supporting the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas:

Governance
a. Describe the board's oversight of climate-related risks and opportunities.
The Board oversees the management in the development of the sustainability strategy and performance targets while monitoring the Sustainability Factors of the Group as well as climate-related issues and takes them into consideration in the determination of the Group's strategic direction and policies on an annual basis.

b. Describe management's role in assessing and managing climate-related risks and opportunities.
The SSC is led by our ED and supported by the COO and selected employees from key business units and corporate functions. The SSC is responsible for the management and monitoring of Sustainability Factors, including working with the various business units to ensure that climate-related issues are considered in the development of sustainability strategy, target setting, as well as collection, monitoring and reporting of performance data.

Strategy
a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("**NGFS**") range of climate scenarios[21]:

Scenario	Description
NGFS – Orderly (Net Zero 2050)	Reaching net-zero global CO_2 emissions by 2050 will require an ambitious transition across all sectors of the economy. Scenarios tend to emphasise the importance of decarbonising the electricity supply, increasing electricity use, increasing energy efficiency, and developing new technologies to tackle hard-to-abate emissions. Transition risks to the economy could result from higher emissions costs and changes in business and consumer preferences. Physical risks would be minimised.
NGFS – Hot house world (Current policies)	While many countries have started to introduce climate policies, they are not yet sufficient to achieve official commitments and targets. If no further measures are introduced, 3 °C or more of warming could occur by 2100. This would likely result in deteriorating living conditions in many parts of the world and lead to some irreversible impacts like sea-level rise. Physical risks to the economy could result from disruption to ecosystems, health, infrastructure and supply chains.

We selected NGFS' orderly and hot house world scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on group-wide activities in the short term (within 5 years, until FY2028), medium term (between 5 and 20 years, between FY2029 and FY2043) and long term (above 20 years, FY2044 onwards). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during the ERM exercise includes the following:

Risk and Potential Impact	Significance of Financial Impact[22]				Mitigating Measure	Climate-related Opportunity
	Current Effect (RMB'000)	Short Term	Medium Term	Long Term		
Key Physical Risk Identified						
Increased severity of extreme weather events						
Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods and droughts) may affect the availability of water supply for our bottled water business, which will in turn adversely affect its business performance. Additionally, with rising temperatures and more frequent heatwaves resulting from global warming and climate change, the risks of increased cooling expenditures and reduced labour productivity are expected to rise. We remain vigilant in monitoring the impact of climate change on our operations, mindful of the alarming estimated global cost of USD 16 million per hour[23] arising from climate-	**Scenario: Orderly** NA[24] 🟢 🟡 🟡 **Scenario: Hot house world** NA[24] 🟡 🔴 🔴				We put in place a climate change transition plan to steer us on our decarbonisation journey. You may refer to Section 'Energy Conservation and GHG Emissions Reduction' for further details.	In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower emissions, the Group realises the opportunity to invest in energy-efficient technologies and renewable energy use.

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[21] We revised our climate related scenarios by aligning with market practice. We also reassessed and refined our approach to managing climate-related risks in ensuring that out strategies are aligned with current environmental challenges and best practices for long-term sustainability.

[22] Significance of financial impact is determined based on the risk appetite established in accordance with the Group's ERM framework.

[23] Source: https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/

[24] We are unable to estimate the current financial effect due to uncertainties in the inputs and assumptions resulting from the lack of available data, including information about climate outcomes and their effects on the Group. We will continue to monitor credible information to support our disclosures in this area.

Key Transition Risk Identified				
Enhanced GHG emissions reporting obligations				
With rising concerns over the effects of climate change, key stakeholders such as the Regulators and Shareholders are requiring reporting of climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance. These new requirements necessitate the investment of manpower resource in more comprehensive data collection, analysis, and reporting processes, greater involvement from management, and additional costs for consultancy and employee training.	**Scenario: Orderly**			To strengthen our sustainability governance structure, our SSC is responsible for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations. In addition, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.	The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees. With more defined job responsibilities and trainings, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.
	123	●	●	●		
	Scenario: Hot house world				
	123	●	●	●		

Legend

● Minor   ● Moderate   ● Major

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation, and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. Climate scenario analysis plays a key role in providing insights into the potential extent of the climate-related risks and opportunities for our business.

Through our climate scenario analysis, we concluded that under Hot House World, unmitigated risks of increased severity of extreme weather events may lead to severe financial impacts in the medium and long-term. Under Orderly, the climate-related risks identified are not expected to result in significant financial impacts in the short, medium, or long term. To address the risks and capitalise on opportunities associated with climate change, we will continuously refine our strategy to remain resilient throughout our sustainability journey.

Risk Management
a. Describe the organisation's processes for identifying and assessing climate-related risks.
b. Describe the organisation's processes for managing climate-related risks.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate-related risk management is integrated into our ERM framework, where potential climate-related risks are identified, assessed, monitored and managed. Each business unit and function are responsible for identifying and documenting the climate-related risks that may impact their progress towards contributing to the Group's business objectives. These risks, along with corresponding opportunities and treatment plans, are reviewed and updated during the ERM exercise. The updated information is then presented to the AC alongside other key enterprise-wide risks. Additionally, climate-related risks are continuously monitored through the analysis of climate-related Sustainability Metrics.

a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track, measure and report on our environmental performance, including energy, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with key climate-related risks and enabling us to be more targeted in our efforts.

b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.

To support the climate change agenda, we disclose our Scope 1, 2 and selected Scope 3 GHG emissions in this Report and set climate-related targets such as those related to energy, GHG emissions, water and waste management. We will continue to monitor our emissions and expand our disclosure for our Scope 3 GHG emissions wherever applicable and practicable.

Our disclosure on indirect GHG emissions (Scope 3) includes purchased goods and services (category 1), waste generated in operations (category 5), business travel (category 6) and employee commuting (category 7) in FY2024.

c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we set climate-related targets related to GHG emissions. For further details, please refer to the section on 'Targets and Performance Highlights'.

INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRICS

The sustainability disclosure metrics are based on the IFRS Sustainability Disclosure Standards Industry-Based Guidance for implementing climate-related disclosure (Volume B29 - Health Care Distributors) for the Group's Health and Nutrition business segment. The details as follows:

Sustainability Disclosure Topics and Accounting Metrics

Topic	Code	Metric	FY2024
Fleet Fuel Management	HC-DI-110a.1	Payload fuel economy	Not applicable as all of the Group's logistics operations are outsourced.
	HC-DI-110a.2	Description of efforts to reduce the environmental impact of logistics	Not applicable as all of the Group's logistics operations are outsourced.

Activity Metrics

Code	Activity Metric	FY2024
HC-DI-000.A	Number of pharmaceutical units sold by product category	Not disclosed due to confidentiality.
HC-DI-000.B	Number of medical devices sold by product category	Not applicable as the Group is not engaged in the trade of medical devices.

GRI CONTENT INDEX

Statement of use	Suntar Eco-City Limited has reported the information cited in the GRI content index for the period from 1 January 2024 to 31 December 2024 in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure	Location
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	AR 'About Us' and 'Corporate Information'
	2-2 Entities included in the organisation's sustainability reporting	AR 'Notes to Financial Statements, 6 Subsidiaries'
	2-3 Reporting period, frequency and contact point	Sustainability Report ("**SR**") 'About This Report'
	2-4 Restatements of information	SR 'Sustainability Performance at a Glance', 'Sustainable Business Performance', 'Energy Conservation and GHG Emissions Reduction'
	2-5 External assurance	SR 'Reporting Framework'
	2-6 Activities, value chain and other business relationships	SR 'Our Core Business'
	2-7 Employees	SR 'Workplace Equality and Diversity'
	2-8 Workers who are not employees	None
	2-9 Governance structure and composition	AR 'Board of Directors'
	2-10 Nomination and selection of the highest governance body	AR 'Corporate Governance Report, A. Board Matters'
	2-11 Chair of the highest governance body	AR 'Corporate Governance Report, A. Board Matters'
	2-12 Role of the highest governance body in overseeing the management of impacts	AR 'Corporate Governance Report, A. Board Matters'
	2-13 Delegation of responsibility for managing impacts	AR 'Corporate Governance Report, A. Board Matters'
	2-14 Role of the highest governance body in sustainability reporting	AR 'Corporate Governance Report, A. Board Matters' and SR 'Sustainability Reporting Structure' and 'Supporting TCFD'
	2-15 Conflicts of interest	AR 'Corporate Governance Report, A. Board Matters'
	2-16 Communication of critical concerns	SR 'Robust Corporate Governance Framework'
	2-17 Collective knowledge of the highest governance body	SR 'Policy, Practice and Performance Reporting'
	2-18 Evaluation of the performance of the highest governance body	AR 'Corporate Governance Report, 'B. Remuneration Matters'
	2-19 Remuneration policies	AR 'Corporate Governance Report, 'B. Remuneration Matters'
	2-20 Process to determine remuneration	AR 'Corporate Governance Report, 'B. Remuneration Matters'
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	SR 'Board Statement'
	2-23 Policy commitments	SR 'Policy, Practice and Performance Reporting' and 'Material Sustainability Factors'

GRI Standard	Disclosure	Location
	2-24 Embedding policy commitments	SR 'Policy, Practice and Performance Reporting' and 'Material Sustainability Factors'
	2-25 Processes to remediate negative impacts	SR 'Robust Corporate Governance Framework'
	2-26 Mechanisms for seeking advice and raising concerns	SR 'Robust Corporate Governance Framework'
	2-27 Compliance with laws and regulations	SR 'Policy, Practice and Performance Reporting' and 'Material Sustainability Factors'
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	AR 'Corporate Governance Report, D. Shareholder Rights and Engagements, E. Managing Stakeholder Relationships' and SR 'Stakeholder Engagement'
	2-30 Collective bargaining agreements	None of our employees are covered by collective bargaining agreements.
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SR 'Policy, Practice and Performance Reporting' and 'Material Sustainability Factors'
	3-2 List of material topics	SR 'Material Sustainability Factors'
	3-3 Management of material topics	SR 'Material Sustainability Factors'
Sustainable Business Performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Sustainability Business Performance'
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SR 'Sustainability Business Performance'
	201-2 Financial implications and other risks and opportunities due to climate change	SR 'Supporting TCFD'
	201-3 Defined benefit plan obligations and other retirement plans	AR 'Notes to Financial Statements 19 Profit before taxation'
	201-4 Financial assistance received from government	AR 'Notes to Financial Statements, 18 Other operating income'
Robust Corporate Governance Framework		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Robust Corporate Governance Framework'
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SR 'Robust Corporate Governance Framework'
	205-2 Communication and training about anti-corruption policies and procedures	SR 'Robust Corporate Governance Framework'
	205-3 Confirmed incidents of corruption and actions taken	SR 'Robust Corporate Governance Framework'
Energy Conservation and GHG Emissions Reduction		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Energy Conservation and GHG Emissions Reduction'
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	SR 'Energy Conservation and GHG Emissions Reduction'
	302-2 Energy consumption outside of the organization	SR 'Energy Conservation and GHG Emissions Reduction'
	302-3 Energy intensity	SR 'Energy Conservation and GHG Emissions Reduction'
	302-4 Reduction of energy consumption	SR 'Energy Conservation and GHG Emissions Reduction'

GRI Standard	Disclosure	Location
	302-5 Reductions in energy requirements of products and services	SR 'Energy Conservation and GHG Emissions Reduction'
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR 'Energy Conservation and GHG Emissions Reduction'
	305-2 Energy indirect (Scope 2) GHG emissions	SR 'Energy Conservation and GHG Emissions Reduction'
	305-3 Other indirect (Scope 3) GHG emissions	SR 'Energy Conservation and GHG Emissions Reduction'
	305-4 GHG emissions intensity	SR 'Energy Conservation and GHG Emissions Reduction'
	305-5 Reduction of GHG emissions	SR 'Energy Conservation and GHG Emissions Reduction'
	305-6 Emissions of ozone-depleting substances (ODS)	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations
Sustainable Water Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Sustainable Water Management'
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	SR 'Sustainable Water Management'
	303-2 Management of water discharge-related impacts	Disclosure is not applicable as we do discharge a material amount of wastewater or effluents in our operations.
	303-3 Water withdrawal	SR 'Sustainable Water Management'
	303-4 Water discharge	Disclosure is not applicable as we do discharge a material amount of wastewater or effluents in our operations.
	303-5 Water consumption	SR 'Sustainable Water Management'
Optimal Waste Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Optimal Waste Management'
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SR 'Optimal Waste Management'
	306-2 Management of significant waste-related impacts	SR 'Optimal Waste Management'
	306-3 Waste generated	SR 'Optimal Waste Management'
	306-4 Waste diverted from disposal	SR 'Optimal Waste Management'
	306-5 Waste directed to disposal	SR 'Optimal Waste Management'
Employee Retention and Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Employee Retention and Development'
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	SR 'Employee Retention and Development'
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR 'Employee Retention and Development'
	401-3 Parental leave	Disclosure is not applicable as we do not have employees who are eligible for Parental Leave

GRI Standard	Disclosure	Location
		for the Reporting Period.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	SR 'Employee Retention and Development'
	404-2 Programmes for upgrading employee skills and transition assistance programmes	SR 'Employee Retention and Development'
	404-3 Percentage of employees receiving regular performance and career development reviews	SR 'Employee Retention and Development'
Occupational Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Occupational Health and Safety'
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SR 'Occupational Health and Safety'
	403-2 Hazard identification, risk assessment, and incident investigation	SR 'Occupational Health and Safety'
	403-3 Occupational health services	SR 'Occupational Health and Safety'
	403-4 Worker participation, consultation, and communication on occupational health and safety	SR 'Occupational Health and Safety'
	403-5 Worker training on occupational health and safety	SR 'Occupational Health and Safety'
	403-6 Promotion of worker health	SR 'Occupational Health and Safety'
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR 'Occupational Health and Safety'
	403-8 Workers covered by an occupational health and safety management system	SR 'Occupational Health and Safety'
	403-9 Work-related injuries	SR 'Occupational Health and Safety'
	403-10 Work-related ill health	SR 'Occupational Health and Safety'
Workplace Equality and Diversity		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Workplace Equality and Diversity'
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	SR 'Workplace Equality and Diversity'
	405-2 Ratio of basic salary and remuneration of women to men	Information is not provided due to confidentiality constraints.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	SR 'Workplace Equality and Diversity'
Ongoing Community Engagement		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Material Sustainability Factors'
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	SR 'Ongoing Community Engagement'
	413-2 Operations with significant actual and potential negative impacts on local communities	SR 'Material Sustainability Factors'
Customers Health and Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	SR 'Customer health and Safety'
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	SR 'Customer health and Safety'
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	SR 'Customer health and Safety'