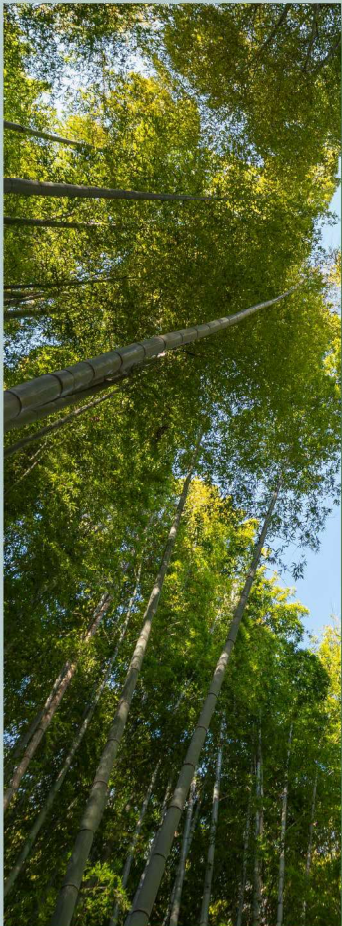


COMMITTED TO SUSTAINABLE GROWTH

SUSTAINABILITY REPORT 2022



CONTENTS

01

About Us

02

Board Statement

03

About The Report

04

Sustainability
Governance

05

Stakeholder
Engagement

06

Policy, Practice
and Performance
Reporting

07

Material
Sustainability
Factors

09

Sustainability Focus
Areas

20

Target Setting

21

Supporting The
United Nations
Sustainable
Development Goals

22

GRI Content Index

ABOUT US

EnGro Corporation Limited (“EnGro”, or “the Company”) was incorporated on 27 November 1973 under the name SsangYong Cement (S) Pte. Ltd., and later converted into a public limited company on 31 May 1983 and assumed the name SsangYong Cement (S) Ltd. In 1976, the Company started off with manufacturing Ordinary Portland Cement (“OPC”) but from 2003 onwards, it ceased production of OPC and offered high performance blended cement, Ready-Mix Concrete (“RMC”), low carbon Ground Granulated Blastfurnace Slag (“GGBS”), microfine cement and other innovative construction materials. In 2002, the Company marked the beginning of a new chapter as the Korean JV partner exited the scene by selling off its shares. In 2005, the Company changed its name to EnGro Corporation Limited with a new logo that reflects its vision of growth through partnership building and North Asia focus. The striking blue and orange curves symbolise EnGro and its partners. The curve design of the logo simulates the hemisphere of a globe reflecting EnGro’s determination to expand globally.



HARMONY 和顺

We adopt a balanced approach in everything

The Board of Directors (“Board”) of EnGro Corporation Limited and together with its subsidiaries (collectively as the “Group”) is pleased to present its Sustainability Report (“Report”), which discusses the developments and progress of our sustainability journey. In line with the Group’s sustainability strategy in promoting green cement and green concrete, the Group is continuing to invest in the circular economy via its Waste-to-Resource (“WTR”) programme to reduce greenhouse gas emission. As a part of the Group commitment to sustainability, the Board having considered sustainability issues as part of its strategic formulation, determined the material Environmental, Social and Governance (“ESG”) factors, economic performance and customer experience (collectively as “Sustainability Factors”) and overseen the management and monitoring of the material Sustainability Factors.



EXCELLENCE 卓越

We go the extra mile to achieve breakthrough in innovation

The Board acknowledges its responsibility for the Group’s sustainability reporting and believes that this Report provides a reasonable and transparent presentation of the Group’s strategy and Sustainability Factors.

The Board has assigned the responsibility for monitoring and overseeing the Company’s sustainability efforts to the Sustainability Committee (“Committee”). The Committee comprises senior executives from major functions who provide the direction for reporting. It reviews, assesses and determines the sustainability context, material factors, scope, boundary, and prioritisation of issues included in the Report. It considers formal and informal feedback from both internal and external stakeholders throughout the years to determine the material issues in the report. The Committee is supported by a cross-functional team that gathers and verifies the data.



TRUST 诚信

We uphold integrity in everything we do

In preparing the Report, we continue to focus on communicating value creation through our ESG strategies. The Report covers the ESG performance of business divisions and subsidiaries of EnGro in Singapore and Malaysia over the reporting period. Information has been extracted from primary internal records to ensure accuracy and presented using internationally accepted measurement units.

With Green embedded deep in the Group’s culture, the Group strives to achieve a Win-Win-Win outcome to benefit all stakeholders.



WIN-WIN 共赢

We work together with all stakeholders to achieve mutually beneficial goals

A Sustainability Policy covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been put in place and serves as a point of reference in the conduct of our sustainability reporting. Under this Sustainability Policy, we will continue to monitor, review and update the material Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders, organisational and external developments. Please refer to Policy, Practice and Performance Reporting for further details.

ABOUT THE REPORT

EnGro's Sustainability Report 2022 ("Report") has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards and the Singapore Exchange Securities Trading Limited ("SGX-ST") listing rules 711A and 711B. We have chosen to report using GRI Standards as it is an internationally recognised reporting framework. Please refer to GRI content index for further details. There are no significant adjustments have been made for prior year Sustainability Report published in May 2022.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to 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 heart are the 17 Sustainable Development Goals ("SDGs"), which form an urgent call for action by all countries - developed and developing - in a global partnership. We have incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

EnGro recognises that climate change poses an immediate existential threat to the planet, people and livelihood of human well-being. The rising global temperature is likely triggers of extreme weather conditions such as heatwaves, warming oceans, melting glaciers, and rising sea levels. These events directly impact public health, ecosystems, and food supplies. EnGro strives to assess and mitigate climate-related risks which are regularly discussed by the Board and working towards developing decarbonisation strategies to combat climate change. EnGro is in preparation for the work of Task Force on Climate-related Financial Disclosure ("TCFD"), and the climate-related disclosure will be disclosed in its FY2023 Sustainability Report.

Unless specified otherwise, this Report covers our ESG performance and initiatives for the period of 1 January 2022 to 31 December 2022 ("FY2022" or "Reporting Period"). This Report covers EnGro's operations in Singapore and Malaysia as well as our three primary building materials and specialty polymer brands:

- EnGro and Top-Mix for our Integral Cement and Ready-Mix Concrete ("RMC") business and products;
- VCEM¹ for our Specialty Cement business and product, and;
- R&P for our Specialty Polymer business and products.

While we have not sought for external assurance for this Report, we have relied on internal data monitoring and verification to ensure accuracy. We will work towards external assurance for our future sustainability reports.

We published FY2022 Sustainability Report in April 2023 and our previous reports are available on EnGro's website (<https://engro-global.com/sustainability-report/>). Should you have any comments or suggestions relating to this Report, please contact us at ir@engro-global.com.

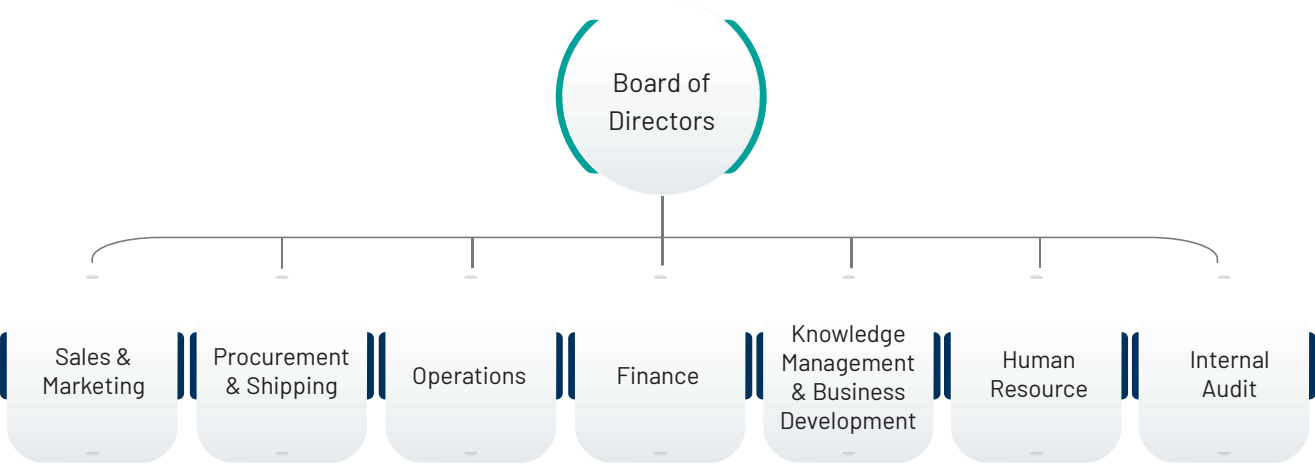
¹ EnGro's GGBS product is sold under the VCEM brand name. VCEM is an abbreviation of the following traits of the product: Value-Add, Cost-Effective, Eco-Friendly, Material for the 21st Century

SUSTAINABILITY GOVERNANCE

EnGro complies with the Code of Corporate Governance and provided explanations where there are deviations to the Code of Corporate Governance 2018. Please refer to Page 27 to 49 of our Annual Report 2022 for the details of our corporate governance compliance.

EnGro's Committee consists of representatives from various departments of the corporate headquarters. Under the guidance of the Board, the Committee is responsible for integrating sustainability principles and policies throughout the business.

SUSTAINABILITY COMMITTEE



OUR VISION

To be the preferred integral partner of innovative and sustainable material solutions.



OUR MISSION







To provide integrated material solutions that are value-adding, sustainable and cost-effective.



STAKEHOLDER ENGAGEMENT

Through an internal stakeholder mapping exercise, we have identified key stakeholder groups which we prioritise our engagements with. These include individuals or groups that have an interest that is affected or could be affected by our activities.

EnGro engages its key stakeholders regularly through various means effective for each stakeholder group. We believe this process is important for the company to identify new opportunities and to manage risks associated with each stakeholder group. Below is a summary of EnGro’s approach to each stakeholder group, as well as the identified key areas of concern.

Key stakeholder	Mode of engagement	Frequency of engagement	Areas of concern
Shareholders 	<ul style="list-style-type: none"> Annual General Meeting (“AGM”) Annual Reports, Sustainability Reports 	Annually	<ul style="list-style-type: none"> Information disclosure Redistribution of profits
	<ul style="list-style-type: none"> Corporate website 	Ongoing	
Suppliers 	<ul style="list-style-type: none"> Emails Meetings 	As and when required	<ul style="list-style-type: none"> Timeliness of payments Equal and fair business relationships Safe working environment
Customers (mostly building contractors) 	<ul style="list-style-type: none"> Emails Meetings 	As and when required	<ul style="list-style-type: none"> Stable supply of products High value-added products Environmentally friendly products Product safety and quality Response to complaints
Employees 	<ul style="list-style-type: none"> Management- Employee meetings 	As and when required	<ul style="list-style-type: none"> Training and development Safe working environment Welfare and benefits
	<ul style="list-style-type: none"> Performance appraisals 	Annually	
Regulators/Industry Association (“Regulators”) 	<ul style="list-style-type: none"> Meetings Industry events and seminars 	As and when required	<ul style="list-style-type: none"> Compliance with rules and regulations Understand industry developments
Communities 	<ul style="list-style-type: none"> Corporate website Charitable contributions Education scholarships 	Ongoing	<ul style="list-style-type: none"> Environmental impact of the business Job creation for the local community Supportive of enhanced learning at institutes of higher learning

POLICY, PRACTICE AND PERFORMANCE REPORTING

Sustainability reporting processes

Under our Sustainability Policy, our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised as material Sustainability Factors which are then validated. The end result of this process is a list of material Sustainability Factors disclosed in this Report. Inter-relationships between the processes are shown in the chart below:



Materiality assessment

The materiality assessment is supported by a materiality matrix which considers the likelihood of the occurrence of potential negative and positive impacts ("Likelihood of Impact") and significance of impacts on the economy, environment, people and their human rights, which in turn can indicate its contribution to sustainable development ("Significance of Impact").

Performance tracking and reporting

We track the progress of our material Sustainability Factors by identifying, monitoring, and measuring the relevant data points. In addition, we set performance targets that are aligned with our sustainability strategy. We shall consistently enhance our performance-monitoring processes and improve our data capturing systems. We believe that there is always room for improvement and we seek to continuously review our sustainability metrics as we strive to enhance sustainability, better corporate governance and greater economic contribution to society.

MATERIAL SUSTAINABILITY FACTORS

In FY2022, EnGro's Committee reviewed the material Sustainability Factors and assessed its relevance to the Group's operations and business. Through this review, we have added 1 material Sustainability Factor of Supplier Environmental Assessment and the top 8 material Sustainability Factors were selected for disclosure in this Report. Our material Sustainability Factors are grouped under three main sustainability focus areas of our business, people and environment as follows:

Sustainability focus area	Material Sustainability Factors	Key stakeholder
Our business <i>Doing our business with integrity</i>	Ethical business conduct and compliance	<ul style="list-style-type: none"> Regulators Shareholders
	GRI 201: Economic Performance 2016	<ul style="list-style-type: none"> Communities Employees Regulators Shareholders
Our people <i>Caring for the people we work with</i>	Product quality, service quality and customer satisfaction	<ul style="list-style-type: none"> Customers
	GRI 401: Employment 2016	<ul style="list-style-type: none"> Employees
	GRI 403: Occupational Health and Safety 2018	<ul style="list-style-type: none"> Employees
	GRI 404: Training and Education 2016	<ul style="list-style-type: none"> Employees
Our environment <i>Protecting the environment</i>	GRI 302: Energy 2016	<ul style="list-style-type: none"> Communities Regulators
	GRI 305: Emissions 2016	<ul style="list-style-type: none"> Shareholders



MATERIAL SUSTAINABILITY FACTORS

Materiality matrix



Legend:

- Our Business
- Our People
- ▲ Our Environment

Presented below is the list of 16 material Sustainability Factors and material factor matrix applicable to the Group:

Top priority		Medium priority	
S/N	Sustainability issue	S/N	Sustainability issue
1	GRI 201: Economic Performance 2016*	9	GRI 413: Local Communities 2016*
2	GRI 403: Occupational Health and Safety 2018*	10	GRI 306: Waste 2020
3	Product quality, service quality and customer satisfaction*	11	GRI 303: Water and Effluents 2018
4	Ethical business conduct and compliance*	12	GRI 410: Security Practices 2016
5	GRI 401: Employment 2016*	13	GRI 301: Materials 2016
6	GRI 302: Energy 2016	14	GRI 411: Rights of Indigenous People 2016
7	GRI 305: Emissions 2016*	15	GRI 417: Marketing and Labeling 2016
8	GRI 404: Training and Education 2016*	16	GRI 308: Supplier Environmental Assessment 2016

* Material Sustainability Factors disclosed in the Report

SUSTAINABILITY FOCUS AREAS

OUR BUSINESS

Doing our business with integrity

ETHICAL BUSINESS CONDUCT AND COMPLIANCE

EnGro upholds our commitment towards corporate governance which is in accordance with our continuing obligation as a company listed on the SGX. We go beyond the basics in regulatory compliance and have established a robust internal system, governed by the board and senior management, that diligently cross-checks our compliance to regulations in various countries that we operate in. EnGro's goal is to ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets. We have set up a risk assessment structure in the form of an Enterprise Risk Management ("ERM") Committee comprising the key Heads of Departments. The ERM Committee regularly reviews the key risk areas that affect the Group's business. The ERM committee submits its findings to the Audit Committee ("AC") Chairman and the Board of Directors for review and comments on a quarterly basis.

EnGro maintains a whistle-blowing policy to enable our employees and external parties to raise their concerns for any possible fraud or improprieties in relating to their work, harassment, human rights or discrimination. Our employees, vendors, customers and members of the public can access to an anonymous whistleblowing channel in the event that they would like to report on any unethical practices or misconduct. EnGro's whistleblowing policy is designed for whistle-blower raising concerns without fear of reprisal, to an internal authority (Chairman of AC, Chairman & CEO and the Internal Auditor). Whistle-blower can choose to voice their grievance to an internal authority or anonymously through an electronic mailbox of the Company. The whistleblowing policy is reviewed annually to ensure its effectiveness and relevance to the dynamic environment. We have encountered zero fraud case and no whistle-blowing reports received in FY2022 (FY2021: zero incident).

By adhering to laws, regulations, guidelines and specifications relevant to EnGro's businesses, it ensures that the Group's long-standing reputation is intact and continues to be preserved. In our view, a strong and ethical reputation forms an integral element of our core values of "Harmony, Trust, Excellence, and Win-Win", which enhance our ability to attract strong partners to expand our various businesses and attract relevant personnel to join our ever-growing capable workforce. When new employees join the Company, they undergo education and training that includes the Group's policies relating to anti-corruption, bribery, explanations of rights and interests as well as labour standards. In FY2022, we have no confirmed cases of corruption, and no cases where employees or business partners were dismissed or terminated due to violations related to corruption (FY2021: zero incident).

We closely follow legal and regulatory changes while operating in strict compliance with local laws and regulations, with the goal of achieving zero violations. The Group requires each department and subsidiary to report on all lawsuits and claims as well as the status of any legal disputes. The corporate office then follows up on each of these issues and acts when necessary. In FY2022, there were neither significant fines nor non-monetary sanctions for non-compliance with laws and regulations in the environmental or social and economic area (FY2021: zero incident).



SUSTAINABILITY FOCUS AREAS

ECONOMIC PERFORMANCE

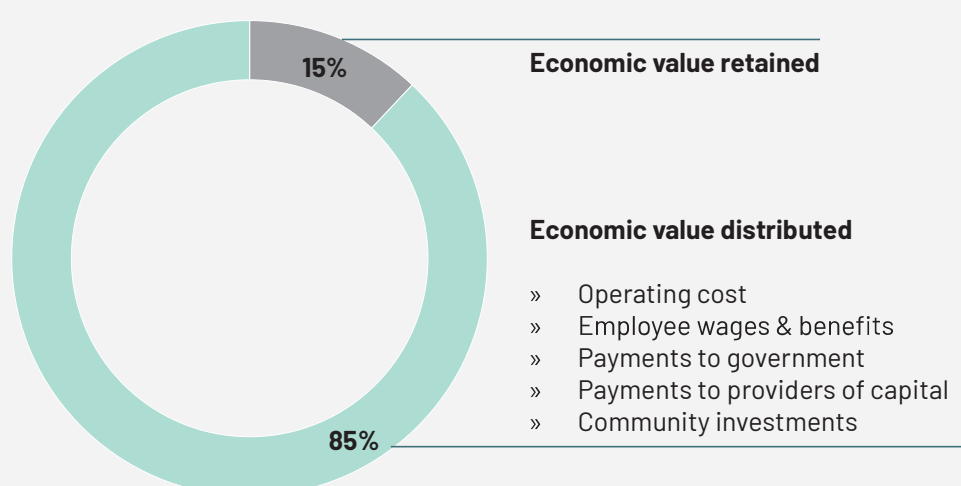
The Group's revenue increased 2.6% from S\$129.6 million in FY2021 to S\$133.0 million in FY2022. However, the Group recorded a loss after tax of S\$0.8 million in year ended 31 December 2022.

The Group has turned from a profit of S\$51.0 million in FY2021 to a loss of S\$0.8 million in FY2022 largely due to the absence of exceptional gains from Venture Capital investments and property development, recognition of unrealized Venture Capital Fund fair value loss as well as under-performance of China GGBS joint ventures (JVs) brought about by China's zero-COVID policy and sluggish property market. An overview of EnGro's performance in FY2022 can be found on Pg. 7 of the Annual Report.

The impact of the COVID-19 pandemic has brought unprecedented challenges to the construction industry amidst a global health and economic crisis. Even as the construction industry undergoes recovery, the disruption of materials supply will inevitably result in price escalation. The safety management measures that EnGro has to put in place, complying with social distancing and other regulations (e.g. reduced workforce etc.) to ensure a safe working environment would also impact the overall cost of operations. Under such difficult circumstances we will strive to maximise profits while reducing costs through strong relationships with our suppliers.

We are committed to provide value to various stakeholders through relevant and meaningful ways. In line with this commitment, economic value created in FY2022 mainly derived from business in Singapore and Malaysia is distributed as follows to enable a more sustainable future:

Description	FY2022	FY2021
Economic Value Generated	S\$ 133.0 million	S\$129.6 million
Economic Value Distributed	S\$ 113.4 million	S\$113.7 million
Economic Value Retained	S\$ 19.6 million	S\$15.9 million



SUSTAINABILITY

FOCUS AREAS

OUR PEOPLE

Caring for the people we work with

PRODUCT QUALITY, SERVICE QUALITY AND CUSTOMER SATISFACTION

EnGro is a leading provider of superior building materials, with 50 years of experience in providing innovative, eco-friendly, and high-performance building materials to key projects in the region. Mindful of a dynamic and competitive business landscape, EnGro aims to be a trusted, knowledgeable and reliable supplier of eco-friendly high-performance building materials. In order to achieve this goal, EnGro has a stringent quality assurance system in place. All our products are manufactured according to industry standards and regular compliance review is conducted to ensure proper certification of compliance for the Group's wide range of products. In FY2022, we received 26 customer complaints (FY2021: 9 customer complaints) in Singapore and Malaysia mainly relating to product quality issues but were all resolved amicably with our customers and closed in a timely manner.

Amid rising customer expectations in relation to safety and environmental concerns, we are committed to provide products that customers can use safely, and with confidence and satisfaction. EnGro adopts a transparent approach to its product labelling and discloses the following information in its product labelling:

- Content, particularly on substances that produce environmental or social impact,
- Safe use of product, and
- Disposal of product packaging and its environmental or social impact.

In FY2022, we did not receive any cases of product non-compliance with regulations concerning the health and safety impacts of our products (FY2021: zero incident).

EMPLOYMENT PRACTICES

The majority of EnGro's workforce are full-time employees under our payroll. We rely on a group of logistics support team to transport our products to and from our facilities, which comprise approximately 19% (FY2021: 17%) of our total workforce in Singapore. In promoting welfare and talent retention, EnGro ensures that each employee and worker are treated fairly. EnGro is fully compliant with the employment practices listed under the Ministry of Manpower Employment Act. Our Group's Human Resources ("HR") team has developed a set of HR Policies and Procedures which are applicable to all employees in EnGro's business units in Singapore and Malaysia. This ensures consistency of internal practices among business units so that EnGro can remain competitive by being aligned with industry norms. The various policies and procedures cover grievance procedures, employee benefits, and governs our hiring and merit-based promotion policies. None of our employees are covered by collective bargaining agreement.

In line with our HR policies, EnGro builds a corporate culture that encourages an enterprising spirit by guaranteeing respect for the values of ambition, responsibility and mission, as well as fair and impartial assignments, evaluations, and treatment based on merit. Our total headcount in Singapore and Malaysia as of 31 Dec 2022 under permanent and temporary contracts were 205 and 14 respectively (FY2021: Permanent headcount 183, Temporary headcount 22) and 94% (FY2021: 89%) of our employees are permanent employees. Both the permanent and temporary workers enjoyed equal safety policies and benefits. Due to the nature of our business, our workforce consists of male employees predominantly and 17% (FY2021: 19%) of our employees is made up of female employees. Matured workers are valued in the Group for their experience, knowledge and skills. As at 31 December 2022, 20% (FY2021: 24%) of our full-time employees is over 50 years old.

Total employees, new employees hired and employee turnover

		Number of employee		Employee rate	
		FY2022	FY2021	FY2022	FY2021
Gender	Male	182	167	83%	81%
	Female	37	38	17%	19%

		Number of employee		Employee rate	
		FY2022	FY2021	FY2022	FY2021
Age Group	Under 30 years old	26	34	12%	17%
	30-50 years old	149	121	68%	59%
	Over 50 years old	44	50	20%	24%

		Number of employee		Employee rate	
		FY2022	FY2021	FY2022	FY2021
Region	Singapore	139	117	63%	57%
	Malaysia	80	88	37%	43%

		New hire rate		Turnover rate	
		FY2022	FY2021	FY2022	FY2021
Overall		52%	33%	41%	42%

		Number of new hires		New hire rate	
		FY2022	FY2021	FY2022	FY2021
Gender	Male	98	51	54%	31%
	Female	15	16	41%	42%

		Number of new hires		New hire rate	
		FY2022	FY2021	FY2022	FY2021
Age Group	Under 30 years old	18	23	69%	68%
	30-50 years old	85	39	57%	32%
	Over 50 years old	10	5	23%	10%

		Number of new hires		New hire rate	
		FY2022	FY2021	FY2022	FY2021
Region	Singapore	56	28	40%	24%
	Malaysia	57	39	71%	44%

SUSTAINABILITY

FOCUS AREAS

		Number of leavers		Turnover rate	
		FY2022	FY2021	FY2022	FY2021
Gender	Male	77	67	42%	40%
	Female	13	19	35%	50%

		Number of leavers		Turnover rate	
		FY2022	FY2021	FY2022	FY2021
Age Group	Under 30 years old	17	24	65%	71%
	30-50 years old	58	47	39%	39%
	Over 50 years old	15	15	34%	30%

		Number of leavers		Turnover rate	
		FY2022	FY2021	FY2022	FY2021
Region	Singapore	34	28	24%	24%
	Malaysia	56	58	70%	66%

The increase in new hire rate is mainly due to the replacement of employees who left the Company and recruitment of truck drivers and site workers to support the operations of new batching facility in Singapore. The increase in turnover rate is mainly due to site workers based in Malaysia who resigned for a career change.

During the Reporting Period, we have no (FY2022: zero incident) reported incident of unlawful discrimination against employees.

EnGro offers various employee benefit programs, covering each stage of life from hiring to retirement. EnGro funds or subsidises programs and clubs that bring together people with shared interests to foster better workplace communication. Employee benefit programs have also been developed in line with each site's needs. In addition to providing employee benefits which are required by the local regulations, EnGro also provides certain non-statutory leaves and benefits to our employees, such as the following:

Benefits offered to full-time employees in Singapore	
Healthcare	General medical insurance covering inpatient and outpatient treatment.
Disability and invalidity coverage	Personal accident injury coverage.
Marriage leave	Employees are entitled to 3 days of marriage leave.
Family care leave	Employees are entitled to 2 days of family care leave per year.
Compassionate leave	Employees are entitled to compassionate leave of up to 6 days a year.
Dental benefits	Employees are provided with an allowance of \$120 per year dental allowance.
Maternity leave	Employees entitled to maternity leave up to 16 weeks depend on nationality of newborn child.
Paternity leave	Employees are entitled to 2 weeks of paternity leave.
Annual health screening	Employees who have worked for 3 years or more in the company and aged 40 years old and above are provided with a \$250 annual health screening allowance once every 2 years.

EMPLOYEE DEVELOPMENT

EnGro seeks to hire and retain talent that can drive globalisation and innovation in its businesses with the ultimate goal of sustainable growth. With this in mind, we follow a uniform policy for hiring, job placement and human resource development. The Group has established various programs and systems, such as a career matching system to support the continued employment of each and every employee so that they remain motivated and can maximise their skills and abilities over the long term. In FY2022, there were no transition assistance programs provided to Director(s), key management and any other employees due to termination or retirement. Specialised training is provided for employees engaged in different types of work to enhance their knowledge and skillsets. In FY2022, our employees attended an average of 3.05 training hours per employee (FY2021: 2.1 training hours per employee).

Employee Category	Gender	Number of Training Hours	
		FY2022	FY2021
Senior Management	Male	-	37
	Female	-	-
Middle Management	Male	23	61
	Female	17.5	-
Executive	Male	7.5	35
	Female	55.5	19
Non-Executive	Male	533.5	285.5
	Female	-	-
Total		637.0	437.5

The increase in training hours is mainly due to the easing of COVID-19 restrictions which allowed the Company to send employees for in-person training courses.

OCCUPATIONAL HEALTH AND SAFETY

At EnGro, the various functions and departments work hand in hand to support safety and health. We have established detailed rules and regulations regarding occupational safety and health, which are also reflected in agreements with labour unions. Respective division General Managers who are part of the management team will report directly to the CEO on health and safety matters for each site. Each site establishes their own policies and plans regarding health and safety while also promoting the elimination of occupational accidents and improvement of health.

EnGro places significant emphasis on the health and safety of its employees. Management ensures that the Company complies with legal requirements for all safety and health matters and educate our employees to observe safety requirements at all times. Since 2012, EnGro's operations in Singapore have obtained OHSAS 18001 certification for Occupational Health and Safety Management Systems and these sites have now transitioned and certified to ISO 45001. At EnGro's production facilities, employees attend toolbox meeting on a daily basis, where safety advisories and reminders are communicated to employees.

Before commencing any work, supervisors or project managers must complete a hazard analysis or risk assessment of the work activities and submit to the appropriate EnGro management for approval. This requirement is applicable to both EnGro's employees as well as its contractors. All accident cases have to be reported to the supervisors and plant managers and investigations are carried out to ensure corrective actions have been identified and implemented.

SUSTAINABILITY

FOCUS AREAS

We encountered zero fatalities, zero high-consequence work-related injuries, zero recordable work-related injuries and zero recordable work-related ill health cases in FY2022 (FY2021: zero fatalities, zero high-consequence work-related injuries, 2 recordable work-related injuries and zero recordable work-related ill health cases). Awareness of workplace accident prevention are shared across the business units and we will continuously work towards zero occurrence and severity of workplace accidents. Awareness of workplace accident prevention are shared across business units and we will continuously work towards zero occurrence and severity of workplace accidents.

Operations and scope of workers		Singapore		Malaysia	
		Employee	^[1] Non-employee	Employee	Non-employee
Number of fatalities by work-related injury		0	0	0	0
Rate of fatalities by work-related injury		0	0	0	0
Number of high-consequence work-related injuries ^[2] (Excluding fatalities)		0	0	0	0
Rate of high-consequence work-related injuries		0	0	0	0
(Excluding fatalities)	Major	0	0	0	0
	Minor	0	0	0	0
Rate of recordable work-related injuries ^[3]		0	0	0	0

^[1]Workers who are not employee but whose work/workplace is controlled by EnGro.

^[2]Work-related injury that results in a fatality or in an injury from which the worker cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months.

^[3]Rates are calculated based on 200,000 hours worked. However, EnGro reported zero injuries.

SUSTAINABILITY FOCUS AREAS

Key measures adopted to manage health and safety in the workplace environment are as follows:

- Safety officers are deployed at our sites to educate and identify safety gaps and work towards closing all occupational health and safety gaps;
- Standard Operating Procedures (“SOPs”) are made available at all sites with safety rules embedded in all the work processes to ensure that these safety rules are strictly and consistently observed;
- Regular in-house safety trainings are conducted and safety instruction diagrams are clearly visible near various equipment for easy reference; and
- Supervisors are sent for safety training to upgrade their skills and to keep abreast of latest safety regulations.



**Top-Mix
Toolbox meeting**



**EnGro
Safety briefing**

SUSTAINABILITY FOCUS AREAS

COMMUNITY INVESTMENT

We strive to set a good example and encourage individuals and other corporations to embrace the spirit of giving as we recognise that the long-term success of our business is closely related with the health and prosperity of the community which we operate in.

During the Reporting Period, we are engaged in various initiatives to help the communities, such as the following:

Nurturing tomorrow's talents

EnGro has been providing five bond-free scholarships annually to the Singapore Institute of Technology ("SIT") since 2016. Each scholarship is applicable for one academic year and can be used for the recipient's annual tuition fees for specified undergraduate programmes at SIT.

EnGro support to Ren Ci Hospital

EnGro continuously support Ren Ci Hospital by donating to the Ren Ci Charity Golf Tournament 2022 in its fund raising drive to cater in providing affordable medical, nursing and rehabilitative care services to less fortunate and low-income families.

Contribution to "Chinese Singaporean Culture Online Video Series"

EnGro donated to Singapore Chinese Cultural Centre 2 years in a row since year 2021 to support the Chinese Singaporean Culture Online Video Series, which provide accessible and high-quality programmes to the public. We are glad to be a part of supporting the Centre's magnanimous efforts to promote and transmit Chinese Singaporean culture to future generations.

Contribution to ITE's Nature Ambassadors Project

EnGro donated to ITE to encourage and create interest amongst students in sustainability, nature conversation and scientific research on environmental science, wildlife and biodiversity in Singapore. We believed the project would promote nature awareness, nature appreciation, and advocate conversation of the Natural Society.

Donation to Singapore Perspectives

EnGro's donation also went to Institute of Policy Studies (IPS) for its Singapore Perspectives flagship conference, which was first launched in 2000 to engage thinking Singaporeans in a lively debate about the public policy challenges.



SUSTAINABILITY FOCUS AREAS

OUR ENVIRONMENT

Caring for the people we work with

ENERGY CONSERVATION AND EMISSION REDUCTION

More than three decades ago, when the Company was still under the auspices of SsangYong Cement (S) Limited, the Company took its first steps to go green with the intent to promote GGBS, a low carbon yet high performance material that could partially displace OPC, which had a high carbon footprint of almost 20 times that of GGBS. From 2002 onwards, our Go Green program began to intensify after we expanded into North Asia, in China and South Korea, where we have established 19 green cement (i.e. GGBS) plants with a total GGBS production capacity of 11.4 million tons p.a. In 2008, we were the first among our peers to adopt independent carbon footprint assessment for our products and provide third party assessed carbon footprint certificates to our customers for the products they procure from us. In 2007, various EnGro's green products were the first in the industry to receive the Singapore Green Labelling Scheme accreditation for its sustainability qualities and similarly also achieved the "4 ticks" or "Leader" rating from the Singapore Green Building Council ("SGBC").

GREEN LABEL PRODUCTS



**P197A
P197B
P4246
P4246S
VCEM
DuraCrete**

SINGAPORE GREEN BUILDING PRODUCTS



**P197-4S
P4246
P4246S
DuraCrete**



**P197A
P197B
DuraCrete**

EnGro and its subsidiary companies have invariably sought to obtain international certifications, such as the ISO, to demonstrate our environmental commitment. Our Singapore operations were certified ISO 14001 since 2012. In regards to our Malaysia concrete operations, we have also obtained ISO 9001 certification. To closely communicate the results of our green initiatives, EnGro chose to implement independent carbon footprint assessments at product and company level to communicate the Greenhouse Gas ("GHG") footprint of our operations and products to our stakeholders. A Product Life Cycle Assessment (LCA) has also been done for selected products in accordance with international standards ISO14040/44 and PAS2050.

We strive to be at the forefront of product innovations through intensive research and development to develop our expertise and in-house capability. We rely on our knowledge-based culture of continuous learning and spirit of innovation to develop environmentally friendly products. Together with our research team and external partners, EnGro constantly develops new environmentally friendly solutions to address new applications that generate long-term benefits to our stakeholders. We believe in a collective effort with the community in adopting green and going the extra mile and upholding corporate governance practices to achieve a balance between People, Planet, and Profit, that is, the Triple Bottomline.

SUSTAINABILITY

FOCUS AREAS

Recognising the link between our business activities, energy consumption, and GHG emissions, EnGro strives to lower our GHG emissions at every stage of the product lifecycle. EnGro's green cement products utilise recycled materials (such as GGBS) as ingredient materials and Top-Mix Concrete uses EnGro's low-carbon VCEM GGBS product in green concrete products. This results in products of lower carbon-content, while maintaining and even improving the performance and functionality of the products.

Our overall energy consumption from our offices and manufacturing sites in Singapore and Malaysia for FY2022 was approximately 58,201 GJ (FY2021: 51,470 GJ²) while the overall Scope 1 and Scope 2 GHG emission was 3,135 tCO₂e (FY2021: 2,927 tCO₂e) and 1,831 tCO₂e (FY2021: 1,463 tCO₂e) respectively. For a better comparison and understanding of our GHG emissions, we have also, in this year's report, included the performance data from FY2021 emissions. There has been a slight increase in the total GHG emissions for FY2022 as compared to FY2021 due to the resumption of operations post-pandemic. Carbon emission is factored in all types of GHGs covered by the IPCC: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O).

OUR PERFORMANCE

Energy Consumption and GHG Emissions for Singapore and Malaysia operations

Business Entity	Energy Consumption from Fuel Use (MJ)		Energy Consumption from Electricity Use (MJ)		Scope 1 GHG Emissions (kgCO ₂ e)		Scope 2 GHG Emissions (kgCO ₂ e)	
	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021	FY2022	FY2021
Singapore Operations								
Corporate Office	0	0	162,418	145,249	0	0	18,304	16,462
Top-Mix Concrete Plants ²	25,064,674	22,069,248	407,700	379,364	1,835,329	1,635,230	45,946	42,995
EnGro Corporation Limited (PDL Plant)	2,640,685	2,624,876	13,202,766	9,996,037	193,362	194,491	1,487,878	1,132,884
<i>Subtotal</i>	<i>27,705,359</i>	<i>24,694,124</i>	<i>13,772,884</i>	<i>10,520,650</i>	<i>2,028,691</i>	<i>1,829,721</i>	<i>1,552,128</i>	<i>1,192,341</i>
Malaysia Operations								
Corporate Office	0	0	101,444	102,899	0	0	17,527	19,151
Top-Mix Concrete Plants ⁴	15,110,405	14,803,746	1,517,724	1,349,057	1,106,440	1,096,890	262,229	251,974
<i>Subtotal</i>	<i>15,110,405</i>	<i>14,803,746</i>	<i>1,619,168</i>	<i>1,451,956</i>	<i>1,106,440</i>	<i>1,096,890</i>	<i>279,756</i>	<i>270,225</i>
TOTAL	42,815,764	39,497,870	15,392,052	11,972,606	3,135,131	2,926,611	1,831,884	1,462,566
Intensity ratio (consumption/revenue)	0.47	0.30	0.12	0.09	0.03	0.02	0.01	0.01

Source of fuel emission factors: IPCC 2006 Guidelines for National Greenhouse Gas Inventories

Grid emission factors for Singapore were sourced from Energy Market Authority, Singapore. Grid emission factors for Malaysia were sourced from Institute for Global Environmental Strategies (2022). List of Grid Emission Factors, version 10.12

GHG Gas Protocol

² Figure has been restated as a correction.

³ Top-Mix Concrete plants for Singapore operations include Changi and Tuas plants.

⁴ Top-Mix Concrete plants for Malaysia operations include Tampoi, Tanjong Kupang, Melaka and Genting plants.

For the Sustainability Factors identified, we have set targets for FY2023 as follows:

S/N	Sustainability Factor	Target for FY2023
Our business		
1	Ethical business conduct and compliance	Maintain zero case of corruption
2	Economic performance	Maintain or improve economic value generated subject to market conditions
Our people		
3	Product quality, service quality and customer satisfaction	Maintain zero case of product non-compliance with regulations concerning health and safety impacts of our products
4	Employment practices	Maintain zero incident of unlawful discrimination against employees
5	Occupational health and safety	Maintain zero workplace accident
6	Employee development	Maintain or improve training hours per employee
7	Community investment	Initiate various campaigns to help the communities
Our environment		
8	Energy and emissions	Maintain or reduce GHG emissions intensity



SUPPORTING THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDG, which form an urgent call for action by all countries – developed and developing – in a global partnership. We believe that everyone plays an important part in advancing sustainable development and to align our business objectives with the SDG, we have identified the relevant SDG which we can contribute to through our business practices, products and services. The SDG that we focus on and the related Sustainability Factors are as follows:

	SDG	Our effort (Sustainability Factor)
	Ensure healthy lives and promote well-being for all at all ages	<u>Occupational health and safety</u> We implement measures such as deploying safety officers at sites, putting in place safety rules and providing safety training to provide a hazard-free workplace for our employees and ensure the well-being of both our employees and the working environment.
	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<u>Employee development</u> We offer our employees specialised training to enhance their knowledge and skillsets as we believe in creating a rewarding working environment for our employees.
	Ensure access to affordable, reliable, sustainable and modern energy for all	<u>Energy conservation and emission reduction</u> We constantly monitor and implement measures to reduce our energy consumption as not only does it help to improve our energy efficiency, it also helps us to reduce our emissions and save costs incurred to support our business operations.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<u>Economic performance</u> We contribute to economic growth through creating long-term value for our stakeholders.
	Reduce inequality within and among countries	<u>Employment practices</u> We ensure equal opportunity for all regardless of gender, age and educational background.
	Make cities and human settlements inclusive, safe, resilient and sustainable	<u>Community investment</u> While we strive to achieve our business goals, we also believe in giving back to the society and serving our local communities to promote social inclusion and sustainable communities.
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institutions at all levels	<u>Product quality, service quality and customer satisfaction</u> We recognise that product quality and customer health and safety are key to ensuring customer satisfaction. We adhere to industry standards, adopt a transparent approach in product labelling and comply with laws and regulations concerning the health and safety impacts of our products to maintain the continued success of our business and promote effective, accountable and transparent institutions. <u>Ethical business conduct and compliance</u> We are committed to high standards of corporate governance as we believe that a high standard of corporate governance is integral in ensuring sustainability of our businesses as well as safeguarding shareholders' interests and maximising long-term shareholder's value.

GRI CONTENT INDEX

EnGro Corporation Limited has reported in accordance with the GRI Standards for the period of 1 January 2022 to 31 December 2022.

GRI Standard	Disclosure	Reasons for Omission	Page number(s) and/or URL(s)
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organizational details	01 of SR 22 70 of AR 22 90 - 92 of AR 22
	2-2	Entities included in the organization's sustainability reporting	90 - 92 of AR 22
	2-3	Reporting period, frequency and contact point	03 of SR 22
	2-4	Restatements of information	03 of SR 22
	2-5	External assurance	03 of SR 22
	2-6	Activities, value chain and other business relationships	01 of SR 22 03 of SR 22 10 of SR 22 11 - 13 of SR 22 07 of AR 22 11 of AR 22 63 - 65 of AR 22 112 - 115 of AR 22
	2-7	Employees	11 - 13 of SR 22
	2-8	Workers who are not employees	11 - 13 of SR 22
	2-9	Governance structure and composition	04 of SR 22 09 of SR 22 27 - 49 of AR 22
	2-10	Nomination and selection of the highest governance body	04 of SR 22 09 of SR 22 27 - 49 of AR 22
	2-11	Chair of the highest governance body	02 - 04 of SR 22
	2-12	Role of the highest governance body in overseeing the management of impacts	02 - 04 of SR 22
	2-13	Delegation of responsibility for managing impacts	02 - 04 of SR 22
	2-14	Role of the highest governance body in sustainability reporting	02 - 04 of SR 22
	2-15	Conflicts of interest	02 - 04 of SR 22
	2-16	Communication of critical concerns	09 of SR 22

GRI CONTENT INDEX

GRI Standard	Disclosure	Reasons for Omission	Page number(s) and/or URL(s)
General Disclosures			
GRI 2: General Disclosures 2021	2-17	Collective knowledge of the highest governance body	02 - 04 of SR 22
	2-18	Evaluation of the performance of the highest governance body	27 - 49 of AR 22
	2-19	Remuneration policies	35 - 37 of AR 22
	2-20	Process to determine remuneration	35 - 37 of AR 22
	2-21	Annual total compensation ratio	Confidentiality constraints
	2-22	Statement on sustainable development strategy	02 of SR 22 04 - 05 of AR 22
	2-23	Policy commitments	09 of SR 22 27 - 49 of AR 22
	2-24	Embedding policy commitments	09 of SR 22
	2-25	Processes to remediate negative impacts	02 of SR 22 04 of SR 22 06 of SR 22 07 - 19 of SR 22
	2-26	Mechanisms for seeking advice and raising concerns	04 - 05 of SR 22 09 of SR 22
	2-27	Compliance with laws and regulations	09 of SR 22
	2-28	Membership associations	Not applicable
	2-29	Approach to stakeholder engagement	04 - 05 of SR 22
	2-30	Collective bargaining agreements	11 of SR 22
Material Topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	06 of SR 22
	3-2	List of material topics	07 - 19 of SR 22
	3-3	Management of material topics	02 of SR 22 04 of SR 22 06 of SR 22 07 - 19 of SR 22

GRI CONTENT INDEX

GRI Standard		Disclosure	Reasons for Omission	Page number(s) and/or URL(s)
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed		07 of AR 22 10 of SR 22 63 - 65 of AR 22
GRI 205: Anti-corruption 2016	205-3	Confirmed incidents of corruption and actions taken		09 of SR 22
GRI 401: Employment 2016	401-1	New employee hires and employee turnover		11 - 13 of SR 22
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		11 - 13 of SR 22
GRI 403: Occupational Health and Safety 2018	403-9	Work related injuries		14 - 15 of SR 22
	403-10	Work-related ill health		14 - 15 of SR 22
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee		14 of SR 22
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees		11 - 13 of SR 22
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken		11 - 13 of SR 22
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs		17 of SR 22 26 of AR 22
GRI 416: Customer Health and Safety 2016	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		11 of SR 22
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling		11 of SR 22

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